



Budget

2020-21

Portfolio Budget Statements 2020-21
Budget Related Paper No. 1.11

PRIME MINISTER AND CABINET PORTFOLIO

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

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THE HON SCOTT MORRISON MP
PRIME MINISTER

**PARLIAMENT HOUSE
CANBERRA 2600**

President of the Senate
Parliament House
CANBERRA ACT 2600

Speaker of the House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr President
Dear Mr Speaker

I hereby submit Portfolio Budget Statements in support of the 2020-21 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

A handwritten signature in blue ink, appearing to read 'Scott Morrison', written in a cursive style.

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nfp	not for publication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 Finance 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.

**USER GUIDE
TO THE
PORTFOLIO BUDGET STATEMENTS**

USER GUIDE

The purpose of the *2020-21 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.

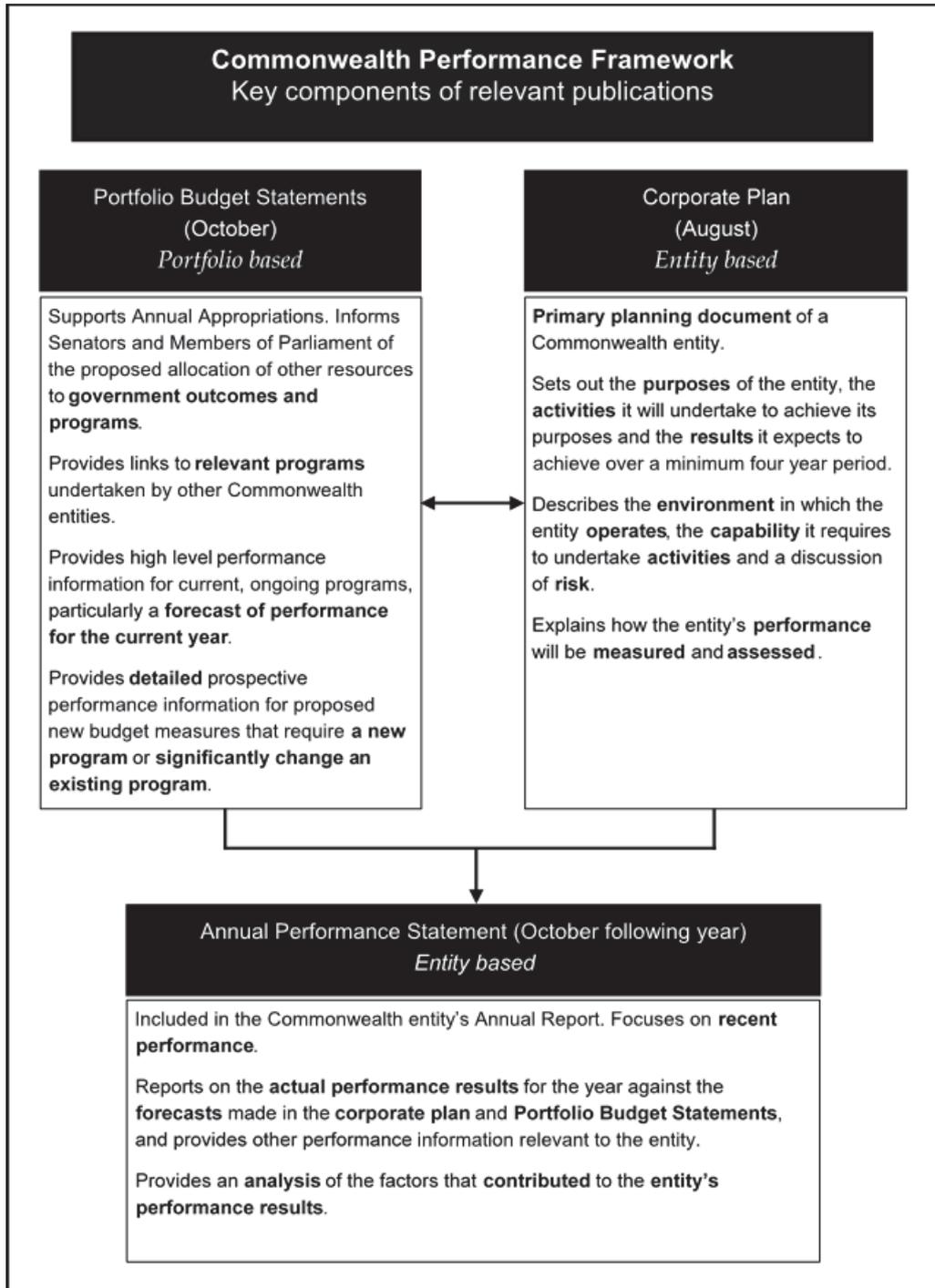
A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills (No. 1 and No. 2) 2020-21 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2020-21 for the parliamentary departments). In this sense, the PB Statements are Budget related papers and are declared by the Appropriation Acts to be 'relevant documents' to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

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

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

The Commonwealth Performance Framework

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



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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 Department of the Prime Minister and Cabinet comprise:

- advice to the Prime Minister on policy and implementation across Government
- assistance to the Prime Minister in managing the Cabinet, National Cabinet and National Federation Reform Council programs
- convening and supporting taskforces to coordinate and drive Government policies
- international and national security policy coordination
- intergovernmental relations and communications with state and territory governments
- coordination of government administration
- Australian honours and symbols policy
- official and ceremonial support
- women's policies and women's leadership and development strategy
- Official Establishments, ownership and property management of the Prime Minister's official residences
- reducing the burden of government regulation
- the National Office for Child Safety
- the Office of the National Data Commissioner
- strategic leadership and coordination for the Government's response and recovery efforts in relation to the national bushfire crisis
- coordination and provision of advice to the Australian Government on actions to anticipate and mitigate the economic and social impacts of the global COVID-19 pandemic.

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

- Commonwealth Aboriginal and Torres Strait Islander policy, programs and service delivery

Portfolio Overview

- improving the lives of Aboriginal and Torres Strait Islander people through enhanced Indigenous economic rights to support economic independence, the provision of improved access to education, employment, health, wellbeing, and other services, as well as the maintenance of cultural identity
- coordination and evaluation of Australia's foreign intelligence activities
- Australian Government employment workplace relations policy to position the Australian Public Service (APS) workforce for the future by improving people management, manage capability and professional development across the APS
- support to the Governor-General to perform his official duties
- promoting and improving workplace gender equality in Australian workplaces
- strategic leadership and coordination for the Government's response and recovery efforts directed at drought and the flood affected areas of North Queensland.

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

Non-corporate Commonwealth entities under the PGPA Act:

- Department of the Prime Minister and Cabinet
- Australian National Audit Office
- Australian Public Service Commission
- National Drought and North Queensland Flood Response and Recovery Agency
- National Indigenous Australians Agency
- Office of National Intelligence
- Office of the Official Secretary to the Governor-General
- Workplace Gender Equality Agency.

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
- Old Parliament House
- Torres Strait Regional Authority
- Wreck Bay Aboriginal Community Council.

Commonwealth Companies under the PGPA Act:

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

Portfolio Overview

The **Department of the Prime Minister and Cabinet (PM&C)** is a non-corporate Commonwealth entity 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.

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 Australians 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 established by the *Australian Institute of Aboriginal and Torres Strait Islander Studies Act 1989*. 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 a non-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 integrity 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 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 through the ownership and management of land, fresh water and salt water can bring. This includes economic independence (in particular support for enterprise and jobs for Indigenous people); social benefits; cultural identity and connection; and environmental sustainability. The ILSC provides assistance through direct investment in projects, supporting capability development and through enabling the establishment of beneficial networks and partnerships.

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 **National Bushfire Recovery Agency** (NBRA) was established during 2019-20 within the Department of the Prime Minister and Cabinet, to provide strategic leadership and coordination for Commonwealth supported recovery and rebuild activities in communities affected by bushfire.

The **National Drought and North Queensland Flood Response and Recovery Agency** (NDNQFRRRA) is a non-corporate Commonwealth entity subject to the PGPA Act. The NDNQFRRRA provides strategic leadership, policy advice and coordination for the Government's response and recovery efforts directed at drought and the flood affected areas of North, Far North and Western Queensland.

Portfolio Overview

The **National Indigenous Australians Agency** (NIAA) was established as an Executive Agency as at 1 July 2019. The NIAA is a non-corporate Commonwealth entity subject to the PGPA Act. The NIAA is responsible for leading and coordinating the Commonwealth's policy development, program design and implementation, and service delivery for Indigenous Australians. The NIAA provides advice to the Prime Minister and the Minister for Indigenous Australians on whole-of-government priorities for Aboriginal and Torres Strait Islander people.

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 Registrar of Aboriginal and Torres Strait Islander Corporations 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's office, **Office of the Registrar of Indigenous Corporations** (ORIC), registers and regulates Aboriginal and Torres Strait Islander corporations. ORIC is resourced through the appropriations of the National Indigenous Australians Agency (NIAA).

Old Parliament House (OPH) was the home of the Federal Parliament from 1927 to 1988 and is an icon of national significance. It now houses the Museum of Australian Democracy, which provides dynamic exhibitions, events, engagement and education programs, to explore Australia's democratic traditions and the factors and people that shaped that journey and improve understanding of democracy and the skills required to participate in it.

Outback Stores Pty Ltd (OBS) is a Commonwealth Company subject to the *Corporations Act 2001* and the PGPA Act. OBS promotes food security, health and employment in remote Indigenous communities by managing community stores. OBS helps Aboriginal and Torres Strait Islander people to improve their standard of living and achieve health goals through increasing access to affordable healthy food, and the provision of quality retail management services for community stores.

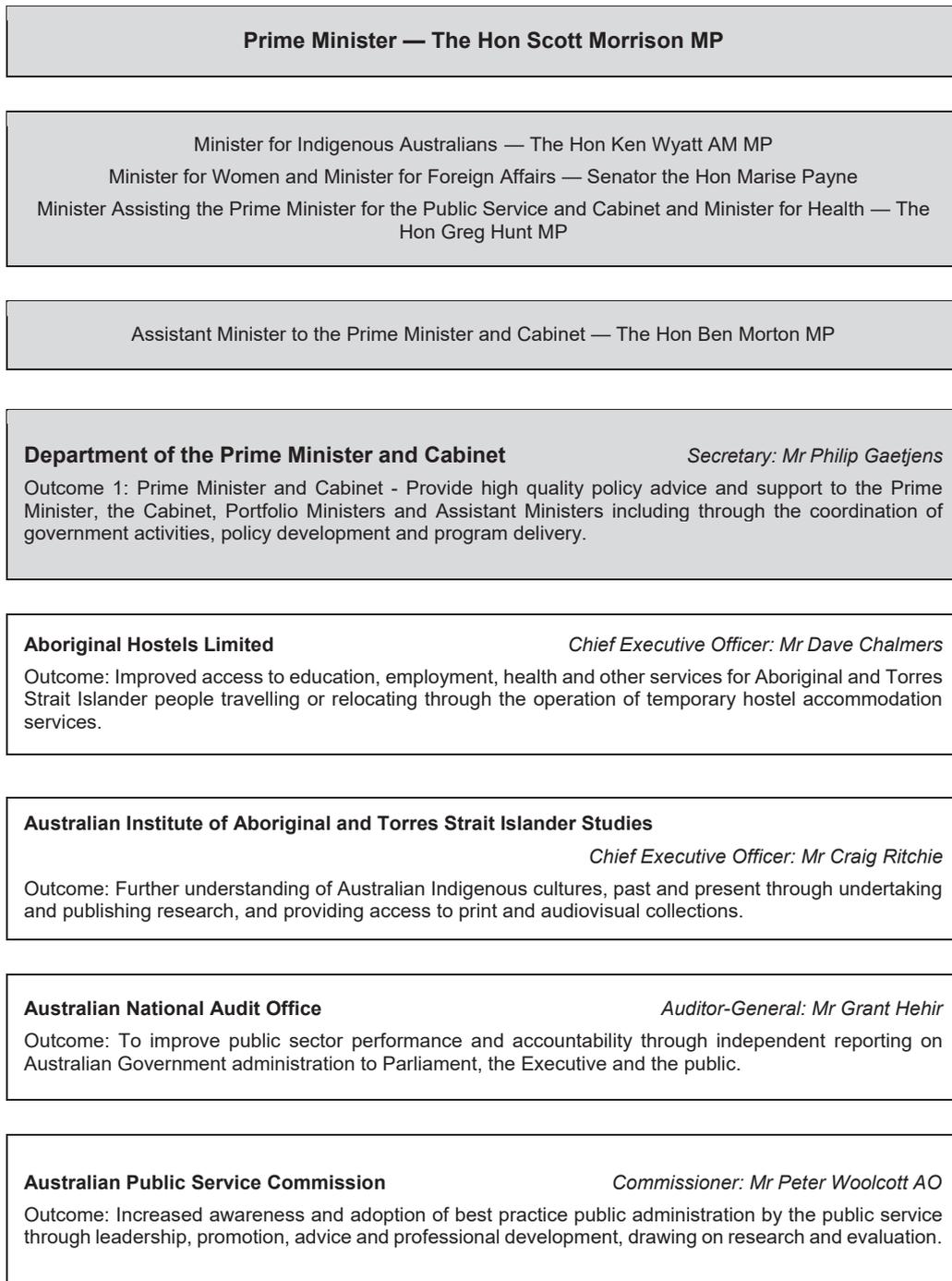
The **Remuneration Tribunal** is an independent statutory authority established under the *Remuneration Tribunal Act 1973*. The Remuneration Tribunal is primarily responsible for inquiring into and determining the remuneration and allowances to be paid to holders of public offices (including parliamentary 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 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 Australians 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 established by the *Workplace Gender Equality Act 2012* (WGE Act) and is subject to the PGPA Act. The WGEA is responsible for promoting and improving gender equality in Australian workplaces and administering the functions of the WGE Act.

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 the PGPA 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



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

Acting Chief Executive Officer: Ms Tricia Stroud

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.

National Drought and North Queensland Flood Response and Recovery Agency

Coordinator-General: The Hon Mr Shane L Stone AC QC

Outcome: To coordinate Commonwealth activities for the purpose of assisting areas affected by drought or the North and Far North Queensland Monsoon Trough (25 January – 14 February 2019), including through strategic leadership and policy advice, recovery activities, drought preparation, and administering a loan scheme to provide assistance to eligible primary producers affected by the Monsoon Trough.

National Indigenous Australians Agency

Chief Executive Officer: Mr Ray Griggs AO CSC

Outcome: 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.

Northern Territory Land Councils

Anindilyakwa Land Council – *Accountable Authority: Mr Tony Wurramarra (Chair) and Mr Mark Hewitt (Chief Executive Officer)*

Central Land Council – *Accountable Authority: Mr Sammy Wilson (Chair) and Mr Joe Martin-Jard (Chief Executive Officer)*

Northern Land Council – *Accountable Authority: Mr Samuel Bush-Blanos (Chair) and Ms Marion Scrymgour (Chief Executive Officer)*

Tiwi Land Council – *Accountable Authority: Mr Gibson Farmer Illortaminni (Chair) and Mr Andrew Tjprungwuti (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*.

Portfolio Overview

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

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.

Old Parliament House

Director: Ms Daryl Karp AM

Outcome: An enhanced appreciation and understanding of the political and social heritage of Australia for members of the public, through activities including the conservation and upkeep of, and the provision of access to, Old Parliament House and the development of its collections, exhibitions and educational programs.

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

Chief Executive Officer: Ms Leilani Bin-Juda

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.

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

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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, Chair of the Cabinet, Chair of the National Cabinet and Minister for the Public Service
- 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)
- 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
- through the Office of the National Data Commissioner, streamlining how public sector data is used and shared
- advising the Prime Minister on delivering national policies and strategies to enhance children's safety and reduce future harm to children
- strategic leadership and coordination for the Government's response and recovery efforts in relation to the national bushfire crisis
- coordination of advice to the Australian Government on actions to anticipate and mitigate the economic and social impacts of the global COVID-19 pandemic.

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 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: PM&C resource statement — Budget estimates for 2020-21 as at Budget October 2020

	2019-20 <i>Estimated actual</i> \$'000	2020-21 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	36,627	28,433
Departmental appropriation (c)	168,071	196,869
s74 external revenue (d)	60,926	43,399
Departmental capital budget (e)	13,464	8,209
Annual appropriations - other services - non-operating (f)		
Prior year appropriations available	139	139
Total departmental annual appropriations	<u>279,227</u>	<u>277,049</u>
Total departmental resourcing	279,227	277,049
Administered		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	3,384	5,994
Outcome 1	30,114	39,697
Administered capital budget (h)	1,233	1,529
Payments to corporate entities (i)	119,185	124,886
Annual appropriations - other services - non-operating (f)		
Payments to corporate entities (i)	25,035	98,120
Total administered annual appropriations	<u>178,951</u>	<u>270,226</u>
Total administered special appropriations	<u>-</u>	<u>15,504</u>
Special accounts (g)		
Opening balance	37,779	-
Adjustments	(37,552)	-
Non-appropriation receipts	100	-
Total special account receipts	<u>327</u>	<u>-</u>
less payments to corporate entities from annual/special appropriations	<u>(144,220)</u>	<u>(223,006)</u>
Total administered resourcing	35,058	62,724
Total resourcing for PM&C	314,285	339,773
	2019-20	2020-21
Average staffing level (number)	867	1,067

Third party payments from and on behalf of other entities

	2019-20 <i>Estimated actual</i> \$'000	2020-21 Estimate \$'000
Receipts received from other entities for the provision of services (disclosed above in s74 External Revenue receipts section above)	60,926	43,399
Payments made to corporate entities within the Portfolio		
Australian Institute of Aboriginal and Torres Strait Islander Studies	20,445	19,511
Indigenous Land and Sea Corporation	8,573	8,402
Indigenous Business Australia	32,388	107,396
Aboriginal Hostels Limited	36,241	35,941
Torres Strait Regional Authority	35,897	36,078
Old Parliament House	10,676	15,678

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.

- (a) Appropriation Bill (No. 1) 2020-21.
- (b) Excludes \$99.251m subject to administrative quarantine by Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*.
- (c) Excludes departmental capital budget (DCB).
- (d) Estimated External Revenue receipts under section 74 of the PGPA Act.
- (e) 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'.
- (f) Appropriation Bill (No. 2) 2020-21.
- (g) 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.
- (h) 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'.
- (i) 'Corporate entities' are corporate Commonwealth entities and Commonwealth companies as defined under the PGPA Act.

1.3 BUDGET MEASURES

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

Table 1.2: PM&C 2020-21 Budget measures
Measures announced after the Economic and Fiscal Update July 2020

	Program	2020-21	2021-22	2022-23	2023-24
		\$'000	\$'000	\$'000	\$'000
Payment measures					
Critical Technology - establishing an enhancing capability					
Departmental payment	1.1	3,009	2,614	-	-
Total		3,009	2,614	-	-
COVID-19 Response Package - Relief and Recovery Fund - additional projects (a)					
Administered payment	1.1	-	-	-	-
Total		-	-	-	-
JobMaker Plan - Deregulation Package (b)					
Departmental payment	1.1	7,574	6,660	-	-
Total		7,574	6,660	-	-
JobMaker Plan - Second Women's Economic Security Package (c)					
Administered payment	1.1	21,800	11,900	7,400	4,200
Departmental payment		800	700	600	500
Total		22,600	12,600	8,000	4,700
Department of the Prime Minister and Cabinet - additional resourcing					
Administered payment	1.1	633	636	637	640
Departmental payment	1.1	23,433	10,064	1,863	1,260
Total		24,066	10,700	2,500	1,900
Total payment measures					
Administered	1.1	22,433	12,536	8,037	4,840
Departmental		34,816	20,038	2,463	1,760
Total		57,249	32,574	10,500	6,600

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

- (a) The measure titled *COVID-19 Response Package – Relief and Recovery Fund – additional projects* is a cross portfolio measure. The full measure description and package details appear in *Budget Paper No. 2* under Cross Portfolio. Funding of \$15.494 million in 2020-21 has already been provided for by Government.
- (b) The measure titled *JobMaker Plan – Deregulation Package* is a cross portfolio measure. The full measure description and package details appear in *Budget Paper No. 2* under Cross Portfolio.
- (c) The measure titled *JobMaker Plan – Second Women's Economic Security Package* is a cross portfolio measure. The full measure description and package details appear in *Budget Paper No. 2* under Cross 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 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 a complete picture of an entity's planned and actual performance.

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

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

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.

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

	2019-20	2020-21	2021-22	2022-23	2023-24
	Estimated actual	Budget	Forw ard estimate	Forw ard estimate	Forw ard estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Program 1.1: Prime Minister and Cabinet					
Administered expenses					
Compensation and Legal Expenses	3	126	126	127	129
National Australia Day Council Limited	16,987	4,219	4,196	3,985	4,037
Office for Women	3,930	25,927	16,002	10,794	7,637
Parliament House Briefing Room	632	1,260	1,260	1,264	1,276
Prime Minister's Official Residences	1,947	2,221	2,207	2,221	2,250
State Occasion and Official Visits	2,157	3,868	3,849	3,883	3,933
Support to the former Governors- General (a)	1,730	1,576	1,467	1,357	1,009
Other	100	500	-	1,367	-
Payments to corporate entities	119,185	124,886	121,542	122,640	122,879
Ordinary annual services (Appropriation Act No. 1 and Bill No. 3)	146,671	164,583	150,649	147,638	143,150
Special appropriations					
<i>Public Governance, Performance and Accountability Act 2013- s77 Assistance for Severely Affected Regions (Special Appropriation) (Coronavirus Economic Response Package) Act 2020</i>	-	10	10	10	10
Special accounts					
Services for Other Entities and Trust Moneys	327	-	-	-	-
Unwinding of provision for Support to the former Governors-General (a)	(1,730)	(1,442)	(1,343)	(1,243)	4,138
Expenses not requiring appropriation in the Budget year (c)	1,194	1,152	352	352	352
Administered total	146,462	179,797	149,668	146,757	147,650

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2019-20	2020-21	2021-22	2022-23	2023-24
	Estimated actual	Budget	Forw ard estimate	Forw ard estimate	Forw ard estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Program 1.1: Prime Minister and Cabinet continued					
Departmental expenses					
Departmental appropriation (e)	167,416	200,040	163,872	140,483	140,686
s74 External Revenue (b)	61,507	43,399	42,677	42,625	42,625
Expenses not requiring appropriation in the Budget year (c)	18,547	10,197	10,008	9,917	9,670
Departmental total	247,470	253,636	216,557	193,025	192,981
Total expenses for Outcome 1	393,932	433,433	366,225	339,782	340,631

	2019-20	2020-21	2021-22	2022-23	2023-24
	Estimated actual	Budget	Forw ard estimate	Forw ard estimate	Forw ard estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Movement of administered funds between years (d)					
Outcome 1:					
Program 1.1	(700)	700	-	-	-
Total movement of administered funds	(700)	700	-	-	-

	2019-20	2020-21
Average Staffing Level (number)	867	1,067

(a) 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 2023-24 relates to the recognition of a provision for projected future entitlements for former Governors-General.

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

(c) 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.

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

(e) Includes Right of Use (RoU) asset expenses accounted for under AASB 16 Leases.

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 2020-21 Budget measures have created new programs or materially changed existing programs.

Outcome 1 – Provide high quality policy advice and support to the Prime Minister, the Cabinet, Portfolio Ministers and Assistant Ministers including through coordination of government activities, policy development and program delivery.		
Program 1.1 – Prime Minister and Cabinet		
The objectives of this program are to:		
<ul style="list-style-type: none"> 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 the National Federation Reform Council 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 (a)	2019-20 Actual Achievement/Targets
2019-20	<ul style="list-style-type: none"> 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. 	Achieved.
2020-21	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Majority of stakeholder feedback indicates satisfaction with the quality and timeliness of advice and support received. Case studies, surveys stakeholder feedback and data analysis demonstrate performance criteria have been achieved.
2021-22 and beyond	As per 2020-21.	As per 2020-21.
Purposes (b)	<ol style="list-style-type: none"> Growing jobs, incomes and the economy Resilient regions and caring for Country Strengthening families and communities Enhancing Australia's international and national security Governing well Proactive response to critical issues and disaster management and recovery 	

(a) Refer to the Corporate Plan 2020-24 for further detail.

(b) Purposes 1 to 6 in the Corporate Plan 2020-24 map to Program 1.1.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2020-21 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 Financial Statements

The Department is budgeting for a break even position in 2020-21 and each forward year, after adjusting for depreciation expense and right-of-use asset transactions (in accordance with Accounting Standard AASB 116 Leases). The Comprehensive Income Statement (Table 3.2) sets out the application of funding to ordinary operating expenses.

Appropriations for 2020-21 have increased since the publication of the 2019-20 Portfolio Additional Estimates Statements as a result of the measures identified in Table 1.2.

PM&C's net asset position is expected to decrease over the forward estimates with depreciation outweighing capital investment.

Administered Financial Statements

Administered expenses for 2020-21 have increased since the publication of the 2019-20 Portfolio Additional Estimates Statements due to additional appropriations for the measures identified Table 1.2.

3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

	2019-20 Estimated actual	2020-21 Budget	2021-22 Forw ard estimate	2022-23 Forw ard estimate	2023-24 Forw ard estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Employee benefits	123,219	141,802	122,956	109,063	110,746
Suppliers	97,237	92,016	73,575	63,624	62,050
Grants	5,962	45	45	45	45
Depreciation and amortisation	19,014	17,250	17,370	17,591	17,344
Finance costs	2,038	2,523	2,611	2,702	2,796
Total expenses	247,470	253,636	216,557	193,025	192,981
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	61,507	43,399	42,677	42,625	42,625
Total own-source revenue	61,507	43,399	42,677	42,625	42,625
Gains					
Other	7,627	1,775	1,775	1,775	1,775
Total gains	7,627	1,775	1,775	1,775	1,775
Total own-source income	69,134	45,174	44,452	44,400	44,400
Net cost of (contribution by) services	(178,336)	(208,462)	(172,105)	(148,625)	(148,581)
Revenue from Government	165,371	196,869	160,581	137,072	137,484
Surplus/(deficit) attributable to the Australian Government	(12,965)	(11,593)	(11,524)	(11,553)	(11,097)
Total comprehensive income/(loss) attributable to the Australian Government	(12,965)	(11,593)	(11,524)	(11,553)	(11,097)

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

	2019-20 Estimated actual	2020-21 Budget	2021-22 Forw ard estimate	2022-23 Forw ard estimate	2023-24 Forw ard estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Total comprehensive income/(loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriations	13	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations(a)	10,034	8,422	8,233	8,142	7,895
less depreciation/amortisation expenses for ROU (b)	8,980	8,828	9,137	9,449	9,449
add principal repayments on leased assets (b)	6,036	5,657	5,846	6,038	6,247
Total comprehensive income/(loss) - as per the statement of comprehensive income	(12,965)	(11,593)	(11,524)	(11,553)	(11,097)

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

(b) Applies leases under *AASB 16 Leases*.

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual	2020-21 Budget	2021-22 Forw ard estimate	2022-23 Forw ard estimate	2023-24 Forw ard estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Cash and cash equivalents	8,992	8,992	8,992	8,992	8,992
Trade and other receivables	29,357	27,871	27,871	27,871	27,871
Other financial assets	4,865	4,865	4,865	4,865	4,865
Total financial assets	43,214	41,728	41,728	41,728	41,728
Non-financial assets					
Land and buildings	153,255	145,506	135,837	125,875	116,102
Property, plant and equipment	9,605	8,168	7,974	7,585	6,000
Intangibles	22,759	24,981	28,366	27,032	26,441
Other non-financial assets	7,028	7,028	7,028	7,028	7,028
Total non-financial assets	192,647	185,683	179,205	167,520	155,571
Total assets	235,861	227,411	220,933	209,248	197,299
LIABILITIES					
Payables					
Suppliers	8,500	9,091	9,091	9,091	9,091
Other payables	3,593	3,593	3,593	3,593	3,593
Total payables	12,093	12,684	12,684	12,684	12,684
Interest bearing liabilities					
Leases	119,492	113,835	107,989	101,951	95,704
Total interest bearing liabilities	119,492	113,835	107,989	101,951	95,704
Provisions					
Employee provisions	42,862	42,862	42,862	42,862	42,862
Total provisions	42,862	42,862	42,862	42,862	42,862
Total liabilities	174,447	169,381	163,535	157,497	151,250
Net assets	61,414	58,030	57,398	51,751	46,049
EQUITY*					
Parent entity interest					
Contributed equity	166,030	174,239	185,131	191,037	196,432
Reserves	3,601	3,601	3,601	3,601	3,601
Retained surplus (accumulated deficit)	(108,217)	(119,810)	(131,334)	(142,887)	(153,984)
Total parent entity interest	61,414	58,030	57,398	51,751	46,049
Total Equity	61,414	58,030	57,398	51,751	46,049

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 2020-21)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2020				
Balance carried forward from previous	(108,217)	3,601	166,030	61,414
Adjusted opening balance	(108,217)	3,601	166,030	61,414
Comprehensive income				
Other comprehensive income				
Surplus/(deficit) for the period	(11,593)	-	-	(11,593)
Total comprehensive income	(11,593)	-	-	(11,593)
Transactions with owners				
Contributions by owners				
Departmental Capital Budget (DCB)	-	-	8,209	8,209
Sub-total transactions with owners	-	-	8,209	8,209
Closing balance attributable to the Australian Government	(119,810)	3,601	174,239	58,030

Prepared on Australian Accounting Standards basis

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

	2019-20 Estimated actual	2020-21 Budget	2021-22 Forw ard estimate	2022-23 Forw ard estimate	2023-24 Forw ard estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	246,209	240,268	203,258	179,697	180,109
Sale of goods and rendering of services	61,206	43,399	42,677	42,625	42,625
Other	14,167	-	-	-	-
Total cash received	321,582	283,667	245,935	222,322	222,734
Cash used					
Employees	119,805	140,858	122,956	109,198	110,746
Suppliers	117,164	89,108	71,800	61,714	60,275
Grants	5,962	45	45	45	45
s74 External Revenue transferred to the OPA	60,912	43,399	42,677	42,625	42,625
Interest payments on lease liability	2,549	2,523	2,611	2,702	2,796
Total cash used	306,392	275,933	240,089	216,284	216,487
Net cash from/(used by) operating activities	15,190	7,734	5,846	6,038	6,247
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant, equipment and intangibles	13,588	10,286	10,892	5,911	5,389
Total cash used	13,588	10,286	10,892	5,911	5,389
Net cash from/(used by) investing activities	(13,588)	(10,286)	(10,892)	(5,911)	(5,389)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	11,266	8,209	10,892	5,911	5,389
Total cash received	11,266	8,209	10,892	5,911	5,389
Cash used					
Lease Liability - Principal Payments	6,036	5,657	5,846	6,038	6,247
Total cash used	6,036	5,657	5,846	6,038	6,247
Net cash used by financing activities	5,230	2,552	5,046	(127)	(858)
Net increase/(decrease) in cash	6,832	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	2,160	8,992	8,992	8,992	8,992
Cash and cash equivalents at the end of the reporting period	8,992	8,992	8,992	8,992	8,992

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual	2020-21 Budget	2021-22 Forw ard estimate	2022-23 Forw ard estimate	2023-24 Forw ard estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Act No. 1 (DCB)	13,464	8,209	10,892	5,911	5,389
Total new capital appropriations	13,464	8,209	10,892	5,911	5,389
Provided for:					
Purchase of non-financial assets	13,464	8,209	10,892	5,911	5,389
Total Items	13,464	8,209	10,892	5,911	5,389
PURCHASE OF NON-FINANCIAL					
Funded by capital appropriation					
- DCB (a)	13,588	10,286	10,892	5,911	5,389
TOTAL AMOUNT SPENT	13,588	10,286	10,892	5,911	5,389
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	13,588	10,286	10,892	5,911	5,389
TOTAL CASH REQUIRED TO ACQUIRE ASSETS	13,588	10,286	10,892	5,911	5,389

Prepared on Australian Accounting Standards basis.

(a) 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 2020-21)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2020				
Gross book value	54,943	18,062	36,995	110,000
Gross book value - ROU	129,735	62	-	129,797
Accumulated depreciation/amortisation and impairment	(18,262)	(8,494)	(14,236)	(40,992)
Accumulated depreciation/amortisation and impairment - ROU	(13,161)	(25)	-	(13,186)
Opening net book balance	153,255	9,605	22,759	185,619
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services (a)	2,172	1,859	6,255	10,286
Total additions	2,172	1,859	6,255	10,286
Other movements				
Depreciation/amortisation expense	(1,115)	(3,274)	(4,033)	(8,422)
Depreciation/amortisation on ROU	(8,806)	(22)	-	(8,828)
Total other movements	(9,921)	(3,296)	(4,033)	(17,250)
As at 30 June 2020				
Gross book value	57,115	19,921	43,250	120,286
Gross book value - ROU	129,735	62	-	129,797
Accumulated depreciation/amortisation and impairment	(19,377)	(11,768)	(18,269)	(49,414)
Accumulated depreciation/amortisation and impairment - ROU	(21,967)	(47)	-	(22,014)
Closing net book balance	145,506	8,168	24,981	178,655

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2020-21 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)

	2019-20 Estimated actual	2020-21 Budget	2021-22 Forw ard estimate	2022-23 Forw ard estimate	2023-24 Forw ard estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Employee benefits	1,444	1,722	1,726	1,728	1,731
Suppliers	3,683	7,362	6,544	6,566	6,689
Grants	20,989	45,035	19,074	15,051	10,546
Depreciation and amortisation (a)	865	649	649	649	649
Finance costs	14	143	133	123	5,156
Write-down and impairment of assets	283	-	-	-	-
Payments to corporate entities	119,184	124,886	121,542	122,640	122,879
Total expenses administered on behalf of Government	146,462	179,797	149,668	146,757	147,650
LESS:					
OWN-SOURCE INCOME					
Non-taxation revenue					
Other revenue	683	-	-	-	-
Total non-taxation revenue	683	-	-	-	-
Total own-source revenue administered on behalf of Government	683	-	-	-	-
Total own-source income administered on behalf of Government	683	-	-	-	-
Net cost of/(contribution by) services	(145,779)	(179,797)	(149,668)	(146,757)	(147,650)
Surplus/(deficit)	(145,779)	(179,797)	(149,668)	(146,757)	(147,650)

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)

	2019-20 Estimated actual	2020-21 Budget	2021-22 Forw ard estimate	2022-23 Forw ard estimate	2023-24 Forw ard estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,342	1,342	1,342	1,342	1,342
Trade and other receivables	73	73	73	73	73
Other investments	2,606,235	2,704,355	2,783,724	2,825,594	2,848,711
Total financial assets	2,607,650	2,705,770	2,785,139	2,827,009	2,850,126
Non-financial assets					
Land and buildings	50,978	53,599	54,475	55,340	56,211
Property, plant and equipment	567	684	802	930	1,057
Other non-financial assets	174	174	174	174	174
Total non-financial assets	51,719	54,457	55,451	56,444	57,442
Total assets administered on behalf of Government	2,659,369	2,760,227	2,840,590	2,883,453	2,907,568
LIABILITIES					
Payables					
Suppliers	148	148	148	148	148
Other payables	437	437	437	437	437
Total payables	585	585	585	585	585
Interest bearing liabilities					
Leases	1,296	999	702	405	108
Total interest bearing liabilities	1,296	999	702	405	108
Provisions					
Employee provisions	490	490	490	490	490
Other provisions	18,332	16,890	15,547	14,305	18,443
Total provisions	18,822	17,380	16,037	14,795	18,933
Total liabilities administered on behalf of Government	20,703	18,964	17,324	15,785	19,626
Net assets/(liabilities)	2,638,666	2,741,263	2,823,266	2,867,668	2,887,942

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual	2020-21 Budget	2021-22 Forw ard estimate	2022-23 Forw ard estimate	2023-24 Forw ard estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash received					
Net GST received	16,428	-	-	-	-
Total cash received	16,428	-	-	-	-
Cash used					
Grants	21,270	45,035	19,074	15,051	10,546
Suppliers	5,300	7,195	6,544	6,566	6,689
Employees	1,338	1,722	1,726	1,728	1,833
Lease liability - Interest payments	14	9	9	9	9
Payments to corporate entities	119,184	124,886	121,542	122,640	122,879
Total cash used	147,106	178,847	148,895	145,994	141,956
Net cash from/(used by) operating activities	(130,678)	(178,847)	(148,895)	(145,994)	(141,956)
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant, equipment and intangibles	759	3,387	1,643	1,642	1,647
Payments to Corporate Commonwealth entities and companies	25,035	98,120	79,369	41,870	23,117
Total cash used	25,794	101,507	81,012	43,512	24,764
Net cash from/(used by) investing activities	(25,794)	(101,507)	(81,012)	(43,512)	(24,764)
FINANCING ACTIVITIES					
Cash used					
Lease liability - principal payments	356	297	297	297	297
Other - restructure	37,552	-	-	-	-
Total cash used	37,908	297	297	297	297
Net cash from/(used by) financing activities	(37,908)	(297)	(297)	(297)	(297)
Net increase/(decrease) in cash held	(194,380)	(280,651)	(230,204)	(189,803)	(167,017)
Cash and cash equivalents at beginning of reporting period	39,062	1,342	1,342	1,342	1,342
Cash from Official Public Account for:					
- Appropriations	173,665	280,651	230,204	189,803	167,017
Total cash from Official Public Account	173,665	280,651	230,204	189,803	167,017
Cash to Official Public Account for:					
- Appropriations	17,005	-	-	-	-
Total cash to Official Public Account	17,005	-	-	-	-
Cash and cash equivalents at end of reporting period	1,342	1,342	1,342	1,342	1,342

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual	2020-21 Budget	2021-22 Forw ard estimate	2022-23 Forw ard estimate	2023-24 Forw ard estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Act 1 (ACB)	1,233	1,529	1,643	1,642	1,647
Total new capital appropriations	1,233	1,529	1,643	1,642	1,647
Provided for:					
Purchase of non-financial assets	1,233	1,529	1,643	1,642	1,647
Total Items	1,233	1,529	1,643	1,642	1,647
PURCHASE OF NON-FINANCIAL					
Funded by capital appropriation - ACB (a)	759	3,387	1,643	1,642	1,647
TOTAL AMOUNT SPENT	759	3,387	1,643	1,642	1,647
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total accrual purchases	759	3,387	1,643	1,642	1,647
Total cash used to acquire assets	759	3,387	1,643	1,642	1,647

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 2020-21)

	Land \$'000	Buildings \$'000	Other property, plant and equipment \$'000	Total \$'000
As at 1 July 2020				
Gross book value	43,250	6,880	893	51,023
Gross Value - ROU	-	1,716	-	1,716
Accumulated depreciation/amortisation and impairment	-	(447)	(326)	(773)
Accumulated depreciation/amortisation and impairment - ROU	-	(421)	-	(421)
Opening net book balance	43,250	7,728	567	51,545
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services (a)	-	3,126	261	3,387
Total additions	-	3,126	261	3,387
Other movements				
Depreciation/amortisation expense	-	(205)	(144)	(349)
Depreciation/amortisation on ROU	-	(300)	-	(300)
Total other movements	-	(505)	(144)	(649)
As at 30 June 2020				
Gross book value	43,250	10,006	1,154	54,410
Gross book value - ROU	-	1,716	-	1,716
Accumulated depreciation/amortisation and impairment	-	(652)	(470)	(1,122)
Accumulated depreciation/amortisation and impairment - ROU	-	(721)	-	(721)
Closing net book balance	43,250	10,349	684	54,283

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2020-21 for depreciation/amortisation expenses, ACBs or other operational expenses.

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's purpose is to provide safe, comfortable, culturally appropriate and affordable short-term accommodation for Indigenous Australians who must live away from home to access services, education and economic opportunities.

In 2020-21 AHL will continue to:

- be an integral provider of affordable 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
- respond to need through evidence based business planning
- pursue best practice in workplace health and safety
- operate within available resources and focus on options to strengthen its business model and secure the company's longer term financial viability.

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 2020-21 as at Budget October 2020

	2019-20 Estimated actual \$'000	2020-21 Estimate \$'000
Opening balance/cash reserves at 1 July	34,557	36,176
Funds from Government		
Annual appropriations - ordinary annual services (a)		
Outcome 1	36,241	35,941
Amounts received from related entities		
National Indigenous Australians Agency (b)	1,712	1,712
Amounts from other entities	2,285	2,432
Total amounts received from related entities	3,997	4,144
Total funds from Government	40,238	40,085
Funds from other sources		
Interest	361	250
Sale of goods and services	13,971	14,855
Other	651	3,415
Total funds from other sources	14,983	18,520
Total net resourcing for AHL	89,778	94,781
	2019-20	2020-21
Average staffing level (number)	326	386

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.

(a) Appropriation Bill (No. 1) 2020-21

(b) Funding provided by another agency in the portfolio 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.

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

Appropriations are made to non-corporate Commonwealth entity Department of the Prime Minister and Cabinet (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 2020-21 Budget.

Section 2: Outcomes and planned performance

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

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

Note:

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

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

The most recent annual report can be found at:
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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
Program 1.1: Company Operated Hostels					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	36,241	35,941	35,698	35,735	35,844
Payment from related entities and other entities	4,004	4,144	4,144	4,144	4,144
Expenses not requiring appropriation in the budget year	3,050	1,534	1,015	984	953
Revenues from other independent sources	14,429	15,376	15,243	15,200	15,184
Total expenses for Program 1.1	57,724	56,995	56,100	56,063	56,125
	2019-20	2020-21			
Average staffing level (number)	326	386			

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 2020-21 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
2019-20	Occupancy level as a percentage of resident bed nights available per annum.	67% achieved
2020-21	Occupancy level as a percentage of resident bed nights available per annum.	70%
2021-22 and beyond	As per 2020-21	As per 2020-21
Purposes (a)	To provide safe, comfortable, culturally appropriate and affordable short-term accommodation for Indigenous Australians who need to be away from home to access medical services, education and economic opportunities.	

(a) Refers to updated purpose in the 2020-2024 Corporate Plan.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2020-21 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 deficits from 2020-21 and the forward estimates relates to increases in depreciation expenses resulting from the 2017-18 building revaluation, decreases in tariff earned due to COVID-19 (only for 2020-21) and the application of AASB 16 *Leases*.

Budgeted Departmental Balance Sheet

The increase in land and buildings in 2021-22 and 2022-23 is due to forecast investment in new hostels and redevelopment of existing hostels to increase AHL's hostel network footprint.

The increase in employee provisions in 2020-21 and the forward years is mainly due to the accumulation of AHL employees' long service leave provision.

The decrease in assets held for sale in 2020-21 is due the three properties that AHL is budgeting to divest in 2020-21.

Budgeted Departmental Statement of Cash Flows

The proceeds from sales of property, plant and equipment in 2020-21 relates to three properties that AHL is budgeting to divest in 2020-21.

3.2. Budgeted financial statements tables

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
EXPENSES					
Employee benefits	29,685	29,711	30,284	30,869	31,465
Suppliers	20,647	20,303	18,920	18,323	17,852
Depreciation and amortisation	6,168	6,315	6,239	6,224	6,170
Finance costs	62	61	52	42	33
Write-down and impairment of assets	1,058	605	605	605	605
Other expenses	104	-	-	-	-
Total expenses	57,724	56,995	56,100	56,063	56,125
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	14,079	15,011	15,048	15,048	15,048
Interest	349	250	195	152	136
Rental income	1	-	-	-	-
Other	4,004	4,144	4,144	4,144	4,144
Total own-source revenue	18,433	19,405	19,387	19,344	19,328
Gains					
Other	-	115	-	-	-
Total gains	-	115	-	-	-
Total own-source income	18,433	19,520	19,387	19,344	19,328
Net (cost of)/contribution by services	(39,291)	(37,475)	(36,713)	(36,719)	(36,797)
Revenue from Government	36,241	35,941	35,698	35,735	35,844
Surplus/(deficit) attributable to the Australian Government	(3,050)	(1,534)	(1,015)	(984)	(953)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	(3,962)	(3,907)	-	-	-
Total comprehensive income/(loss)	(7,012)	(5,441)	(1,015)	(984)	(953)
Total comprehensive income/(loss) attributable to the Australian Government	(7,012)	(5,441)	(1,015)	(984)	(953)

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	36,176	38,044	29,332	23,359	24,376
Trade and other receivables	608	608	608	608	608
Total financial assets	36,784	38,652	29,940	23,967	24,984
Non-financial assets					
Land and buildings	111,524	110,604	117,974	122,594	120,214
Property, plant and equipment	3,660	4,268	3,952	3,651	3,404
Intangibles	173	181	189	197	205
Other non-financial assets	129	129	129	129	129
Total non-financial assets	115,486	115,182	122,244	126,571	123,952
Assets held for sale	3,202	-	-	-	-
Total assets	155,472	153,834	152,184	150,538	148,936
LIABILITIES					
Payables					
Suppliers	1,119	1,119	1,119	1,119	1,119
Other payables	2,276	1,383	1,383	1,383	1,383
Total payables	3,395	2,502	2,502	2,502	2,502
Interest bearing liabilities					
Leases	5,543	5,997	5,037	4,061	3,108
Total interest bearing liabilities	5,543	5,997	5,037	4,061	3,108
Provisions					
Employee provisions	3,186	3,521	3,846	4,160	4,464
Total provisions	3,186	3,521	3,846	4,160	4,464
Total liabilities	12,124	12,020	11,385	10,723	10,074
Net assets	143,348	141,814	140,799	139,815	138,862
EQUITY*					
Parent entity interest					
Contributed equity	94,243	94,243	94,243	94,243	94,243
Reserves	49,782	45,875	45,875	45,875	45,875
Retained surplus (accumulated deficit)	(677)	1,696	681	(303)	(1,256)
Total parent entity interest	143,348	141,814	140,799	139,815	138,862
Total equity	143,348	141,814	140,799	139,815	138,862

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 2020-21)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2020				
Balance carried forward from previous period	(677)	49,782	94,243	143,348
Comprehensive income				
Surplus/(deficit) for the period	(1,534)	-	-	(1,534)
Total comprehensive income	(1,534)	-	-	(1,534)
of which:				
Attributable to the Australian Government	(1,534)	-	-	(1,534)
Transfers between equity components	3,907	(3,907)	-	-
Estimated closing balance as at 30 June 2021	1,696	45,875	94,243	141,814
Closing balance attributable to the Australian Government	1,696	45,875	94,243	141,814

Prepared on Australian Accounting Standards basis

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Receipts from Government	40,238	40,085	39,842	39,879	39,988
Sale of goods and rendering of services	13,971	14,855	14,892	14,892	14,892
Interest	361	250	195	152	136
Net GST received	2,067	1,928	2,713	2,406	1,683
Other	1,518	-	-	-	-
Total cash received	58,155	57,118	57,642	57,329	56,699
Cash used					
Employees	29,253	30,269	29,959	30,555	31,161
Suppliers	21,488	20,401	18,920	18,323	17,852
Net GST paid	1,755	1,928	2,713	2,406	1,683
Interest payments on lease liability	62	61	52	42	33
Other	104	-	-	-	-
Total cash used	52,662	52,659	51,644	51,326	50,729
Net cash from/(used by) operating activities	5,493	4,459	5,998	6,003	5,970
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	-	3,415	-	-	-
Total cash received	-	3,415	-	-	-
Cash used					
Purchase of property, plant and equipment and intangibles	2,945	5,000	13,750	11,000	4,000
Total cash used	2,945	5,000	13,750	11,000	4,000
Net cash from/(used by) investing activities	(2,945)	(1,585)	(13,750)	(11,000)	(4,000)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	929	1,006	960	976	953
Total cash used	929	1,006	960	976	953
Net cash from/(used by) financing activities	(929)	(1,006)	(960)	(976)	(953)
Net increase/(decrease) in cash held	1,619	1,868	(8,712)	(5,973)	1,017
Cash and cash equivalents at the beginning of the reporting period	34,557	36,176	38,044	29,332	23,359
Cash and cash equivalents at the end of the reporting period	36,176	38,044	29,332	23,359	24,376

Prepared on Australian Accounting Standards basis.

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

	2019-20	2020-21	2021-22	2022-23	2023-24
	Estimated actual	Budget	Forw ard estimate	Forw ard estimate	Forw ard estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources (a)	2,953	5,000	13,750	11,000	4,000
TOTAL	2,953	5,000	13,750	11,000	4,000
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	2,953	5,000	13,750	11,000	4,000
Total cash used to acquire assets	2,953	5,000	13,750	11,000	4,000

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 2020-21)

	Land	Buildings	Other property, plant and equipment	Heritage and cultural	Computer software and intangibles	L&B, IP&E held for sale	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2020							
Gross book value	32,871	80,043	3,852	2,127	705	3,383	122,981
Gross book value - ROU assets	-	5,724	748	-	-	-	6,472
Accumulated depreciation/amortisation and impairment	-	(6,289)	(2,820)	(44)	(532)	(181)	(9,866)
Accumulated depreciation/amortisation and impairment - ROU assets	-	(825)	(203)	-	-	-	(1,028)
Opening net book balance	32,871	78,653	1,577	2,083	173	3,202	118,559
Capital asset additions							
Estimated expenditure on new or replacement assets							
By purchase - appropriation ordinary annual services (a)	-	3,474	1,481	12	33	-	5,000
By purchase - appropriation ordinary annual services - ROU assets	-	1,460	-	-	-	-	1,460
Total additions	-	4,934	1,481	12	33	-	6,460
Other movements							
Depreciation/amortisation expense	-	(4,533)	(653)	(22)	(25)	-	(5,233)
Depreciation/amortisation on ROU assets	-	(872)	(210)	-	-	-	(1,082)
From disposal of entities or operations (including restructuring)	-	-	-	-	-	(3,300)	(3,300)
Other	-	(449)	-	-	-	98	(351)
Total other movements	-	(5,854)	(863)	(22)	(25)	(3,202)	(9,966)
As at 30 June 2021							
Gross book value	32,871	83,068	5,333	2,139	738	-	124,149
Gross book value - ROU assets	-	7,184	748	-	-	-	7,932
Accumulated depreciation/amortisation and impairment	-	(10,822)	(3,473)	(66)	(557)	-	(14,918)
Accumulated depreciation/amortisation and impairment - ROU assets	-	(1,697)	(413)	-	-	-	(2,110)
Closing net book balance	32,871	77,733	2,195	2,073	181	-	115,053

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2020-21 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 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. AIATSIS's vision is a world 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. This is achieved through AIATSIS' key strategies:

- 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, protocols and collections;
- partner and collaborate with our communities, partners and governments; and
- advise on Aboriginal and Torres Strait Islander cultures and heritage.

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: AIATSIS resource statement — Budget estimates for 2020-21 as at Budget October 2020

	2019-20 Estimated actual \$'000	2020-21 Estimate \$'000
Opening balance/cash reserves at 1 July	29,933	26,183
Funds from Government		
Annual appropriations - ordinary annual services (a)		
Outcome 1	20,371	19,437
Annual appropriations - other services (b)		
Equity injection	74	74
Total annual appropriations	20,445	19,511
Total funds from Government	20,445	19,511
Funds from other sources		
Interest	435	470
Sale of goods and services	5,837	4,626
Other	1,758	8,515
Total funds from other sources	8,030	13,611
Total net resourcing for AIATSIS	58,408	59,305
	2019-20	2020-21
Average staffing level (number)	117	141

(a) Appropriation Bill (No.1) 2020-21.

(b) Appropriation Bill (No.2) 2020-21.

1.3 BUDGET MEASURES

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

Table 1.2: AIATSIS 2020-21 Budget measures
Measures announced after the Economic and Fiscal Update July 2020

		2020-21	2021-22	2022-23	2023-24
	Program	\$'000	\$'000	\$'000	\$'000
Payment measures					
Return of Cultural Heritage (a)	1.1				
Departmental payment		-	-	-	-
Total		-	-	-	-
Total payment measures					
Departmental		-	-	-	-
Total		-	-	-	-

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

(a) The lead entity for measure Return of Cultural Heritage is the National Indigenous Australians Agency. The full measure description and package details appear in Budget Paper No. 2 under the Prime Minister and Cabinet 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 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 AIATSIS' corporate plans and annual performance statements – included in Annual Reports - to provide a complete picture of AIATSIS' planned and actual performance.

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/about-us/corporate-documents-and-policies/annual-report>

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 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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
Program 1.1: Australian Institute of Aboriginal and Torres Strait Islander Studies					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	20,371	19,437	19,387	19,392	19,451
Revenues from other independent sources	8,419	13,611	11,890	9,490	9,590
Total expenses for Program 1.1	28,790	33,048	31,277	28,882	29,041
Total expenses for Outcome 1	28,790	33,048	31,277	28,882	29,041
	2019-20	2020-21			
Average staffing level (number)	117	141			

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 2020-21 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	2019-20 Actual Achievements/Targets
2019-20	<ul style="list-style-type: none"> Collection growth Collection accessibility 	Percentage increase in collection growth from 2018-19 baseline. Number of requests met and items provided by source and location: <ul style="list-style-type: none"> 1.32% average growth across media. Proportion of requests actioned within 60 days (service standard): <ul style="list-style-type: none"> 97%. Proportion of collection digitised by format: <ul style="list-style-type: none"> 4.6% increase from the 2018-19 baseline.
2020-21	<ul style="list-style-type: none"> Collection growth Collection accessibility Collection digitization 	Increase in AIATSIS collection growth: <ul style="list-style-type: none"> 2% from 2019-20. Number of requests met and items provided by source and location: <ul style="list-style-type: none"> 1.5% from 2019-20 100% of requests across categories are actioned within 60 days. Provide an overall increase in the proportion of collection digitised by format: <ul style="list-style-type: none"> 5% from 2019-20.
2021-22 and beyond	As per 2020-21	As per 2020-21

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	2019-20 Actual achievements/Targets
2019-20	<ul style="list-style-type: none"> • Communication • Engagement with Education sector - Increased contribution to Australian curriculum and cultural learning • Public events • Aboriginal Studies Press (ASP) Publishing program 	<p>Number and quality of public communication, education and engagement:</p> <ul style="list-style-type: none"> • Process for evaluating the quality of AIATSIS communication, education and engagement is being established. <p>Number and type of activities with an education focus:</p> <ul style="list-style-type: none"> • The target was exceeded – both the number and type of activities with an education focus increased relative to the previous year. <p>Number and satisfaction of attendees at AIATSIS events:</p> <ul style="list-style-type: none"> • 9 Individual events. <p>Indigenous Author Engagement</p> <ul style="list-style-type: none"> • The majority of authors were Indigenous. <p>Number of Publications by type:</p> <ul style="list-style-type: none"> • 13 publications across all types.
2020-21	<ul style="list-style-type: none"> • Communications • Education and cultural learning • Public events • Publishing (Aboriginal Studies Press) 	<p>Number and quality of public communication, education and engagement assessed through surveys/feedback channels:</p> <ul style="list-style-type: none"> • 70% of respondents assess indicate high level impact. <p>Increase in number and type of activities with an education focus measured by:</p> <ol style="list-style-type: none"> 1. % increase in uptake of core cultural learning (sales or users). 2. % increase in utilization of education products and services. <p>Number and satisfaction of attendees at AIATSIS events:</p> <ul style="list-style-type: none"> • 5 annual events. • 70% of respondents indicate high level impact. <p>Increase Indigenous authorship through ASP Publications</p> <ul style="list-style-type: none"> • Majority Indigenous authors. <p>Number of Publications by type:</p> <p>Publish 8 or more publications annually.</p>
2021-22 and beyond	As per 2020-21	As per 2020-21

AIATSIS Budget Statements

Lead and influence on Aboriginal and Torres Strait Islander research, ethics, protocols and collections.		
Delivery	<p>Speak authoritatively through evidence based research and culturally based representative networks.</p> <p>Articulate national priorities for Aboriginal and Torres Strait Islander research.</p> <p>Position AIATSIS as the arbiter of standards in relation to research ethics, Indigenous research and management of Indigenous Collections.</p> <p>Foster innovation in ethical, impactful research and collection practice.</p>	
Performance information		
Year	Performance criteria	2019-20 Actual Achievements/Targets
2019-20	<ul style="list-style-type: none"> • 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 	<p>Number of times GERAIS utilised:</p> <ul style="list-style-type: none"> • 7095 downloads of GERAIS. <p>Number of ethics clearances annually:</p> <ul style="list-style-type: none"> • 49 ethics clearances. <p>AIATSIS Collections' protocols and standards adopted:</p> <ul style="list-style-type: none"> • 2403 Austlana data set downloads from data.gov.au. <p>Requests for advice and input (number and type of requests):</p> <ul style="list-style-type: none"> • 521 requests. <p>Number and value of partnerships:</p> <ul style="list-style-type: none"> • 20 research partnerships at a value of \$1.2 million. <p>Number of publications and presentations by staff by type:</p> <ul style="list-style-type: none"> • AIATSIS had 89 publications and presentations by staff.
2020-21	<ul style="list-style-type: none"> • Use and influence of the AIATSIS Code of Ethics (formally GERAIS) • External use of Ethics clearances through the Research Ethics Committee • Take up of AIATSIS collections protocols and standards • AIATSIS Influence in Aboriginal and Torres Strait Islander Research 	<p>Number of times GERAIS (AIATSIS Code of Ethics) utilised:</p> <ul style="list-style-type: none"> • 5000 downloads/references. <p>Number of ethics clearances by the AIATSIS Research Ethics Committee :</p> <ul style="list-style-type: none"> • 20 Annually. <p>An increase in the utilisation of AIATSIS Collections' access and use policy, Austlang and Thesauri:</p> <ul style="list-style-type: none"> • 600 application and usage events. <p>Number and type of requests for advice and input on Aboriginal and Torres Strait Islander Research :</p> <ul style="list-style-type: none"> • + 15 requests. <p>Number and value of partnerships measured through formal research relationships:</p> <ul style="list-style-type: none"> • 5% increase in number. <p>Number of publications and presentations by AIATSIS staff by type:</p> <ul style="list-style-type: none"> • 100 publications annually
2021-22 and beyond	As per 2020-21	As per 2020-21

Partner and collaborate with our communities, partners and governments.		
Delivery	<p>Actively build diverse and enduring relationships domestically and internationally. Be responsive and professional, with culturally competent working practices. Build an active network of corporate partners. Engage with our network of members, friends, volunteers, visitors and affiliates. Learn from and contribute to the priorities and needs of Aboriginal and Torres Strait Islander communities.</p>	
Performance information		
Year	Performance criteria	2019-20 Actual achievements/Targets
2019-20	<ul style="list-style-type: none"> AIATSIS Membership Research Collaborations Networks Interaction with Indigenous Communities Partnerships in place 	<p>Number and engagement of AIATSIS Members:</p> <ul style="list-style-type: none"> 18 new members in 2019-20. 1 Members' events in 2019-20. <p>Type, number and level of interactions in research collaborations:</p> <ul style="list-style-type: none"> 26 interactions. <p>Number and type of networks:</p> <ul style="list-style-type: none"> 12 networks. <p>Interactions with Indigenous communities by type:</p> <ul style="list-style-type: none"> 98 interactions. <p>Number of partnerships by type:</p> <ul style="list-style-type: none"> 6 new partnerships.
2020-21	<ul style="list-style-type: none"> AIATSIS Membership Research Collaborations and Networks Interaction with Indigenous Communities Partnerships in place 	<p>Annual increase to the AIATSIS Membership:</p> <ul style="list-style-type: none"> Increase by 10 new members. 3 Members' events annually. <p>Type, number and level of interactions in research collaborations:</p> <ul style="list-style-type: none"> 3 research collaborations. <p>Number and type of research networks:</p> <ul style="list-style-type: none"> 3 networks <p>Number of engagements with Indigenous communities by type:</p> <ul style="list-style-type: none"> 50 engagements. <p>Number of partnerships, partnership projects and those formalised through a MoU:</p> <ul style="list-style-type: none"> 5 strategic partnerships. 20 partnership projects.
2021-22 and beyond	As per 2020-21	As per 2020-21

AIATSIS Budget Statements

Advise on Aboriginal and Torres Strait Islander culture and heritage.		
Delivery	Position AIATSIS as a trusted adviser. Build our policy capacity and capability to deliver world class expertise. Report regularly on the situation and status of Indigenous cultures and heritage.	
Performance information		
Year	Performance criteria	2019-20 Actual achievements/Targets
2019-20	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 6 submissions, reports and advice. Number and type of engagements with decision makers: <ul style="list-style-type: none"> 14 engagements in 2019-20.
2020-21	<ul style="list-style-type: none"> AIATSIS reports and policy briefs produced Engagement with Ministers, decision makers and policy leaders, advisers and Senior public servants 	Number of reports, policy briefs and requests for advice: <ul style="list-style-type: none"> 5 annually. Number and type of engagements: <ul style="list-style-type: none"> 10 engagements annually.
2021-22 and beyond	As per 2020-21	As per 2020-21
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.	

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2020-21 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

AIATSIS is budgeting for a break-even position in 2020-21. The increase in own-source income from 2019-20 is mainly due to the new measure for Return of Cultural Heritage to enable the return of culturally significant Aboriginal and Torres Strait Islander items from overseas and the recognition of revenue for the Indigenous Research Exchange grants program.

AIATSIS's total assets are estimated to be \$58.8 million at 30 June 2021. This value mainly represents our non-financial assets of \$32.1 million which includes our building and collection assets. AIATSIS's budgeted cash and cash equivalents are estimated to be \$25.9 million, which ensures AIATSIS has sufficient financial assets to meet its total liabilities and to fund future asset replacements.

3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
EXPENSES					
Employee benefits	13,257	15,446	15,564	15,717	15,855
Suppliers	13,952	12,190	11,920	12,076	12,056
Grants	-	4,100	2,400	-	-
Depreciation and amortisation	1,468	1,292	1,376	1,076	1,121
Finance costs (a)	8	20	17	13	9
Write-down and impairment of assets	105	-	-	-	-
Total expenses	28,790	33,048	31,277	28,882	29,041
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	5,837	4,626	4,605	4,605	4,605
Interest	435	470	470	470	470
Other	1,758	8,515	6,815	4,415	4,515
Total own-source income	8,030	13,611	11,890	9,490	9,590
Net (cost of)/contribution by services	(20,760)	(19,437)	(19,387)	(19,392)	(19,451)
Revenue from Government	20,371	19,437	19,387	19,392	19,451
Surplus/(deficit) attributable to the Australian Government	(389)	-	-	-	-
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	102	-	-	-	-
Total other comprehensive income	102	-	-	-	-
Total comprehensive income/(loss)	(287)	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	(287)	-	-	-	-

Prepared on Australian Accounting Standards basis.

a) Applies leases under AASB 16 Leases.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,680	1,680	1,680	1,680	1,680
Trade and other receivables	810	810	810	810	810
Other investments	24,503	24,203	23,874	23,538	23,194
Total financial assets	26,993	26,693	26,364	26,028	25,684
Non-financial assets					
Land and buildings	16,001	15,445	14,889	14,333	13,776
Property, plant and equipment	2,819	3,249	3,597	4,247	4,855
Heritage and cultural assets	11,826	12,226	12,626	13,026	13,426
Intangibles	11	19	25	29	31
Inventories	171	171	171	171	171
Other non-financial assets	987	987	987	987	987
Total non-financial assets	31,815	32,097	32,295	32,793	33,246
Total assets	58,808	58,790	58,659	58,821	58,930
LIABILITIES					
Payables					
Suppliers	734	734	734	734	734
Other payables	8,963	8,982	8,896	9,110	9,280
Total payables	9,697	9,716	9,630	9,844	10,014
Interest bearing liabilities					
Leases	734	623	504	378	243
Total interest bearing liabilities	734	623	504	378	243
Provisions					
Employee provisions	4,113	4,113	4,113	4,113	4,113
Other provisions	10	10	10	10	10
Total provisions	4,123	4,123	4,123	4,123	4,123
Total liabilities	14,554	14,462	14,257	14,345	14,380
Net assets	44,254	44,328	44,402	44,476	44,550
EQUITY*					
Parent entity interest					
Contributed equity	3,983	4,057	4,131	4,205	4,279
Reserves	15,949	15,949	15,949	15,949	15,949
Retained surplus (accumulated deficit)	24,322	24,322	24,322	24,322	24,322
Total parent entity interest	44,254	44,328	44,402	44,476	44,550
Total equity	44,254	44,328	44,402	44,476	44,550

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 2020-21)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2020				
Balance carried forward from previous period	24,322	15,949	3,983	44,254
Transactions with owners				
Contributions by owners				
Equity injection - Appropriation	-	-	74	74
Sub-total transactions with owners	-	-	74	74
Estimated closing balance as at 30 June 2021	24,322	15,949	4,057	44,328
Closing balance attributable to the Australian Government	24,322	15,949	4,057	44,328

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Receipts from Government	21,752	23,174	21,424	19,029	19,088
Sale of goods and rendering of services	5,020	7,126	7,105	7,105	7,205
Interest	476	470	470	470	470
Other	1,940	2,278	2,278	2,278	2,278
Total cash received	29,188	33,048	31,277	28,882	29,041
Cash used					
Employees	12,786	15,446	15,564	15,717	15,855
Suppliers	17,435	16,271	14,406	11,862	11,886
Interest payments on lease liability	8	20	17	13	9
Total cash used	30,229	31,737	29,987	27,592	27,750
Net cash from/(used by) operating activities	(1,041)	1,311	1,290	1,290	1,291
INVESTING ACTIVITIES					
Cash received					
Investments	-	300	329	336	344
Total cash received	-	300	329	336	344
Cash used					
Purchase of property, plant and equipment and intangibles	2,747	1,574	1,574	1,574	1,574
Investments	887	-	-	-	-
Total cash used	3,634	1,574	1,574	1,574	1,574
Net cash from/(used by) investing activities	(3,634)	(1,274)	(1,245)	(1,238)	(1,230)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	74	74	74	74	74
Total cash received	74	74	74	74	74
Cash used					
Principal payments on lease liability	35	111	119	126	135
Total cash used	35	111	119	126	135
Net cash from/(used by) financing activities	39	(37)	(45)	(52)	(61)
Net increase/(decrease) in cash held	(4,636)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	6,316	1,680	1,680	1,680	1,680
Cash and cash equivalents at the end of the reporting period	1,680	1,680	1,680	1,680	1,680

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	74	74	74	74	74
Total new capital appropriations	74	74	74	74	74
Provided for:					
Purchase of non-financial assets	74	74	74	74	74
Total items	74	74	74	74	74
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	74	74	74	74	74
Funded internally from departmental resources (b)	2,931	1,500	1,500	1,500	1,500
TOTAL	3,005	1,574	1,574	1,574	1,574
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	3,005	1,574	1,574	1,574	1,574
less gifted assets	(258)	-	-	-	-
Total cash used to acquire assets	2,747	1,574	1,574	1,574	1,574

Prepared on Australian Accounting Standards basis.

(a) Includes both current Bill 2 and prior Act 2/4/6 appropriations and special capital appropriations.

(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 asset movements (Budget year 2020-21)

	Buildings	Other property, plant and equipment	Heritage and cultural	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2020					
Gross book value	15,610	3,834	11,826	75	31,345
Gross book value - ROU assets	780	-	-	-	780
Accumulated depreciation/ amortisation and impairment	(346)	(1,015)	-	(64)	(1,425)
Accumulated depreciation/amortisation and impairment - ROU assets	(43)	-	-	-	(43)
Opening net book balance	16,001	2,819	11,826	11	30,657
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase - appropriation equity (a)	-	-	74	-	74
By purchase - other	-	1,154	326	20	1,500
Total additions	-	1,154	400	20	1,574
Other movements					
Depreciation/amortisation expense	(424)	(724)	-	(12)	(1,160)
Depreciation/amortisation on ROU assets	(132)	-	-	-	(132)
Total other movements	(556)	(724)	-	(12)	(1,292)
As at 30 June 2021					
Gross book value	15,610	4,988	12,226	95	32,919
Gross book value - ROU assets	780	-	-	-	780
Accumulated depreciation/ amortisation and impairment	(770)	(1,739)	-	(76)	(2,585)
Accumulated depreciation/amortisation and impairment - ROU assets	(175)	-	-	-	(175)
Closing net book balance	15,445	3,249	12,226	19	30,939

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2020-21, 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 1997* (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;
- auditing annual performance statements of Commonwealth entities in accordance with the *Public Governance, Performance and Accountability Act 2013* (the ANAO is conducting a program of pilot assurance audits of 2019-20 annual performance statements at the request of the Minister for Finance);
- 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 our 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.

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 the Act. 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 2020-21 as at Budget October 2020

	<i>2019–20</i>	<i>2020–21</i>
	<i>Estimated</i>	Estimate
	<i>actual</i>	
	\$'000	\$'000
Departmental		
Annual appropriations – ordinary annual services (a)		
Prior year appropriations available	36,973	24,400
Departmental appropriation (b)	68,540	67,879
Section 74 external revenue (c)	4,879	4,100
Departmental capital budget (d)	963	953
Total departmental annual appropriations	111,355	97,332
Total departmental special appropriations (e)	696	778
Total resourcing for ANAO	112,051	98,110
Average staffing level (number)		
	323	321

(a) Appropriation Bill (No. 1) 2020–21.

(b) Excludes Departmental Capital Budget (DCB)

(c) Estimated retained revenue receipts under section 74 of the PGPA Act.

(d) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

(e) For further information on special appropriations and 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.

1.3 BUDGET MEASURES

The ANAO has no budget measures in the 2020-21 budget.

Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions. Programs are the primary vehicle by which 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 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-2020-21>

The most recent annual performance statement can be found at:
<https://www.anao.gov.au/work/annual-report/anao-annual-report-2018-19>

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.

This table shows how much the 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

	2019–20 Estimated actual \$'000	2020–21 Budget \$'000	2021–22 Forw ard estimate \$'000	2022–23 Forw ard estimate \$'000	2023–24 Forw ard estimate \$'000
Program 1.1: Assurance Audit Services					
Departmental expenses					
Departmental appropriation	40,944	40,246	40,251	40,788	41,509
s74 Retained revenue receipts (a)	3,620	3,166	3,166	3,166	3,166
Special appropriations					
<i>Auditor-General remuneration and expense - Auditor-General Act 1997 Schedule 1, sections 3 and 7</i>	348	389	389	389	389
Expenses not requiring appropriation in the Budget year (b)					
	1,322	1,997	2,008	1,464	726
Departmental total	46,234	45,798	45,814	45,807	45,790
Total expenses for program 1.1	46,234	45,798	45,814	45,807	45,790
Program 1.2: Performance Audit Services					
Departmental expenses					
Departmental appropriation	30,713	27,633	27,639	27,160	26,702
s74 Retained revenue receipts (a)	1,259	934	934	934	934
Special appropriations					
<i>Auditor-General remuneration and expense - Auditor-General Act 1997 Schedule 1, sections 3 and 7.</i>	348	389	389	389	389
Expenses not requiring appropriation in the Budget year (b)					
	1,109	1,717	1,732	950	834
Departmental total	33,429	30,673	30,694	29,433	28,859
Total expenses for program 1.2	33,429	30,673	30,694	29,433	28,859

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2019–20 Estimated actual \$'000	2020–21 Budget \$'000	2021–22 Forw ard estimate \$'000	2022–23 Forw ard estimate \$'000	2023–24 Forw ard estimate \$'000
Outcome 1 Totals by appropriation type					
Departmental expenses					
Departmental appropriation	71,657	67,879	67,890	67,948	68,211
s74 Retained revenue receipts (a)	4,879	4,100	4,100	4,100	4,100
Special appropriations					
<i>Auditor-General remuneration and expense - Auditor-General Act 1997 Schedule 1, sections 3 and 7.</i>	696	778	778	778	778
Expenses not requiring appropriation in the Budget year (b)					
	2,431	3,714	3,740	2,414	1,560
Departmental total	79,663	76,471	76,508	75,240	74,649
Total expenses for Outcome 1	79,663	76,471	76,508	75,240	74,649
	2019-20	2020-21			
Average staffing level (number)	323	321			

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

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

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 2020-21 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:		
<ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> • 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	2019-20 Actual Achievement/Targets
2019-20	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 98% of the mandatory financial statements auditor's reports completed • 2 financial statement related audit reports presented to Parliament • 41 assurance audit reports by arrangement • 81.9% of auditor's reports were issued within three months of the financial year end reporting date • 0.63% increase to the average cost per financial statements audit. • 89% of moderate or significant findings from assurance audit reports were agreed to by audited entities • 21% of moderate and significant findings were addressed by entities within one year of reporting

Performance information (continued)		
Year	Performance criteria (a)	2019-20 Actual Achievement/Targets
2020-21	<ul style="list-style-type: none"> • 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 material entities within one year of reporting 	<ul style="list-style-type: none"> • 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 • <i>Greater than 0% reduction</i> • 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
2021-22 and beyond	As per 2020-21.	As per 2020-21.
Purposes	To support accountability and transparency in the Australian Government sector through independent reporting to the Parliament, and thereby contribute to improved public sector performance.	

(a) The 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*.

<p>Program 1.2 – Performance Audit Services</p> <p>This program contributes to the outcome through:</p> <ul style="list-style-type: none"> • 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. 		
<p>Delivery</p>	<p>Improving public sector performance by:</p> <ul style="list-style-type: none"> • providing performance and other audit reports for the information of Parliament, the Executive and the public 	
<p>Performance information</p>		
<p>Year</p>	<p>Performance criteria</p>	<p>2019-20 Actual Achievement/Targets</p>
<p>2019-20</p>	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 42 performance audit reports prepared for Parliament • 10 months average elapsed time for completion of performance audits (against a target of 10 months) • 5.0% increase to the average cost per performance • 91% of recommendations included in performance audit reports agreed by audited entities • 81% of ANAO recommendations implemented within 24 months of a performance audit report
<p>2020-21</p>	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 42 performance audit reports prepared for Parliament • Average elapsed time (10months) for completion of performance audits • <i>Greater than 0% reduction</i> • 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		
Year	Performance criteria (a)	2019-20 Actual Achievement/Targets
2021-22 and beyond	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 40 performance audit reports prepared for Parliament declining to 38 by 2023-24 • Average elapsed time (10.5 months) for completion of performance audits • <i>Greater than 0% reduction</i> • 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
Purposes	To support accountability and transparency in the Australian Government sector through independent reporting to the Parliament, and thereby contribute to improved public sector performance.	

(a) The 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*.

<p>Shared performance criteria for programs 1.1 and 1.2</p> <p>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:</p> <ul style="list-style-type: none"> • 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. 		
<p>Delivery</p>	<p>Providing independent assurance to the Parliament and improving public sector performance by:</p> <ul style="list-style-type: none"> • providing information to Members of Parliament and parliamentary committees; • undertaking an audit Quality Assurance program; and • publishing insights and key learnings from audits. 	
<p>Performance information</p>		
<p>Year</p>	<p>Performance criteria</p>	<p>2019-20 Actual Achievement/Targets</p>
<p>2019-20</p>	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • The ANAO made 47 appearances or submissions to Parliamentary committees • 100% of private briefings undertaken by request of Parliamentarians • The ANAO Quality Assurance Program indicates that 94.7% of audit opinions and conclusions are appropriate (against a target of 100%) • 100% of inquiries and audit requests from parliamentarians finalised within 28 days • 100% of JCPAA members surveyed who were satisfied that the ANAO improved public sector performance and supported accountability and transparency (against a target of 90%) • Publish 4 papers on audit insights and key learnings from across ANAO activities (against a target of 4)

Performance information		
Year	Performance criteria	2019-20 Actual Achievement/Targets
2020-21	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 40 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 are 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)
2021-22 and beyond	As per 2020-21.	As per 2020-21.
Purposes	To support accountability and transparency in the Australian Government sector through independent reporting to the Parliament, and thereby contribute to improved public sector performance.	

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of the ANAO's finances for the 2020-21 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 ANAO in 2020-21. 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 2020-21

3.1.2 Explanatory notes and analysis of budgeted financial statements

Departmental

Comprehensive income statement

Total income in 2020-21 is budgeted at \$72.8 million. Revenue from Government (annual departmental appropriation and special appropriation funding) in 2020-21 has decreased to \$68.7 million due to the impact of efficiency dividends and other savings measures.

Other revenue is expected to be \$4.1 million (2019-20: \$4.1 million). This revenue relates to:

- international project funding of \$1.3 million to support the Indonesian Board of Audit and the Papua New Guinea Auditor-General's Office
- own sourced revenue of \$2.8 million for 'audits by arrangement' under section 20(2) of the *Auditor-General Act 1997* and other miscellaneous income.

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.

Capital budget statement

The departmental capital budget statement shows the expected capital works program for the current and forward years. Total capital expenditure in 2020-21 is estimated to be \$1.0 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

	2019–20 Estimated actual \$'000	2020–21 Budget \$'000	2021–22 Forw ard estimate \$'000	2022–23 Forw ard estimate \$'000	2023–24 Forw ard estimate \$'000
EXPENSES					
Employee benefits	44,262	42,585	42,588	41,598	41,161
Suppliers	32,434	29,525	29,525	29,253	29,133
Finance costs	250	497	505	501	467
Depreciation and amortisation (a)	2,508	3,864	3,890	3,888	3,888
Write-down and impairment of assets	209	-	-	-	-
Total expenses	79,663	76,471	76,508	75,240	74,649
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	4,879	4,100	4,100	4,100	4,100
Total own-source revenue	4,879	4,100	4,100	4,100	4,100
Total own-source income	4,879	4,100	4,100	4,100	4,100
Net cost of (contribution by) services	74,784	72,371	72,408	71,140	70,549
Revenue from Government	69,236	68,657	68,668	68,726	68,989
Surplus (deficit) attributable to the Australian Government	(5,548)	(3,714)	(3,740)	(2,414)	(1,560)
Total comprehensive income (loss) attributable to the Australian Government	(5,548)	(3,714)	(3,740)	(2,414)	(1,560)

Note: Impact of net cash appropriation arrangements

	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000
Total comprehensive income (loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations.	(3,117)	-	-	-	-
less: depreciation/amortisation expenses previously funded through revenue appropriations (a)	1,295	1,461	1,487	1,485	1,485
less: depreciation/amortisation expenses for ROU assets (b)	1,213	2,403	2,403	2,403	2,403
add: Principal repayments on leased assets (b)	(77)	(150)	(150)	(1,474)	(2,328)
Total comprehensive income (loss) – as per the statement of comprehensive income	(5,548)	(3,714)	(3,740)	(2,414)	(1,560)

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

(b) Applies leases under AASB 16 Leases.

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

	2019–20	2020–21	2021–22	2022–23	2023–24
	Estimated	Budget	Forw ard	Forw ard	Forw ard
	actual		estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Cash and cash equivalents	629	629	629	629	629
Trade and other receivables	25,389	25,389	25,389	25,389	25,389
Total financial assets	26,018	26,018	26,018	26,018	26,018
Non-financial assets					
Land and buildings	42,724	39,626	36,529	33,430	30,331
Property, plant and equipment	3,234	2,957	2,674	2,393	2,118
Intangibles	929	1,393	1,836	2,281	2,723
Other non-financial assets	316	316	316	316	316
Total non-financial assets	47,203	44,292	41,355	38,420	35,488
Total assets	73,221	70,310	67,373	64,438	61,506
LIABILITIES					
Payables					
Suppliers	2,399	2,399	2,399	2,399	2,399
Total payables	2,399	2,399	2,399	2,399	2,399
Interest bearing liabilities					
Lease Liability	34,640	34,490	34,341	32,866	30,537
Total interest bearing liabilities	34,640	34,490	34,341	32,866	30,537
Provisions					
Employee provisions	13,903	13,903	13,903	13,903	13,903
Total provisions	13,903	13,903	13,903	13,903	13,903
Total liabilities	50,942	50,792	50,643	49,168	46,839
Net assets	22,279	19,518	16,730	15,270	14,667
EQUITY*					
Parent entity interest					
Contributed equity	15,481	16,434	17,386	18,340	19,297
Reserves	564	564	564	564	564
Retained surplus (accumulated deficit)	6,234	2,520	(1,220)	(3,634)	(5,194)
Total Equity	22,279	19,518	16,730	15,270	14,667

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 2020-21)

	Retained earnings	Revaluation Asset Reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2020				
Balance carried forward from previous period	6,234	564	15,481	22,279
Adjusted opening balance	6,234	564	15,481	22,279
Comprehensive income				
Surplus (deficit) for the period	(3,714)	-	-	(3,714)
Total comprehensive income	(3,714)	-	-	(3,714)
of which:				
Attributable to the Australian Government	(3,714)	-	-	(3,714)
Transactions with owners				
Contributions by owners				
Departmental Capital Budget (DCB)	-	-	953	953
Sub-total transactions with owners	-	-	953	953
Estimated closing balance as at 30 June 2021	2,520	564	16,434	19,518
Closing balance attributable to the Australian Government	2,520	564	16,434	19,518

Prepared on Australian Accounting Standards basis.

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

	2019–20 Estimated actual \$'000	2020–21 Budget \$'000	2021–22 Forw ard estimate \$'000	2022–23 Forw ard estimate \$'000	2023–24 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sale of goods and rendering of services	5,834	4,100	4,100	4,100	4,100
Appropriations	91,491	68,657	68,668	68,726	68,989
Net GST received	3,406	-	-	-	-
Other	-	-	-	-	-
Total cash received	100,731	72,757	72,768	72,826	73,089
Cash used					
Employees	43,100	42,585	42,588	41,598	41,161
Suppliers	36,814	29,525	29,525	29,253	29,133
Borrow ing costs	106	497	505	501	467
s74 External Revenue transferred to the OPA	9,644	-	-	-	-
Total cash used	89,664	72,607	72,618	71,352	70,761
Net cash from (used by) operating activities	11,067	150	150	1,474	2,328
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant, equipment and intangibles	11,758	953	952	954	957
Total cash used	11,758	953	952	954	957
Net cash from (used by) investing activities	(11,758)	(953)	(952)	(954)	(957)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	963	953	952	954	957
Total cash received	963	953	952	954	957
Cash used					
Other	157	-	-	-	-
Principal payments on lease liability	77	150	150	1,474	2,328
Total cash used	234	150	150	1,474	2,328
Net cash from (used by) financing activities	729	803	802	(520)	(1,371)
Net increase (decrease) in cash held	38	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	591	629	629	629	629
Cash and cash equivalents at the end of the reporting period	629	629	629	629	629

Prepared on Australian Accounting Standards basis.

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

	2019–20 Estimated actual \$'000	2020–21 Budget \$'000	2021–22 Forw ard estimate \$'000	2022–23 Forw ard estimate \$'000	2023–24 Forw ard estimate \$'000
CAPITAL APPROPRIATIONS					
Capital budget – Bill 1 (DCB)	963	953	952	954	957
Total capital appropriations	963	953	952	954	957
Total new capital appropriations represented by:					
Purchase of non-financial assets	963	953	952	954	957
Total items	963	953	952	954	957
PURCHASE OF NON-FINANCIAL ASSETS					
ASSETS					
Funded by capital appropriation – DCB (a)	963	953	952	954	957
Funded internally from departmental resources (b)	10,795	-	-	-	-
TOTAL	11,758	953	952	954	957
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	11,758	953	952	954	957
Total cash used to acquire assets	11,758	953	952	954	957

Prepared on Australian Accounting Standards basis.

(a) Does not include annual finance lease costs. Includes 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);
- internally developed assets;
- s74 External Revenue; and
- proceeds from the sale of assets.

Table 3.6: Statement of asset movements (Budget year 2020-21)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2020				
Gross book value	9,667	3,848	6,247	19,762
Gross book value – ROU (b)	34,574	-	-	34,574
Accumulated depreciation/amortisation and impairment	(304)	(614)	(5,318)	(6,236)
Accumulated depreciation/amortisation and impairment – ROU (b)	(1,213)	-	-	(1,213)
Opening net book balance	42,724	3,234	929	46,887
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase – appropriation ordinary annual services (a)	-	323	630	953
Total additions	-	323	630	953
Other movements				
Depreciation/ amortisation expense	(695)	(600)	(166)	(1,461)
Depreciation/ amortisation expense on ROU	(2,403)	-	-	(2,403)
Total other movements	(3,098)	(600)	(166)	(3,864)
As at 30 June 2021				
Gross book value	9,667	4,171	6,877	20,715
Gross book value – ROU (b)	34,574	-	-	34,574
Accumulated depreciation/amortisation and impairment	(999)	(1,214)	(5,484)	(7,697)
Accumulated depreciation/amortisation and impairment – ROU (b)	(3,616)	-	-	(3,616)
Closing net book balance	39,626	2,957	1,393	43,976

Prepared on Australian Accounting Standards basis.

(a) "Appropriation ordinary annual services" refers to funding provided through Appropriation Bill (No.1) 2020-21 for depreciation / amortisation expenses, DCBs or other operational expenses

(b) Applies leases under AASB 16 Leases. Right of Use (ROU).

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

	2019–20 Estimated actual \$'000	2020–21 Budget \$'000	2021–22 Forw ard estimate \$'000	2022–23 Forw ard estimate \$'000	2023–24 Forw ard estimate \$'000
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Sale of goods and rendering of services	14,857	12,300	12,300	12,300	12,300
Total non-taxation revenue	14,857	12,300	12,300	12,300	12,300
Total own-source income administered on behalf of Government	14,857	12,300	12,300	12,300	12,300
Net Cost of (contribution by) services	(14,857)	(12,300)	(12,300)	(12,300)	(12,300)

Prepared on Australian Accounting Standards basis.

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

	2019–20 Estimated actual \$'000	2020–21 Budget \$'000	2021–22 Forw ard estimate \$'000	2022–23 Forw ard estimate \$'000	2023–24 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash	154	154	154	154	154
Receivables	6,112	6,112	6,112	6,112	6,112
Total financial assets	6,266	6,266	6,266	6,266	6,266
Total assets administered on behalf of Government	6,266	6,266	6,266	6,266	6,266
LIABILITIES					
Payables					
Suppliers	437	437	437	437	437
Total payables	437	437	437	437	437
Total liabilities administered on behalf of Government	437	437	437	437	437
Net assets/(liabilities)	5,829	5,829	5,829	5,829	5,829

Prepared on Australian Accounting Standards basis.

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

	2019–20 Estimated actual \$'000	2020–21 Budget \$'000	2021–22 Forw ard estimate \$'000	2022–23 Forw ard estimate \$'000	2023–24 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	13,787	12,300	12,300	12,300	12,300
Net GST received	12	-	-	-	-
Total cash received	13,799	12,300	12,300	12,300	12,300
Net cash from (used by) operating activities	13,799	12,300	12,300	12,300	12,300
Net increase (decrease) in cash held	13,799	12,300	12,300	12,300	12,300
Cash and cash equivalents at beginning of reporting period	1,128	154	154	154	154
Cash to Official Public Account for:					
– Appropriations	(14,773)	(12,300)	(12,300)	(12,300)	(12,300)
Cash and cash equivalents at end of reporting period	154	154	154	154	154

Prepared on Australian Accounting Standards basis.

**AUSTRALIAN PUBLIC SERVICE
COMMISSION**

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

AUSTRALIAN PUBLIC SERVICE COMMISSION

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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.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the 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 2020-21 as at Budget October 2020

	2019-20 <i>Estimated actual</i> \$'000	2020-21 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	14,168	13,683
Departmental appropriation (b)	23,070	35,470
s74 External Revenue (c)	22,095	10,596
Departmental capital budget (d)	411	408
Total departmental annual appropriations	59,744	60,157
Total departmental resourcing	59,744	60,157
Administered		
Total administered special appropriations	4,230	4,302
Total administered resourcing	4,230	4,302
Total resourcing for APSC	63,974	64,459
	2019-20	2020-21
Average staffing level (number)	209	212

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.

(a) *Appropriation Bill (No. 1) 2020-21*.

(b) Excludes departmental capital budget (DCB).

(c) Estimated External Revenue receipts under section 74 of the PGPA Act.

(d) Departmental capital budgets are not separately identified in *Appropriation Bill (No.1)* and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

Third party payments from and on behalf of other entities

	<i>2019-20 Estimated actual \$'000</i>	<i>2020-21 Estimate \$'000</i>
Payments made by other entities on behalf of APSC (disclosed above)		
Attorney-General's Department - Remuneration Tribunal Act 1973	4,230	4,302

1.3 BUDGET MEASURES

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

Table 1.2: APSC 2020-21 Budget measures
Measures announced after the Economic and Fiscal Update July 2020

		2020-21	2021-22	2022-23	2023-24
Program		\$'000	\$'000	\$'000	\$'000
Payment measures					
JobMaker Plan - Deregulation Package					
(a)	1.1				
	Departmental payment	1,282	890	967	-
Total		1,282	890	967	-

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

(a) The measure titled *JobMaker Plan – Deregulation Package* is a cross portfolio measure. The full measure description and package details appear in *Budget Paper No. 2* under Cross 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 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 a complete picture of an entity's planned and actual performance.

The most recent corporate plan for the APSC can be found at:

<https://www.apsc.gov.au/corporate-plan-2020-21>

The most recent annual performance statement can be found at:

<https://www.apsc.gov.au/apsc-annual-reports>

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 the 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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
Program 1.1: Australian Public Service Commission					
Departmental expenses					
Departmental appropriation	23,070	35,470	32,129	32,027	31,096
s74 External Revenue (a)	22,095	10,596	10,856	11,120	11,120
Expenses not requiring appropriation in the Budget year (b)	1,902	1,850	1,781	1,747	1,747
Departmental total	47,067	47,916	44,766	44,894	43,963
Total expenses for program 1.1	47,067	47,916	44,766	44,894	43,963
Program 1.2: Judicial Office Holders' Remuneration and Entitlements					
Administered expenses					
Special appropriations					
<i>Remuneration Tribunal Act 1973</i>	4,230	4,302	4,361	4,440	4,520
Administered total	4,230	4,302	4,361	4,440	4,520
Total expenses for program 1.2	4,230	4,302	4,361	4,440	4,520
Outcome 1 Totals by appropriation type					
Administered expenses					
Special appropriations	4,230	4,302	4,361	4,440	4,520
Administered total	4,230	4,302	4,361	4,440	4,520
Departmental expenses					
Departmental appropriation	23,070	35,470	32,129	32,027	31,096
s74 External Revenue (a)	22,095	10,596	10,856	11,120	11,120
Expenses not requiring appropriation in the Budget year (b)	1,902	1,850	1,781	1,747	1,747
Departmental total	47,067	47,916	44,766	44,894	43,963
Total expenses for Outcome 1	51,297	52,218	49,127	49,334	48,483
	2019-20	2020-21			
Average staffing level (number)	209	212			

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

(b) Expenses not requiring appropriation in the Budget year comprise depreciation expenses, amortisation 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 2020-21 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	To help maintain the APSC at the forefront of best practice public administration, and to do this through high quality advice and the provision of outstanding service to the APS and the Government.	
Performance information		
Year	Performance criteria	2019-20 Actual Achievement/Targets
2019-20	<ul style="list-style-type: none"> • Shape the APS workforce • Modernise the APS employment framework • Build workforce capability in the APS • Promote a high standard of integrity in the APS. 	<ul style="list-style-type: none"> • The APS Human Resources, Data, and Digital Professional Streams were launched. • 100% of new agreements made were compliant with Government Policy. Feedback from agencies is positive about the timeliness and quality of advice. • The APSC played a lead role in managing the deployment of more than 2,200 APS to support the response to the COVID-19 pandemic. • The APSC continued to deliver advice and guidance on integrity matters in the APS through provision of the Ethics Advisory Service. Levels of use of this service were consistent with the previous financial year.

APSC Budget Statements

Performance information (continued)		
Year	Performance criteria	2019-20 Actual Achievement/Targets
2020-21	<ul style="list-style-type: none"> • Ensuring good governance • Lifting the capability of the APS • Building leadership for the future • Preserving and enhancing the reputation of the APS • Upholding the integrity of the APS • Providing the right tools and workplace for our staff 	<ul style="list-style-type: none"> • 100% of new Commonwealth workplace arrangements made are compliant with the Government's prevailing bargaining policy. • Professions model introduced and agreed professional streams, including the Data Professional Stream, commenced. • Evaluation data from leadership development initiatives indicate an increase in participants' self-assessment of leadership capability. • Curate and/or share regular social media posts every week across the Commission's and the APS social media platforms (LinkedIn, Facebook and Twitter) • Development and implementation of renewed integrity training
2021-22 and beyond	As per 2020-21	As per 2020-21
Purposes (a)	<i>To position the APS workforce for the future to ensure it meets the demands and expectations of the Australian Government and people.</i>	

(a) Refers to updated purpose in the 2020-2021 Corporate Plan.

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	2019-20 Actual Achievement/Targets
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	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.
2021-22and beyond	As per 2020-21.	As per 2020-21.
Purpose	To facilitate the payment of remuneration, allowance and entitlements to judicial office holders.	

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2020-21 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 2020-21 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

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 increase in 2020-21 due to previous Commonwealth Agency Memorandum of Understanding (MoU) revenue funding transferring, on an ongoing basis, to appropriation funding.

The COVID-19 pandemic will result in reduced revenue for external facing training and development activities, and events and international engagement.

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 statements report payments of Judicial Office Holders' remuneration and entitlements. Payments are only 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

	2019-20	2020-21	2021-22	2022-23	2023-24
	Estimated	Budget	Forw ard	Forw ard	Forw ard
	actual		estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Employee benefits	27,155	28,062	28,900	29,379	28,563
Suppliers	16,346	16,288	12,317	11,939	11,824
Depreciation and amortisation (a)	3,399	3,408	3,417	3,457	3,457
Finance costs	167	158	132	119	119
Total expenses	47,067	47,916	44,766	44,894	43,963
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	22,095	10,596	10,856	11,120	11,120
Other	41	41	42	43	43
Total own-source revenue	22,136	10,637	10,898	11,163	11,163
Net (cost of)/contribution by services	(24,931)	(37,279)	(33,868)	(33,731)	(32,800)
Revenue from Government	23,070	35,470	32,129	32,027	31,096
Surplus/(deficit) attributable to the Australian Government	(1,861)	(1,809)	(1,739)	(1,704)	(1,704)
Total comprehensive income/(loss) attributable to the Australian Government	(1,861)	(1,809)	(1,739)	(1,704)	(1,704)

Note: Impact of net cash appropriation arrangements

	2019-20	2020-21	2021-22	2022-23	2023-24
	\$'000	\$'000	\$'000	\$'000	\$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	-	-	-	-	-
less: Depreciation/amortisation expenses previously funded through revenue appropriations (a)	546	559	609	581	581
less: depreciation/amortisation expenses for ROU assets (b)	2,715	2,711	2,670	2,738	2,738
add: Principal repayments on leased assets (b)	1,400	1,461	1,540	1,615	1,615
Total comprehensive income/(loss) - as per the statement of comprehensive income	(1,861)	(1,809)	(1,739)	(1,704)	(1,704)

Prepared on Australian Accounting Standards basis.

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

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	933	933	933	933	933
Trade and other receivables	16,670	16,185	15,843	15,359	15,019
Total financial assets	17,603	17,118	16,776	16,292	15,952
Non-financial assets					
Land and buildings	12,601	11,082	8,809	7,274	4,929
Property, plant and equipment	1,970	1,759	1,542	1,312	1,103
Intangibles	576	579	535	522	504
Other non-financial assets	477	477	477	477	477
Total non-financial assets	15,624	13,897	11,363	9,585	7,013
Total assets	33,227	31,015	28,139	25,877	22,965
LIABILITIES					
Payables					
Suppliers	4,126	4,132	4,128	4,090	4,090
Prepayments Received	5,899	5,899	5,899	5,899	5,899
Total payables	10,025	10,031	10,027	9,989	9,989
Interest bearing liabilities					
Leases	8,348	7,682	6,142	5,322	3,707
Total interest bearing liabilities	8,348	7,682	6,142	5,322	3,707
Provisions					
Employee provisions	7,622	7,622	7,622	7,622	7,622
Other provisions	255	104	106	-	-
Total provisions	7,877	7,726	7,728	7,622	7,622
Total liabilities	26,250	25,439	23,897	22,933	21,318
Net assets	6,977	5,576	4,242	2,944	1,647
EQUITY*					
Parent entity interest					
Contributed equity	2,973	3,381	3,786	4,192	4,599
Reserves	560	560	560	560	560
Retained surplus (accumulated deficit)	3,444	1,635	(104)	(1,808)	(3,512)
Total parent entity interest	6,977	5,576	4,242	2,944	1,647
Total equity	6,977	5,576	4,242	2,944	1,647

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 2020-21)

	Retained earnings	Asset revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2020				
Balance carried forward from previous period	3,444	560	2,973	6,977
Adjusted opening balance	3,444	560	2,973	6,977
Comprehensive income				
Other comprehensive income	(1,809)	-	-	(1,809)
Total comprehensive income	(1,809)	-	-	(1,809)
Transactions with owners				
Contributions by owners				
Departmental Capital Budget (DCB)	-	-	408	408
Sub-total transactions with owners	-	-	408	408
Estimated closing balance as at 30 June 2021	1,635	560	3,381	5,576
Closing balance attributable to the Australian Government	1,635	560	3,381	5,576

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	23,360	35,955	32,471	32,511	31,436
Sale of goods and rendering of services	22,095	10,596	10,856	11,120	11,120
Other	1,604	1,578	1,548	1,540	-
Total cash received	47,059	48,129	44,875	45,171	42,556
Cash used					
Employees	27,155	28,062	28,900	29,379	28,563
Suppliers	17,864	17,819	13,827	13,474	11,781
Interest payments on lease liability	162	154	130	118	118
Total cash used	45,181	46,035	42,857	42,971	40,462
Net cash from/(used by) operating activities	1,878	2,094	2,018	2,200	2,094
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	889	886	883	884	886
Make good payment	-	155	-	107	-
Total cash used	889	1,041	883	991	886
Net cash from/(used by) investing activities	(889)	(1,041)	(883)	(991)	(886)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	411	408	405	406	407
Total cash received	411	408	405	406	407
Cash used					
Principal payments on lease liability	1,400	1,461	1,540	1,615	1,615
Total cash used	1,400	1,461	1,540	1,615	1,615
Net cash from/(used by) financing activities	(989)	(1,053)	(1,135)	(1,209)	(1,208)
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	933	933	933	933	933
Cash and cash equivalents at the end of the reporting period	933	933	933	933	933

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	411	408	405	406	407
Total new capital appropriations	411	408	405	406	407
Provided for:					
Purchase of non-financial assets	411	408	405	406	407
Total items	411	408	405	406	407
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB (a)	411	408	405	406	407
Funded internally from departmental resources (b)	478	478	478	478	479
TOTAL	889	886	883	884	886
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	889	886	883	884	886
Total cash used to acquire assets	889	886	883	884	886

Prepared on Australian Accounting Standards basis.

(a) Does not include annual finance lease costs. Includes 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; and
- s74 External Revenue.

Table 3.6: Statement of asset movements (Budget year 2020-21)

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2020				
Gross book value	6,565	2,319	3,953	12,837
Gross book value - ROU assets	9,731	17		9,748
Accumulated depreciation/ amortisation and impairment	(2,114)	(351)	(3,377)	(5,842)
Accumulated depreciation/amortisation and impairment - ROU assets	(1,581)	(15)	-	(1,596)
Opening net book balance	12,601	1,970	576	15,147
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services (a)	100	86	700	886
By purchase - appropriation ordinary annual services - ROU assets	750	45		795
Total additions	850	131	700	1,681
Other movements				
Depreciation/amortisation expense	(779)	(327)	(697)	(1,803)
Depreciation/amortisation on ROU assets	(1,590)	(15)	-	(1,605)
Total other movements	(2,369)	(342)	(697)	(3,408)
As at 30 June 2021				
Gross book value	6,665	2,405	4,653	13,723
Gross book value - ROU assets	10,481	62	-	10,543
Accumulated depreciation/ amortisation and impairment	(2,893)	(678)	(4,074)	(7,645)
Accumulated depreciation/amortisation and impairment - ROU assets	(3,171)	(30)	-	(3,201)
Closing net book balance	11,082	1,759	579	13,420

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2020-21 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)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
EXPENSES					
Employee benefits	4,230	4,302	4,361	4,440	4,520
Total expenses administered on behalf of Government	4,230	4,302	4,361	4,440	4,520
Surplus/(deficit)	4,230	4,302	4,361	4,440	4,520
Total comprehensive income/(loss)	(4,230)	(4,302)	(4,361)	(4,440)	(4,520)

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)

	2019-20	2020-21	2021-22	2022-23	2023-24
	Estimated	Budget	Forw ard	Forw ard	Forw ard
	actual		estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash used					
Employees	4,230	4,302	4,361	4,440	4,520
Total cash used	4,230	4,302	4,361	4,440	4,520
Net cash from/(used by) operating activities					
	(4,230)	(4,302)	(4,361)	(4,440)	(4,520)
Net increase/(decrease) in cash held					
	(4,230)	(4,302)	(4,361)	(4,440)	(4,520)
Cash and cash equivalents at beginning of reporting period					
Cash from Official Public Account for:					
- Appropriations	4,230	4,302	4,361	4,440	4,520
Total cash from Official Public Account	4,230	4,302	4,361	4,440	4,520
Cash and cash equivalents at end of reporting period					
	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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 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 three objectives, achieved through the delivery of finance products, tailored support and opportunities that:

1. support Aboriginal and Torres Strait Islander people to own a home and build home equity;
2. support Aboriginal and Torres Strait Islander people to start and grow a business that supports income, employment and economic independence; and
3. support Aboriginal and Torres Strait Islander organisations to invest, grow their capital and build commercial capability.

Following a review of IBA's performance framework against the Department of Finance's *Resource Management Guidance (RMG) 131 Developing Good Performance Information*, a series of minor adjustments and new performance criteria are now adopted to better demonstrate delivery of purpose with targets reflecting the current economic environment as set out in Table 2.1.2. New criteria are as follows:

1. the number of Aboriginal and Torres Strait Islander people attending capability workshops (Measures 4 and 9);
2. the percentage of customers satisfied with IBA's services (Measures 5, 10 and 17);
3. cost efficiency measures for all three functions (Measures 6, 11 and 18);
4. a target for the number of Indigenous co-investors (Measure 14); and
5. a target relating to the implementation of IBA's impact framework (Measure 20).

IBA Budget Statements

COVID-19 had a significant impact on IBA's delivery of outcomes in 2019-20 and required IBA to take swift actions to support its customers, co-investors and staff. Demand for support continues to increase and other risks have emerged that will require ongoing management by IBA in 2020-21 including:

- constraints on available capital to meet increasing levels of demand for home loans;
- supporting the broader Indigenous Business Sector to cope with the current economic environment;
- housing customers that may be facing difficulties in meeting their lending obligations; and
- the need for ongoing management with Indigenous co-investment partners to minimise negative impacts on IBA subsidiaries.

Areas of focus for IBA have been, and will continue to be in 2020-21:

- strict financial management to meet demand given it exceeds available capital;
- ensuring we meet customers' finance needs in a responsible fashion;
- identifying innovative ways to increase the amount of capital IBA can draw on to increase its lending capacity and therefore meet customer demand into the future;
- launching our inaugural impact report, which confirms the cultural, social and economic impacts IBA's products and services have on customers; and
- assessing strategic partnerships to improve customer and partner impacts.

Informed by the impacts of COVID-19 to date, IBA has undertaken a significant amount of work to understand current and emerging risks to delivery in 2020-21 and beyond whilst aiming to achieve its objectives and understand the impacts on our customers.

Further, for 2020-21, a new Budget measure has been introduced, in which an equity injection of \$150 million over 3 years is to be provided to IBA for its Indigenous Home Ownership Program ("IHOP") to enable home lending to Indigenous Australians to build new houses in regional Australia, with a view to supporting Indigenous Australians into home ownership whilst also creating jobs and economic stimulus.

By striving for these achievements in 2020-21, IBA intends to continue to deliver its 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 business and home finance.*

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 for Outcome 1' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Indigenous Business Australia resource statement - Budget estimates for 2020-21 as at Budget October 2020

	2019-20 <i>Estimated actual</i> \$'000	2020-21 Estimate \$'000
Opening balance/cash reserves at 1 July	108,741	131,775
Funds from Government		
Annual appropriations - ordinary annual services (a)		
Outcome 1	9,538	9,546
Annual appropriations - other services (b)		
Equity injections	22,850	97,850
Total annual appropriations	32,388	107,396
Amounts received from related entities		
Amounts from National Indigenous Australians Agency (c)	26,631	68,972
Total amounts received from related entities	26,631	68,972
Total funds from Government	59,019	176,368
Funds from other sources		
Interest	50,947	44,407
Sale of goods and services	84,464	68,637
Dividends	9,275	6,421
Rental Income	17,341	19,916
Other	2,441	1,295
Total funds from other sources	164,468	140,676
Total net resourcing for IBA	332,228	448,819
	2019-20	2020-21
Average staffing level (number)	204	203

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

(a) Appropriation Bill (No. 1) 2020-21.

(b) Appropriation Bill (No. 2) 2020-21.

(c) Funding provided by the National Indigenous Australians Agency that is not specified within the Annual Appropriation Bills as a payment to the CCE (for example, a grant awarded to a CCE from one of its portfolio department's administered programs).

1.3 BUDGET MEASURES

Budget measures in Part 1 relating to entity Indigenous Business Australia are detailed in budget Paper no. 2 and are summarised below.

**Table 1.2: IBA 2020-21 Budget measures
Measures announced after the Economic and Fiscal Update July 2020**

		2020-21	2021-22	2022-23	2023-24
Program		\$'000	\$'000	\$'000	\$'000
Receipt Measures					
Equity Injection to the Indigenous Home Ownership Program					
Departmental receipt	1.1	754	2,950	4,338	4,635
Total		754	2,950	4,338	4,635
Total receipt measures					
Departmental		754	2,950	4,338	4,635
Total		754	2,950	4,338	4,635

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

(a) The Measure identified above represents an equity injection to IBA's Indigenous Home Ownership Program (IHOP) of \$150 million over 3 years.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance 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 a complete picture of an entity's planned and actual performance.

The most recent corporate plan for IBA can be found at: <https://www.iba.gov.au/wp-content/uploads/IBA-Corporate-Plan-2019-20-web.pdf>

The most recent annual performance statement can be found at: https://www.iba.gov.au/wp-content/uploads/201819-IBA-AR_webcopy-2.pdf

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 2.1.1: Budgeted expenses for Outcome 1

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
Program 1.1: Indigenous Economic Participation and Wealth Program					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	9,538	9,546	9,442	9,305	9,341
Expenses not requiring appropriation in the budget year	78,466	95,065	94,341	93,311	93,504
Revenues from other independent sources	166,095	170,339	144,268	150,022	152,113
Total expenses for Program 1.1	254,099	274,950	248,051	252,638	254,958
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	9,538	9,546	9,442	9,305	9,341
Expenses not requiring appropriation in the budget year	78,466	95,065	94,341	93,311	93,504
Revenues from other independent sources	166,095	170,339	144,268	150,022	152,113
Total expenses for Outcome 1	254,099	274,950	248,051	252,638	254,958
	2019-20	2020-21			
Average staffing level (number)	204	203			

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 2020-21 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.		
Program 1.1 – Indigenous Economic Participation and Wealth Creation		
<p>This program contributes to the above outcome through the following objectives:</p> <ol style="list-style-type: none"> 1. Support Aboriginal and Torres Strait Islander people to own a home and build home equity; 2. Support Aboriginal and Torres Strait Islander people to start and grow a business that supports income, employment and economic independence; 3. Support Aboriginal and Torres Strait Islander organisations to invest, grow capital and build commercial capability. <p>The program recognises the unique circumstances of Australia’s Indigenous peoples and delivers outcomes against the above objectives in a culturally sensitive and informed way.</p>		
Delivery	<p>IBA increases wealth and economic independence for Aboriginal and Torres Strait Islander people by delivering:</p> <ol style="list-style-type: none"> 1. finance products and tailored support for home ownership. 2. finance products and tailored support to help start, acquire or grow a business. 3. investment and direct management of businesses and assets as well as commercial capability development. 	
Performance information		
Year	Performance criteria	2019-20 Actual Achievement/Targets
2019-20 (a)	<ol style="list-style-type: none"> 1. Value of business finance approved (annual) 2. Survivability of IBA business finance customers 3. Total amount of Indigenous co-investments with IBA 4. Portfolio return to Indigenous co-investors (annual) 5. Percentage of total value of goods or services purchased from Indigenous suppliers (annual) 6. Percentage of IBA’s suppliers that are Indigenous (annual) 7. Percentage of jobs supported by IBA’s associates, subsidiaries and program customers held by Indigenous Australians 8. Number of home ownership outcomes approved (annual) 9. Value of home ownership outcomes approved (annual) 10. Percentage of Indigenous home owners who transition or are supported into mainstream lending (annual) 	<ol style="list-style-type: none"> 1. \$59.9m (against a target of \$40m) 2. 0-4 employees: 65% (target of 63%) 5-19 employees: 94% (target of 78%) 20-199 employees: 100% (target of 82%) 200+ employees: IBA had no such customers 3. \$169m (against a target of \$200m) 4. 0.64% (against a target of 3.2% [CPI + 3.5%]) 5. 6.5% (against a target of 5%) 6. 8.5% (against a target of 15%) 7. 46.5% (against a target of 40%) 8. 454 (against a target of 650) 9. \$166.1m (against a target of \$200m) 10. 4.8% (against a target of 4.5%)

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Performance information (continued)		
Year	Performance criteria	2019-20 Actual Achievement/Targets
	<ul style="list-style-type: none"> 11. Percentage of housing loans to applicants who are first home buyers (annual) 12. Percentage of home owners who transition from social housing and affordable rental to homeownership (annual) 	<ul style="list-style-type: none"> 11. 95.2% (against a target of 90%) 12. 6.4% (against a target of 5%)
2020-21	<ul style="list-style-type: none"> 1. Value of home ownership outcomes approved 2. Percentage of approved customers that are first home buyers 3. Percentage of Indigenous home customers who transition or are supported into mainstream lending 4. Number of people attending housing capability workshops 5. Percentage of home customers satisfied or very satisfied with IBA's service 6. Cost per dollar lent home loan efficiency ratio 7. Four-year survivability of IBA supported business loan customers 8. Value of business finance approved 9. Number of people attending business capability workshops 10. Percentage of business customers satisfied or very satisfied with IBA's service 11. Cost per dollar lent business loan efficiency ratio 12. Total value of Indigenous co-investments with IBA (cumulative since 1 July 2015) 13. Five-year average annual portfolio returns to Indigenous co-investors 14. Number of Indigenous co-investor partnerships (cumulative since 1 July 2015) 15. Value of goods and services procured from Indigenous suppliers by IBA's subsidiaries and associates 16. Percentage of jobs supported by IBA's subsidiaries and associates held by Indigenous Australians 17. Percentage of investors satisfied or very satisfied with IBA's service 18. Asset management expense ratio 19. Value of goods and services procured from Indigenous suppliers by IBA 20. Implementation of IBA's Impact Framework 	<ul style="list-style-type: none"> 1. \$200m 2. 90% 3. 4.5% 4. 500 5. 80% 6. Measure to be piloted and target to be developed 7. Australian average business survivability by employment category, as reported by the ABS 8. \$45m 9. 500 10. 80% 11. Measure to be piloted and target to be developed 12. \$152m 13. CPI + 3.5% 14. 60 15. \$2.0m 16. 22% 17. 70% 18. Less than 3% 19. \$4.5m 20. Annual Impact Report Published

Performance information (continued)		
Year	Performance criteria	2019-20 Actual Achievement/Targets
2021-22 to 2023-24	<ol style="list-style-type: none"> 1. Value of home ownership outcomes approved 2. Percentage of approved customers that are first home buyers 3. Percentage of Indigenous home customers who transition or are supported into mainstream lending 4. Number of people attending housing capability workshops 5. Percentage of home customers satisfied or very satisfied with IBA's service 6. Cost per dollar lent home loan efficiency ratio 7. Four-year survivability of IBA supported business loan customers 8. Value of business finance approved 9. Number of people attending business capability workshops 10. Percentage of business customers satisfied or very satisfied with IBA's service 11. Cost per dollar lent business loan efficiency ratio 12. Total value of Indigenous co-investments with IBA (cumulative since 1 July 2015) 13. Five-year average annual portfolio returns to Indigenous co-investors 14. Number of Indigenous co-investor partnerships (cumulative since 1 July 2015) 15. Value of goods and services procured from Indigenous suppliers by IBA's associates and subsidiaries 16. Percentage of jobs supported by IBA's associates and subsidiaries held by Indigenous Australians 17. Percentage of investors satisfied or very satisfied with IBA's service 18. Asset management expense ratio 19. Value of goods and services procured from Indigenous suppliers by IBA 20. Implementation of IBA's Impact Framework 	<ol style="list-style-type: none"> 1. \$220m (2021-22), \$225m (2022-23), \$226m (2023-24) 2. 90% 3. 4.5% 4. 500 5. 80% 6. Target to be set in 2020-21 once measure piloted 7. Australian average business survivability by employment category, as reported by the ABS 8. \$45m 9. 500 10. 80% 11. Target to be set in 2020-21 once measure piloted 12. \$162m (2021-22), \$172m (2022-23), \$182m (2023-24) 13. CPI + 3.5% 14. 65 (2021-22), 70 (2022-23), 75 (2023-24) 15. \$2.5m (2021-22), \$3.0m (2022-23), \$3.5m (2023-24) 16. 23% (2021-22), 24% (2022-23), 25% (2023-24) 17. 75% (2021-22), 75% (2022-23), 80% (2023-24) 18. Less than 3% 19. \$4.75m (2021-22), \$5.0m (2022-23), \$5.25m (2023-24) 20. Annual Impact Report Published
Purposes	<ol style="list-style-type: none"> 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. 	

a) The presentation of 2019-20 performance measures has been adjusted to better align with IBA's purposes and Corporate Plan.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2020-21 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 2019-20 actual results are used as the comparative year in the analysis.

IBA budgets are prepared on a consolidated basis for IBA and its 35 subsidiaries, of which, 23 are 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 \$2.6 million in 2020-21 compared with an actual operating surplus of \$30.3 million in 2019-20.

Budgeted Departmental Balance Sheet

Budgeted net assets as at 30 June 2021 of \$1,672.9 million represents an increase of \$120 million over the net assets of \$1,552.5 million as at 30 June 2020. The main drivers of the increase are:

- continuing capital injections from the Government of \$22.9 million.
- Budget Measure equity injection of \$75 million (\$150 million over 3 years).
- estimated contributions of equity from indigenous partners of \$20 million.
- the estimated operating surplus of \$2.6 million.

Budgeted Departmental Statement of Cash Flows

Net lending activity is expected to be \$153.6 million in 2020-21.

Departmental Statement of Changes in Equity

Total equity is expected to increase by \$120 million to \$1,672.9 million as at 30 June 2021, with the additional equity injection of \$22.9 million from the Commonwealth, Budget Measure equity injection of \$75 million (\$150 million over 3 years), indigenous co-investment of \$20 million and the Budget year surplus of \$2.6 million.

3.1.2 Explanatory notes and analysis of budgeted financial statements (continued)

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
EXPENSES					
Employee benefits	47,249	42,713	45,228	48,057	49,013
Suppliers	87,244	83,567	85,197	87,913	89,056
Grants	9,486	39,693	8,011	8,011	8,011
Depreciation and amortisation	11,569	12,621	14,339	14,403	14,425
Finance costs	78,466	83,327	85,380	84,247	84,424
Impairment Loss on Financial Instruments	-	11,738	8,961	9,064	9,080
Write-down and impairment of assets	19,336	-	-	-	-
Other expenses	749	1,291	935	943	949
Total expenses	254,099	274,950	248,051	252,638	254,958
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	84,464	70,288	74,758	82,150	85,159
Interest	50,947	44,407	48,786	52,465	55,169
Dividends	9,275	6,421	6,507	6,507	6,637
Rental income	17,341	19,916	20,929	22,760	23,326
Unwinding concessional loan discount	83,803	56,698	65,543	70,327	70,580
Other	27,958	69,898	28,472	28,472	28,472
Total own-source revenue	273,788	267,628	244,995	262,681	269,343
Gains					
Sale of asset	1,114	-	-	-	-
Other	-	369	2,492	2,542	2,591
Total gains	1,114	369	2,492	2,542	2,591
Total own-source income	274,902	267,997	247,487	265,223	271,934
Net (cost of)/contribution by services	20,803	(6,953)	(564)	12,585	16,976
Revenue from Government	9,538	9,546	9,442	9,305	9,341
Surplus/(deficit) after income tax on continuing operations	30,341	2,593	8,878	21,890	26,317
OTHER COMPREHENSIVE INCOME					
Income tax expense	-	37	38	38	38
Total other comprehensive income	-	37	38	38	38
Surplus/(deficit) after income tax on continuing operations	30,341	2,556	8,840	21,852	26,279
Surplus/(deficit) attributable to non-controlling interest	345	1,646	1,913	2,898	3,424
Surplus/(deficit) attributable to the Australian Government	29,996	910	6,927	18,954	22,855

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	131,775	108,190	111,335	110,223	111,252
Trade and other receivables	1,032,430	1,149,161	1,232,579	1,299,376	1,347,926
Investments accounted for under the equity method	15,242	15,242	15,242	15,242	15,242
Other investments	249,236	230,006	245,091	259,076	280,383
Total financial assets	1,428,683	1,502,599	1,604,247	1,683,917	1,754,803
Non-financial assets					
Land and buildings	47,853	44,675	41,065	37,439	33,807
Property, plant and equipment	30,434	27,290	25,612	23,890	19,043
Investment property	166,448	176,448	176,448	176,448	176,448
Intangibles	6,164	5,446	4,630	3,811	2,990
Inventories	3,193	2,312	2,312	2,312	2,312
Tax assets	880	590	590	590	590
Other non-financial assets	857	2,893	2,893	2,893	2,893
Total non-financial assets	255,829	259,654	253,550	247,383	238,083
Total assets	1,684,512	1,762,253	1,857,797	1,931,300	1,992,886
LIABILITIES					
Payables					
Suppliers	12,434	11,867	11,867	11,867	11,867
Tax liabilities	65	58	58	58	58
Other payables	45,366	4,115	4,115	4,115	4,115
Total payables	57,865	16,040	16,040	16,040	16,040
Interest bearing liabilities					
Loans	40,308	40,308	40,308	40,308	40,308
Leases	12,699	10,624	8,228	5,779	3,236
Total interest bearing liabilities	53,007	50,932	48,536	46,087	43,544
Provisions					
Employee provisions	9,392	9,957	9,957	9,957	9,957
Other provisions	11,781	12,451	12,451	12,451	12,451
Total provisions	21,173	22,408	22,408	22,408	22,408
Total liabilities	132,045	89,380	86,984	84,535	81,992
Net assets	1,552,467	1,672,873	1,770,813	1,846,765	1,910,894

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
EQUITY*					
Parent entity interest					
Contributed equity	1,081,275	1,179,125	1,258,225	1,299,825	1,322,675
Reserves	4,846	4,846	4,846	4,846	4,846
Retained surplus (accumulated deficit)	314,615	315,525	322,452	341,406	364,261
Total parent entity interest	1,400,736	1,499,496	1,585,523	1,646,077	1,691,782
Attributed to non-controlling interest					
Contributed equity	138,055	158,055	168,055	180,555	195,555
Reserves	1,446	1,446	1,446	1,446	1,446
Retained surplus (accumulated deficit)	12,230	13,876	15,789	18,687	22,111
Total non-controlling interest	151,731	173,377	185,290	200,688	219,112
Total equity	1,552,467	1,672,873	1,770,813	1,846,765	1,910,894

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 2020-21)

	Retained earnings	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2020				
Balance carried forward from previous period	326,845	6,292	1,219,330	1,552,467
Adjusted opening balance	326,845	6,292	1,219,330	1,552,467
Comprehensive income				
Surplus/(deficit) for the period	2,556	-	-	2,556
Total comprehensive income	2,556	-	-	2,556
of which:				
Attributable to the Australian Government	910	-	-	910
Attributable to non-controlling interest	1,646	-	-	1,646
Transactions with owners				
Contributions by owners				
Equity injection - Appropriation	-	-	97,850	97,850
Other	-	-	20,000	20,000
Sub-total transactions with owners	-	-	117,850	117,850
Estimated closing balance as at 30 June 2021	329,401	6,292	1,337,180	1,672,873
Less: non-controlling interests	13,876	1,446	158,055	173,377
Closing balance attributable to the Australian Government	315,525	4,846	1,179,125	1,499,496

Prepared on Australian Accounting Standards basis

a) The new Budget Measure represents an equity injection to IBA's Indigenous Home Ownership Program.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	9,538	9,546	9,442	9,305	9,341
Receipts from Government	45,619	27,500	27,500	27,500	27,500
Sale of goods and rendering of service	80,275	68,637	74,758	82,150	85,159
Interest	50,948	44,407	48,786	52,465	55,169
Dividends	9,275	6,421	6,508	6,507	6,637
Other	20,665	23,935	23,640	23,732	24,298
Total cash received	216,320	180,446	190,634	201,659	208,104
Cash used					
Employees	47,361	41,970	45,228	48,057	49,013
Suppliers	86,211	83,903	85,197	87,913	89,056
Borrowing costs	1,797	1,058	1,326	1,324	1,318
Net GST paid	322	-	-	-	-
Interest payments on lease liability	304	219	223	231	237
Other	9,970	42,756	10,585	8,761	8,761
Total cash used	145,965	169,906	142,559	146,286	148,385
Net cash from/(used by) operating activities	70,355	10,540	48,075	55,373	59,719
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	1,114	60	-	-	-
Investments	31,738	39,230	5,139	4,000	778
Other - loans and advances	278,630	202,502	240,744	261,013	272,285
Total cash received	311,482	241,792	245,883	265,013	273,063
Cash used					
Purchase of property, plant and equipment and intangibles	37,619	15,581	8,235	8,235	5,125
Purchase of non financial asset intangibles	2,485	-	-	-	-
Investments	30,835	20,000	20,224	17,985	22,085
Other	330,584	356,111	347,558	345,429	338,350
Total cash used	401,523	391,692	376,017	371,649	365,560
Net cash from/(used by) investing activities	(90,041)	(149,900)	(130,134)	(106,636)	(92,497)

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
FINANCING ACTIVITIES					
Cash received					
Contributed equity	30,835	97,850	79,100	41,600	22,850
Other	25,000	20,000	10,000	12,500	15,000
Total cash received	55,835	117,850	89,100	54,100	37,850
Cash used					
Repayments of borrow ings	7,695	-	-	-	-
Principal payments on lease liability	1,947	2,075	3,896	3,949	4,043
Dividends Paid	3,473	-	-	-	-
Total cash used	13,115	2,075	3,896	3,949	4,043
Net cash from/(used by) financing activities	42,720	115,775	85,204	50,151	33,807
Net increase/(decrease) in cash held	23,034	(23,585)	3,145	(1,112)	1,029
Cash and cash equivalents at the beginning of the reporting period	108,741	131,775	108,190	111,335	110,223
Cash and cash equivalents at the end of the reporting period	131,775	108,190	111,335	110,223	111,252

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	22,850	97,850	79,100	41,600	22,850
Total new capital appropriations	22,850	97,850	79,100	41,600	22,850
Provided for:					
IBA's IHOP	22,850	97,850	79,100	41,600	22,850
Total items	22,850	97,850	79,100	41,600	22,850
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources (a)	40,104	15,581	8,235	8,235	5,125
TOTAL	40,104	15,581	8,235	8,235	5,125
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	40,104	15,581	8,235	8,235	5,125
Total cash used to acquire assets	40,104	15,581	8,235	8,235	5,125

Prepared on Australian Accounting Standards basis.

(a) Includes the following sources of funding:

- 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 2020-21)

	Buildings	Other property, plant and equipment	Investment property	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2020					
Gross book value	38,318	48,392	166,448	12,090	265,248
Gross book value - ROU assets	14,646	-	-	-	14,646
Accumulated depreciation/amortisation and impairment	(4,535)	(17,958)	-	(5,926)	(28,419)
Accumulated depreciation/amortisation and impairment - ROU assets	(576)	-	-	-	(576)
Opening net book balance	47,853	30,434	166,448	6,164	250,899
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase - other	-	5,581	10,000	-	15,581
Total additions	-	5,581	10,000	-	15,581
Other movements					
Depreciation/amortisation expense	(787)	(8,725)	-	(718)	(10,230)
Depreciation/amortisation on ROU assets	(2,391)	-	-	-	(2,391)
Total other movements	(3,178)	(8,725)	-	(718)	(12,621)
As at 30 June 2021					
Gross book value	38,318	53,973	176,448	12,090	280,829
Gross book value - ROU assets	14,646	-	-	-	14,646
Accumulated depreciation/amortisation and impairment	(5,322)	(26,683)	-	(6,644)	(38,649)
Accumulated depreciation/amortisation and impairment - ROU assets	(2,967)	-	-	-	(2,967)
Closing net book balance	44,675	27,290	176,448	5,446	253,859

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 ILSC's long term vision is for Indigenous people to enjoy the rightful entitlements, opportunities and benefits that the return of country and its management brings.

Under its governing legislation, the *Aboriginal and Torres Strait Islander Act 2005* (ATSI Act) the ILSC's purpose is to:

- a) assist Aboriginal persons and Torres Strait Islanders to acquire land and water related rights; and
- b) assist Aboriginal persons and Torres Strait Islanders to manage Indigenous held land and waters;

so as to provide economic, environmental, social or cultural benefits for Aboriginal persons and Torres Strait Islander people.

To achieve its vision and deliver on its purpose, the ILSC:

- acquires and divests land and water-related interests to Aboriginal and Torres Strait Islander Corporations;
- supports Aboriginal and Torres Strait Islander people to preserve and protect culture through reconnection with country;
- partners with Aboriginal and Torres Strait Islander people to drive and influence opportunities for their country; and
- invests in the capacity and capability of Aboriginal and Torres Strait Islander people to sustainably manage and protect country.

The ILSC operates within the context of the Indigenous Estate, envisaged as the tangible and intangible aspects of Indigenous Australia collectively held by Indigenous Australians. Physically, this refers to the land, fresh and salt-water country under the care and control of Indigenous Australians. Less tangibly, it refers to the cultural assets, cultural knowledge and intellectual property collectively held by Indigenous Australians and associated with their country.

In the year ahead, the ILSC will focus on:

- continued operationalisation of the ILSC's expanded remit, now including fresh and salt-water country¹. In the period to December 2020, the ILSC will be consulting with Indigenous stakeholder on the refresh of its National

¹ 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.

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Indigenous Land and Sea Strategy (NILSS) to bring into greater focus the opportunities of this remit for Indigenous Australians and the Indigenous Estate. The NILSS will set out how the ILSC will deliver its functions to 2023.

- supporting the Indigenous Estate and its enterprises to survive, adapt to and recover from the impacts of the Covid-19 pandemic. ILSC will maintain a watching brief on risks and opportunities within its operations and across the Indigenous Estate as it adapts to a 'new normal'. These challenges are reflected in the revision of targets at Table 2.1.2. Targets for KPIs relating to training and employment of Indigenous have been significantly reduced to 2022 allowing for an incremental recovery of key sectors such as tourism and community service provision.
- the review, reform and improvement of ILSC's operations and programs to enhance efficiencies and maximise its return on mandate. This will be supported by enhanced performance measurement, enabling the ILSC to track and report on the delivery of value and benefit to the Indigenous Estate from available resources.

The ILSCs operations are funded through the Aboriginal and Torres Strait Islander Land and Sea Future Fund (ATSILSFF) – a dedicated fund established (initially as the Aboriginal and Torres Strait Islander Land Account) to support the purpose of the ILSC. Revenue from the ATSILSFF supports the ILSC's operations, with the ILSC receiving \$45 million (in 2010 values) annually.

The ILSC delivers its operations through:

- its principal funding program – Our Country Our Future – delivered from three Divisional offices: Western (Perth), Central (Adelaide) and Eastern (Brisbane) where new land and water acquisition and management projects are developed and delivered with Indigenous groups
- its subsidiaries, which are specifically structured and geared to generate outcomes through operating commercially in industry sectors in which Indigenous peoples hold a competitive advantage:
 - 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.
 - Primary Partners Ltd (formerly Australian Indigenous Agribusiness Company (AIA) Pty Ltd), which employs labour on a number of agribusinesses developed by the ILSC on ILSC-owned land.
 - National Centre of Indigenous Excellence (NCIE) Ltd, which manages the ILSC-developed social enterprise of the same name in Redfern, Sydney, NSW.
 - Yamanah Investments Ltd, piloting a place-based approach to delivering investment in the Murray Darling region of NSW.

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 2020-21 as at Budget October 2020

	2019-20 Estimated actual \$'000	2020-21 Estimate \$'000
Opening balance/cash reserves at 1 July		
Funds from Government		
Annual appropriations - ordinary annual services		
Outcome 1	8,576	8,402
Total annual appropriations	8,576	8,402
Special accounts (a)		
Indigenous Land and Sea Corporation Special Funding Account	54,143	54,847
Total special accounts	54,143	54,847
Total funds from Government	62,719	63,249
Funds from other sources		
Interest	1,511	1,000
Sale of goods and services	19,242	2,350
Other	55,996	37,829
Total funds from other sources	76,749	41,179
Total net resourcing for Indigenous Land and Sea Corporati	139,468	104,428
	2019-20	2020-21
Average staffing level (number)	242	265

All figures shown 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 therefore does not have a balance carried forward from earlier years.

1.3 BUDGET MEASURES

The ILSC has no budget measures in the 2020-21 Budget.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance 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:

<https://www.ilsc.gov.au/wp-content/uploads/2019/09/Corporate-Plan-2019-20.pdf>).

The most recent annual performance statement can be found at:

<https://www.ilsc.gov.au/home/about/publications/annual-reports>).

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
Program 1.1: Assistance in the acquisition and management of an Indigenous land					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	8,576	8,402	8,276	8,194	8,112
Payment from related entities Indigenous Land and Sea Corporation Special Funding Account	10,691	12,279	12,279	12,279	12,281
72,589	77,090	86,047	58,550	61,006	
Revenues from other independent sources	11,943	4,819	5,400	5,400	7,702
Total expenses for Program 1.1	103,799	102,590	112,002	84,423	89,101
	2019-20	2020-21			
Average staffing level (number)	242	265			

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 2020-21 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: <ul style="list-style-type: none"> 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)	2019 Actual Achievement/Targets
2019-20	<u>Deliverable 1</u> Interests in land and water/waters acquired	9 (against a target of 5)
	<u>Deliverable 2</u> Interests granted	8 (against a target of 8)
	<u>Deliverable 3</u> Number of active acquisition and management projects	208 (against a target of 110)
	<u>KPI 1 - Indigenous employment</u> <ul style="list-style-type: none"> Number of Indigenous staff directly employed across the ILSC Group Number of Indigenous employment outcomes enabled by ILSC funded projects active in financial year 	695 (against a target of 550) 425 (against a target of 550)
	<u>KPI 2 - Indigenous training</u> <ul style="list-style-type: none"> Number of Indigenous trainees hosted/employed across the ILSC Group Number of Indigenous training completions enabled by ILSC funded projects active in financial year 	188 (against a target of 140) 1167 (against a target of 1100)
	<u>KPI 3 - Indigenous business development</u> Number of Indigenous enterprises assisted by ILSC Group projects	147 (against a target of 66)

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Performance information (continued)		
Year	Performance criteria (a)	2019 Actual Achievement/Targets
	<u>KPI 4 -Protection of Indigenous culture, heritage and the environment</u> Proportion of active ILSC Group projects (Deliverable 3) that maintained or protected Indigenous culture, heritage and/or the environment.	28% (against a target of 50%)
	<u>KPI 5 - Collaboration</u> Proportion of active ILSC Group projects (Deliverable 3) that involved contributions from third parties (beyond immediate beneficiary group)	38% (against a target of 60%)
	<u>KPI 6 - ILSC Group contribution to the Indigenous Estate</u>	Qualitative measure
2020-21	<u>Deliverable 1</u> Interests in land and water/waters acquired	7
	<u>Deliverable 2</u> Interests granted	8
	<u>Deliverable 3</u> Number of active acquisition and management projects	100
	<u>KPI 1 - Indigenous employment</u> <ul style="list-style-type: none"> • Number of Indigenous staff directly employed across the ILSC Group • Number of Indigenous employment outcomes enabled by ILSC funded projects active in financial year 	450 250
	<u>KPI 2 - Indigenous training</u> <ul style="list-style-type: none"> • Number of Indigenous trainees hosted/employed across the ILSC Group • Number of Indigenous training completions enabled by ILSC funded projects active in financial year 	150 800
	<u>KPI 3- Indigenous business development</u> Number of Indigenous enterprises assisted by ILSC Group projects	70
	<u>KPI 4- Protection of Indigenous culture, heritage and the environment</u> Proportion of ILSC Group projects commenced in the reporting period that maintained or protected Indigenous culture, heritage and/or the environment.	50%
	<u>KPI 5 - Collaboration</u> Proportion of ILSC Group projects commenced in the reporting period that that involved contributions from third parties (beyond immediate beneficiary group)	60%
	<u>KPI 6- ILSC Group contribution to the Indigenous Estate</u>	Qualitative measure

Performance information (continued)		
Year	Performance criteria (a)	Targets
2021-22	<u>Deliverable 1</u> Interests in land and water/waters acquired	8
	<u>Deliverable 2</u> Interests granted	8
	<u>Deliverable 3</u> Number of active acquisition and management projects	90
	<u>KPI 1 - Indigenous employment</u> <ul style="list-style-type: none"> • Number of Indigenous staff directly employed across the ILSC Group • Number of Indigenous employment outcomes enabled by ILSC funded projects active in financial year 	450 250
	<u>KPI 2 - Indigenous training</u> <ul style="list-style-type: none"> • Number of Indigenous trainees hosted/employed across the ILSC Group • Number of Indigenous training completions enabled by ILSC funded projects active in financial year 	150 800
	<u>KPI 3- Indigenous business development</u> Number of Indigenous enterprises assisted by ILSC Group projects	60
	<u>KPI 4- Protection of Indigenous culture, heritage and the environment</u> Proportion of ILSC Group projects commenced in the reporting period that maintained or protected Indigenous culture, heritage and/or the environment.	50%
	<u>KPI 5 - Collaboration</u> Proportion of ILSC Group projects commenced in the reporting period that that involved contributions from third parties (beyond immediate beneficiary group)	60%
	<u>KPI 6 - ILSC Group contribution to the Indigenous Estate</u>	Qualitative measure
	2022-23 and beyond	<u>Deliverable 1</u> Interests in land and water/waters acquired
<u>Deliverable 2</u> Interests granted		8
<u>Deliverable 3</u> Number of active acquisition and management projects		80
<u>KPI 1 - Indigenous employment</u> <ul style="list-style-type: none"> • Number of Indigenous staff directly employed across the ILSC Group • Number of Indigenous employment outcomes enabled by ILSC funded projects active in financial year 		500 300

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Performance information (continued)		
Year	Performance criteria (a)	Targets
	<u>KPI 2 - Indigenous training</u> <ul style="list-style-type: none"> • Number of Indigenous trainees hosted/employed across the ILSC Group • Number of Indigenous training completions enabled by ILSC funded projects active in financial year 	<p>200</p> <p>1000</p>
	<u>KPI 3 - Indigenous business development</u> Number of Indigenous enterprises assisted by ILSC Group projects	50
	<u>KPI 4 - Protection of Indigenous culture, heritage and the environment</u> Proportion of ILSC Group projects commenced in the reporting period that maintained or protected Indigenous culture, heritage and/or the environment.	50%
	<u>KPI 5 - Collaboration</u> Proportion of ILSC Group projects commenced in the reporting period that that involved contributions from third parties (beyond immediate beneficiary group)	60%
	<u>KPI 6 - ILSC Group contribution to the Indigenous Estate</u>	Qualitative measure
Purposes	a) To assist Aboriginal persons and Torres Strait Islanders to acquire land and water related rights; and b) To assist Aboriginal persons and Torres Strait Islanders to manage Indigenous held land and waters; so as to provide economic, environmental, social or cultural benefits for Aboriginal persons and Torres Strait Islander people.	

(a) KPIs 4 and 5 have been amended from previous years to capture only projects commenced in the reporting period. Previously, all active projects were considered in the calculation of this measure.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements, which provide a comprehensive snapshot of entity finances for the 2020-21 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 ATSILSFF 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 ATSILSFF 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 ATSILSFF 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 those interests 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 fair value basis. Accordingly, the change in fair 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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
EXPENSES					
Employee benefits	27,309	26,519	24,945	25,330	25,963
Suppliers	63,911	72,499	83,464	55,489	59,534
Depreciation and amortisation	9,951	3,572	3,593	3,604	3,604
Finance costs	2,628	-	-	-	-
Total expenses	103,799	102,590	112,002	84,423	89,101
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	11,044	13,279	13,279	13,279	12,491
Income from Special Account	54,143	54,847	55,285	56,115	57,181
Other	31,087	4,878	18,044	6,835	11,317
Total own-source revenue	96,274	73,004	86,608	76,229	80,989
Net (cost of)/contribution by services	(7,525)	(29,586)	(25,394)	(8,194)	(8,112)
Revenue from Government	8,576	8,402	8,276	8,194	8,112
Surplus/(deficit) attributable to the Australian Government	1,051	(21,184)	(17,118)	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income/(loss)	1,051	(21,184)	(17,118)	-	-
Total comprehensive income/(loss) attributable to the Australian Government	1,051	(21,184)	(17,118)	-	-
Total comprehensive income/(loss) - as per the Statement of comprehensive income	1,051	(21,184)	(17,118)	-	-

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	37,809	36,072	31,500	31,500	31,500
Trade and other receivables	284,241	293,214	296,355	299,834	299,834
Other investments	25,150	-	-	-	-
Total financial assets	347,200	329,286	327,855	331,334	331,334
Non-financial assets					
Land and buildings	8,072	6,938	6,827	6,199	4,188
Property, plant and equipment	81,914	81,915	81,916	81,917	81,917
Intangibles	9	9	9	9	9
Biological Assets	31,142	28,142	16,342	16,342	16,342
Inventories	162,621	162,621	162,621	162,621	162,621
Other non-financial assets	1,507	1,507	1,507	1,507	1,507
Total non-financial assets	285,265	281,132	269,222	268,595	266,584
Total assets	632,465	610,418	597,077	599,929	597,918
LIABILITIES					
Payables					
Suppliers	6,923	6,923	9,966	12,966	11,955
Total payables	6,923	6,923	9,966	12,966	11,955
Interest bearing liabilities					
Leases	8,059	7,196	7,258	6,689	5,689
Total interest bearing liabilities	8,059	7,196	7,258	6,689	5,689
Provisions					
Employee provisions	4,781	4,781	5,453	5,874	5,874
Other provisions	162,210	162,210	162,210	162,210	162,210
Total provisions	166,991	166,991	167,663	168,084	168,084
Total liabilities	181,973	181,110	184,887	187,739	185,728
Net assets	450,492	429,308	412,190	412,190	412,190
EQUITY*					
Parent entity interest					
Reserves	25,923	25,923	25,923	25,923	25,923
Retained surplus (accumulated deficit)	424,569	403,385	386,267	386,267	386,267
Total parent entity interest	450,492	429,308	412,190	412,190	412,190
Total equity	450,492	429,308	412,190	412,190	412,190

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 2020-21)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Total equity \$'000
Opening balance as at 1 July 2020				
Balance carried forward from previous period	424,569	26,282	(359)	450,492
Adjusted opening balance	424,569	26,282	(359)	450,492
Comprehensive income				
Surplus/(deficit) for the period	(21,184)	-	-	(21,184)
Total comprehensive income	(21,184)	-	-	(21,184)
of which:				
Attributable to the Australian Government	(21,184)	-	-	(21,184)
Estimated closing balance as at 30 June 2021	403,385	26,282	(359)	429,308
Closing balance attributable to the Australian Government	403,385	26,282	(359)	429,308

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	8,576	8,402	8,276	8,194	8,112
Receipts from Government	54,143	54,847	55,285	56,115	57,181
Sale of goods and rendering of services	19,242	2,350	4,130	5,160	6,252
Interest	1,511	1,000	1,000	1,000	1,000
Other	13,040	2,028	3,084	3,675	5,065
Total cash received	96,512	68,627	71,775	74,144	77,610
Cash used					
Employees	27,680	27,519	23,945	23,409	24,963
Suppliers	63,819	75,344	68,581	54,989	57,854
Borrow ing costs	2,628	-	-	-	-
Total cash used	94,127	102,863	92,526	78,398	82,817
Net cash from/(used by) operating activities	2,385	(34,236)	(20,751)	(4,254)	(5,207)
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	106	3,000	11,800	-	-
Investments	206,000	32,801	7,800	7,800	7,800
Total cash received	206,106	35,801	19,600	7,800	7,800
Cash used					
Purchase of property, plant and equipment and intangibles	3,732	1,500	1,500	1,500	1,593
Investments	163,150	-	-	-	-
Total cash used	166,882	1,500	1,500	1,500	1,593
Net cash from/(used by) investing activities	39,224	34,301	18,100	6,300	6,207
FINANCING ACTIVITIES					
Cash received					
Cash used					
Repayments of borrow ings	20,520	-	-	-	-
Principal payments on lease liability	1,537	1,802	1,921	2,046	1,000
Total cash used	22,057	1,802	1,921	2,046	1,000
Net cash from/(used by) financing activities	(22,057)	(1,802)	(1,921)	(2,046)	(1,000)
Net increase/(decrease) in cash held	19,552	(1,737)	(4,572)	-	-
Cash and cash equivalents at the beginning of the reporting period	18,257	37,809	36,072	31,500	31,500
Cash and cash equivalents at the end of the reporting period	37,809	36,072	31,500	31,500	31,500

Prepared on Australian Accounting Standards basis.

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

	2019-20	2020-21	2021-22	2022-23	2023-24
	Estimated	Budget	Forw ard	Forw ard	Forw ard
	actual		estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources (a)	3,732	1,500	1,500	1,500	1,593
TOTAL	3,732	1,500	1,500	1,500	1,593
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	3,732	1,500	1,500	1,500	1,593
Total cash used to acquire assets	3,732	1,500	1,500	1,500	1,593

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 2020-21)

	Land	Buildings	Other property, plant and equipment	Computer software and intangibles	Biological Assets	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2020						
Gross book value	-	-	81,847	1,006	31,142	113,995
Gross book value - ROU assets	3,166	6,345	173	-	-	9,684
Accumulated depreciation/ amortisation and impairment	-	-	-	(997)	-	(997)
Accumulated depreciation/amortisation and impairment - ROU assets	(746)	(693)	(106)	-	-	(1,545)
Opening net book balance	2,420	5,652	81,914	9	31,142	121,137
Capital asset additions						
Estimated expenditure on new or replacement assets						
By purchase - other	-	-	1,500	-	-	1,500
By purchase - other - ROU assets	845	-	94	-	-	939
Total additions	845	-	1,594	-	-	2,439
Other movements						
Depreciation/amortisation expense	-	-	(1,500)	-	-	(1,500)
Depreciation/amortisation on ROU assets	(844)	(1,135)	(93)	-	-	(2,072)
Disposals	-	-	-	-	(3,000)	(3,000)
Total other movements	(844)	(1,135)	(1,593)	-	(3,000)	(6,572)
As at 30 June 2021						
Gross book value	-	-	83,347	1,006	28,142	112,495
Gross book value - ROU assets	4,011	6,345	267	-	-	10,623
Accumulated depreciation/ amortisation and impairment	-	-	(1,500)	(997)	-	(2,497)
Accumulated depreciation/amortisation and impairment - ROU assets	(1,590)	(1,828)	(199)	-	-	(3,617)
Closing net book balance	2,421	4,517	81,915	9	28,142	117,004

Prepared on Australian Accounting Standards basis.

**NATIONAL DROUGHT AND NORTH
QUEENSLAND FLOOD RESPONSE
AND RECOVERY AGENCY**

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

NATIONAL DROUGHT AND NORTH QUEENSLAND FLOOD RESPONSE AND RECOVERY AGENCY

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NATIONAL DROUGHT AND NORTH QUEENSLAND FLOOD RESPONSE AND RECOVERY AGENCY

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The purpose of the National Drought and North Queensland Flood Response and Recovery Agency (NDNQFRRRA) is to provide strategic leadership and coordination of the Australian Government's response and recovery assistance to communities affected by drought and the 2019 Monsoon Trough. NDNQFRRRA advises Government on the timeliness, effectiveness and delivery of existing programs, as well as strategies that enable communities to be better positioned to respond to future droughts and natural disasters.

NDNQFRRRA works closely with affected communities and other relevant stakeholders at all levels of government, industry and the not-for-profit sector, to ensure the Australian Government's response and recovery activities are coordinated, timely and well targeted. NDNQFRRRA places a strong emphasis on locally led, locally understood and locally implemented solutions. This approach is underpinned by our established network of Regional Recovery Officers.

NDNQFRRRA is investing in systems to improve and simplify access to information to support recovery and strengthen preparedness for affected individuals, businesses and communities. This will be primarily delivered through the development and enhancement of the following systems:

- National Drought Map - providing access to spatial data from Australian government agencies to support planning and risk management activities.
- Recovery Connect - a location-based service finder connecting users to all levels of government and charity services based on their address or device location.
- Client Relationship Management system - supporting tailored communications with external stakeholders and a comprehensive view of our interactions with them, as well as issues raised. It will also allow Regional Recovery Officers to engage more effectively with affected communities.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the NDNQFRRRA 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: NDNQFRRRA resource statement — Budget estimates for 2020-21 as at Budget October 2020

	2019-20 <i>Estimated actual</i> \$'000	2020-21 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	-	13,258
Departmental appropriation (b)	19,147	29,985
s74 External Revenue	1	-
Departmental capital budget (c)	2,901	100
Total departmental annual appropriations	22,049	43,343
Total departmental resourcing	22,049	43,343
Total resourcing for NDNQFRRRA	22,049	43,343
	2019-20	2020-21
Average staffing level (number)	35	81

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.

(a) Appropriation Bill (No. 1) 2020-21.

(b) Excludes departmental capital budget (DCB).

(c) 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

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

**Table 1.2: NDNQFRRRA 2020-21 Budget measures
Part 1: Measures announced after the Economic and Fiscal Update July 2020**

		2020-21	2021-22	2022-23	2023-24
	Program	\$'000	\$'000	\$'000	\$'000
Payment measures					
Drought Response, Resilience and Preparedness Plan - extended support (a)	1.1				
Departmental payment		-	19,611	-	-
Total		-	19,611	-	-
Implementation of the 2019 Monsoon Trough: A Strategy for Long-Term Recovery (b)	1.1				
Departmental payment		-	-	-	-
Total		-	-	-	-
Total payment measures					
Departmental		-	19,611	-	-
Total		-	19,611	-	-

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

- (a) The lead entity for the measure titled *Drought Response, Resilience and Preparedness Plan – extended support* is the Department of Agriculture, Water and the Environment. The full measure description and package details appear in *Budget Paper No. 2* under the Agriculture, Water and the Environment portfolio.
- (b) The measure titled *Implementation of the 2019 Monsoon Trough: A strategy for Long-Term Recovery* has already been provided for by Government in the 2019-20 Budget. The payment was made through the Department of the Treasury.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance 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 a complete picture of an entity's planned and actual performance.

The most recent corporate plan for NDNQFRRRA can be found at:
<https://www.droughtandflood.gov.au/reporting>

The most recent annual performance statement can be found at:
<https://www.droughtandflood.gov.au/reporting>

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: To coordinate Commonwealth activities for the purpose of assisting areas affected by drought or the North and Far North Queensland Monsoon Trough (25 January – 14 February 2019), including through strategic leadership and policy advice, recovery activities, drought preparation, and administering a loan scheme to provide assistance to eligible primary producers affected by the Monsoon Trough.

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, by Departmental funding sources.

Table 2.1.1: Budgeted expenses for Outcome 1

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
Program 1.1: National Drought and North Queensland Flood Response and Recovery					
Departmental expenses					
Departmental appropriation	9,724	29,985	27,134	7,319	523
Expenses not requiring appropriation in the Budget year (a)	256	488	476	199	-
Departmental total	9,980	30,473	27,610	7,518	523
Total expenses for program 1.1	9,980	30,473	27,610	7,518	523
	2019-20	2020-21			
Average staffing level (number)	35	81			

(a) 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 2.2.1: Performance criteria for Outcome 1

Table 2.2.1 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2020-21 Budget measures have created new programs or materially changed existing programs.

<p>Outcome 1 – To coordinate Commonwealth activities for the purpose of assisting areas affected by drought or the North and Far North Queensland Monsoon Trough (25 January – 14 February 2019), including through strategic leadership and policy advice, recovery activities, drought preparation, and administering a loan scheme to provide assistance to eligible primary producers affected by the Monsoon Trough.</p>		
<p>Program 1.1 – National Drought and North Queensland Flood Response and Recovery Agency</p>		
<p>Delivery</p>	<p>NDNQFRRRA provides advice on and coordinates the Australian Government’s assistance and support for drought or flood affected communities. NDNQFRRRA will coordinate the delivery of a long-term plan for the recovery of flood-impacted areas in North Queensland, oversight the implementation of the Australian Government’s Drought Response, Resilience and Preparedness Plan, enhance the functionality of the National Drought Map and continue to implement Recovery Connect, and coordinate community outreach events. The Regional Recovery Officer network will also continue to work directly with rural communities and with other Australian Government agencies to assist people impacted by drought and flood.</p>	
<p>Performance information</p>		
<p>Year</p>	<p>Performance criteria</p>	<p>2019-20 Actual Achievement/Targets</p>
<p>2019-20</p>	<ul style="list-style-type: none"> • Coordinate the provision of assistance and support to flood impacted individuals, families, primary producers, businesses and communities to improve their circumstances, by working in collaboration with a range of stakeholders across the Australian and Queensland governments. • Provide whole-of-government strategic leadership and advice on the Government’s drought response. • Increase awareness of existing Commonwealth support and assistance for drought-affected communities and North Queensland flood-affected communities. 	<ul style="list-style-type: none"> • Achieved - \$300 million of grants made available to primary producers for restocking, replanting and infrastructure rebuilding. • On hold - 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 (a). • Partially achieved - Report to Government on the appropriateness and efficacy of the Australian Government’s drought response measures by 30 June 2020. • Achieved - Develop a whole-of-government communication and engagement approach with drought-affected communities, both to provide information and to receive feedback. • Achieved - Establish a network of regional recovery officers in drought and flood impacted areas.

Performance information		
Year	Performance criteria (b)	2020-21 Targets
2020-21	<ul style="list-style-type: none"> Affected communities utilise Australian Government assistance contributing to their recovery and strengthening their preparedness for the next drought or natural disaster. 	<ul style="list-style-type: none"> Recipients of Australian Government flood assistance indicate that it has assisted their recovery and they are better prepared for future natural disasters. Recipients of Australian Government drought assistance indicate that it is supporting them through the current drought and that it will assist them to be better prepared for future droughts. Deliver the Drought Community Outreach Program, which includes holding at least 50 events across Australia attended by at least three partner agencies*.
	<ul style="list-style-type: none"> NDNQFRRRA provides leadership in the coordination of Australian Government assistance to drought and North Queensland flood affected communities. 	<ul style="list-style-type: none"> Lead and report on the implementation of Australian, State and Territory government obligations under the National Drought Agreement. Oversee a whole-of-government response to drought including implementation of the Australian Government's Drought Response, Resilience and Preparedness Plan, in accordance with agreed actions. Deliver and implement on the Strategy for long-term recovery (the Strategy) for those areas impacted by 2019 North Queensland monsoon event.
	<ul style="list-style-type: none"> Increased community awareness of Australian Government assistance for drought and North Queensland flood affected communities. 	<ul style="list-style-type: none"> Increase access to, use of, and functionality of the National Drought Map. Develop and implement Recovery Connect to simplify and streamline access to Australian Government information and services associated with drought and the 2019 North Queensland monsoon event.

NDNQFRRRA Budget Statements

Performance information (continued)		
Year	Performance criteria (b)	2020-21 Targets
		<ul style="list-style-type: none"> • Lead a whole-of-government approach to North Queensland flood and drought related communications, through: <ul style="list-style-type: none"> ○ promotion of Australian Government assistance available in impacted regions. ○ social media campaigns that encourage the uptake of Australian Government assistance measures. • Regional Recovery Officers effectively engage with affected communities and stakeholders on support and assistance available, including on strategies to be better prepared for future droughts and natural disasters.
	<ul style="list-style-type: none"> • NDNQFRRRA contributes to better outcomes through improved collaboration in the design and delivery of assistance across all levels of government and with the charity sector. 	<ul style="list-style-type: none"> • Improved collaboration across all levels of government, as well as charities, in the design and delivery of assistance to individuals, businesses and communities impacted by drought and the 2019 North Queensland monsoon event.
	<ul style="list-style-type: none"> • NDNQFRRRA delivers timely, coordinated and robust advice to government to improve the circumstances of drought and North Queensland flood affected communities. 	<ul style="list-style-type: none"> • Quality and timeliness of advice received supports the Government to respond to conditions on the ground. • Advice and options provided by NDNQFRRRA to government, by 30 June 2021, to address any identified gaps and potential improvements in the Australian Government's drought response.*

Performance information (continued)		
Year	Performance criteria (b)	2020-21 Targets
2021-22 and beyond	As per 2020-21	As per 2020-21 with the exception of targets marked with an asterisk (*) which will cease or change in 2021-22.
Purposes	The purpose of the National Drought and North Queensland Flood Response and Recovery Agency is to provide strategic leadership and coordination of the Australian Government's response and recovery assistance to communities affected by drought and the 2019 Monsoon Trough. NDNQFRRRA advises Government on the timeliness, effectiveness and delivery of existing programs, as well as strategies that enable communities to be better positioned to respond to future droughts and natural disasters.	

- (a) The *Treasury Laws Amendment (North Queensland Flood Recovery) Act 2019* provided \$1.75 billion for the provision of loans via Authorised Deposit-taking Institutions (ADI) to eligible primary producers affected by floods in North Queensland. Since the ADI loan product was originally conceived, there has been a positive response by the banking sector which has negated the immediate requirement for this scheme. NDNQFRRRA is continuing to monitor the need for targeted assistance to affected communities.
- (b) Performance criteria have been revised for the 2020-21 year in the Corporate Plan 2020-24.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2020-21 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 in 2020-21. This includes 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 2020-21.

3.1.2 Explanatory notes and analysis of budgeted financial statements

NDNQFRRRA does not have any special accounts or administered funds.

Comprehensive Income Statement

The estimated actual operating surplus for NDNQFRRRA is attributed to the progressive and measured establishment of NDNQFRRRA, coupled with constraints placed on NDNQFRRRA due to COVID 19.

Despite the challenges associated with COVID 19 in particular, NDNQFRRRA continues to deliver on its strategic objectives, including utilising alternate mechanisms for stakeholder engagement where appropriate.

Appropriation revenue is decreasing from 2022-23 in line with Government decisions.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
EXPENSES					
Employee benefits	5,979	12,884	15,688	5,113	-
Suppliers	3,565	16,487	11,037	2,016	523
Depreciation and amortisation	429	1,095	878	382	-
Finance costs	7	7	7	7	-
Total expenses	9,980	30,473	27,610	7,518	523
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Resources received free of charge	965	54	54	54	-
Other revenue	1	-	-	-	-
Total own-source income	966	54	54	54	-
Net (cost of)/contribution by services	(9,014)	(30,419)	(27,556)	(7,464)	(523)
Revenue from Government	19,147	29,985	27,134	7,319	523
Surplus/(deficit) attributable to the Australian Government	10,133	(434)	(422)	(145)	-
Total comprehensive income/(loss) attributable to the Australian Government	10,133	(434)	(422)	(145)	-

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					
	2019-20	2020-21	2021-22	2022-23	2023-24
	\$'000	\$'000	\$'000	\$'000	\$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	10,357	-	-	-	-
less: Depreciation/amortisation expenses previously funded through revenue appropriations (a)	202	399	402	222	-
less: depreciation/amortisation expenses for ROU assets (b)	227	696	476	160	-
add: Principal repayments on leased assets (b)	205	661	456	237	-
Total comprehensive income/(loss) - as per the statement of comprehensive income	10,133	(434)	(422)	(145)	-

Prepared on Australian Accounting Standards basis.

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

(b) Applies leases under AASB 16 Leases.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	125	125	125	125	-
Trade and other receivables	13,578	13,478	13,478	13,478	-
Supplier prepayments	62	62	62	62	-
Total financial assets	13,765	13,665	13,665	13,665	-
Non-financial assets					
Land and buildings	1,407	818	227	-	-
Property, plant and equipment	788	335	203	101	-
Intangibles	60	107	53	-	-
Total non-financial assets	2,255	1,260	483	101	-
Total assets	16,020	14,925	14,148	13,766	-
LIABILITIES					
Payables					
Suppliers	760	602	737	795	-
Other payables	113	113	113	113	-
Total payables	873	715	850	908	-
Interest bearing liabilities					
Leases	1,354	693	237	-	-
Total interest bearing liabilities	1,354	693	237	-	-
Provisions					
Employee provisions	691	749	614	556	-
Other provisions	87	87	87	87	-
Total provisions	778	836	701	643	-
Total liabilities	3,005	2,244	1,788	1,551	-
Net assets	13,015	12,681	12,360	12,215	-
EQUITY*					
Parent entity interest					
Contributed equity	2,901	3,001	3,102	3,102	-
Retained surplus (accumulated deficit)	10,114	9,680	9,258	9,113	-
Total parent entity interest	13,015	12,681	12,360	12,215	-
Total equity	13,015	12,681	12,360	12,215	-

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 2020-21)

	Retained earnings	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000
Opening balance as at 1 July 2020			
Balance carried forward from previous period	10,114	2,901	13,015
Adjusted opening balance	10,114	2,901	13,015
Comprehensive income			
Surplus/(deficit) for the period	(434)	-	(434)
Total comprehensive income	(434)	-	(434)
Transactions with owners			
Contributions by owners			
Departmental Capital Budget (DCB)	-	100	100
Sub-total transactions with owners	-	100	100
Estimated closing balance as at 30 June 2021	9,680	3,001	12,681
Closing balance attributable to the Australian Government	9,680	3,001	12,681

Prepared on Australian Accounting Standards basis

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	6,014	30,085	27,134	7,319	523
Receipts from Government	1	-	-	-	-
Total cash received	6,015	30,085	27,134	7,319	523
Cash used					
Employees	5,194	12,826	15,823	5,171	-
Suppliers	2,347	16,591	10,848	2,029	523
Interest payments on lease liability	7	7	7	7	-
Total cash used	7,548	29,424	26,678	7,207	523
Net cash from/(used by) operating activities	(1,533)	661	456	112	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	1,038	100	101	-	-
Total cash used	(1,038)	(100)	(101)	-	-
Net cash from/(used by) investing activities	(1,038)	(100)	(101)	-	-
FINANCING ACTIVITIES					
Cash received					
Contributed equity	2,901	100	101	-	-
Total cash received	2,901	100	101	-	-
Cash used					
Principal payments on lease liability	205	661	456	237	-
Total cash used	205	661	456	237	-
Net cash from/(used by) financing activities	2,696	(561)	(355)	(237)	-
Net increase/(decrease) in cash held	125	-	-	(125)	-
Cash and cash equivalents at the beginning of the reporting period	-	125	125	125	-
Cash and cash equivalents at the end of the reporting period	125	125	125	-	-

Prepared on Australian Accounting Standards basis

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

	2019-20	2020-21	2021-22	2022-23	2023-24
	Estimated	Budget	Forw ard	Forw ard	Forw ard
	actual		estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	2,901	100	101	-	-
Total new capital appropriations	2,901	100	101	-	-
Provided for:					
Purchase of non-financial assets	2,901	100	101	-	-
Total items	2,901	100	101	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations - DCB (a)	1,038	100	101	-	-
TOTAL	1,038	100	101	-	-
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	1,038	100	101	-	-
Total cash used to acquire assets	1,038	100	101	-	-

Prepared on Australian Accounting Standards basis.

(a) 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 2020-21)

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2020				
Gross book value	690	369	66	1,125
Gross book value - ROU assets	1,014	545	-	1,559
Accumulated depreciation/amortisation and impairment	(134)	(62)	(6)	(202)
Accumulated depreciation/amortisation and impairment - ROU assets	(163)	(64)	-	(227)
Opening net book balance	1,407	788	60	2,255
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services (a)	-	-	100	100
Total additions	-	-	100	100
Other movements				
Depreciation/amortisation expense	(244)	(102)	(53)	(399)
Depreciation/amortisation on ROU assets	(345)	(351)	-	(696)
Total other movements	(589)	(453)	(53)	(1,095)
As at 30 June 2021				
Gross book value	690	369	166	1,225
Gross book value - ROU assets	1,014	545	-	1,559
Accumulated depreciation/amortisation and impairment	(378)	(164)	(59)	(601)
Accumulated depreciation/amortisation and impairment - ROU assets	(508)	(415)	-	(923)
Closing net book balance	818	335	107	1,260

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2020-21 for depreciation/amortisation expenses, DCBs or other operational expenses.

**NATIONAL INDIGENOUS
AUSTRALIANS AGENCY**

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

NATIONAL INDIGENOUS AUSTRALIANS AGENCY

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NATIONAL INDIGENOUS AUSTRALIANS AGENCY

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The National Indigenous Australians Agency (NIAA), established on 1 July 2019, reflects the Australian Government's approach to improving the lives of Indigenous Australians.

The NIAA has remained within the Prime Minister and Cabinet portfolio, keeping the important work of the NIAA at the heart of government. As an executive agency, the NIAA is well placed to coordinate across the Commonwealth, and to work with state and territory counterparts and critically, with Indigenous communities, and stakeholders to ensure that programs and services are delivering for Indigenous Australians as intended.

In partnership with Indigenous Australians, the NIAA aims to build trust and establish a strong reputation for reliably delivering quality advice to government, and real outcomes for Indigenous Australians. The NIAA is committed to genuine engagement and partnering together with Indigenous Australians, to decide how future policies are developed, at all levels; state, regional and local. The NIAA has a strong regional footprint which we aim to leverage to strengthen our partnerships and align outcomes with the needs of communities, co-designed by them.

In 2020-21, the NIAA will deliver on its purpose through key priorities including:

- working to improve mental health and youth suicide outcomes, community safety, as well as education and employment outcomes, particularly in remote areas;
- working on the Indigenous Voice, constitutional recognition and Closing the Gap, particularly through our partnership with the National Coalition of Aboriginal and Torres Strait Islander Peak Organisations; and
- enhancing regional governance and local decision making, and Indigenous economic development.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the NIAA 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 NIAA'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. 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: NIAA resource statement — Budget estimates for 2020-21 as at Budget October 2020

	2019-20 <i>Estimated actual</i> \$'000	2020-21 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)(c)	45,240	62,425
Departmental appropriation (d)	243,322	253,432
s74 External Revenue (e)	9,635	8,986
Departmental capital budget (f)	7,437	11,841
Annual appropriations - other services - non-operating (g)		
Prior year appropriations available (b)(c)	-	2,060
Equity injection	7,170	2,891
Total departmental annual appropriations	312,804	341,635
Total departmental resourcing	312,804	341,635
Administered		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)(c)	31,208	23,966
Outcome 1	1,269,278	1,324,150
Annual appropriations - other services - specific payments to States, Territories and local governments (g)		
Outcome 1 (h)	4,779	3,609
Total administered annual appropriations	1,305,265	1,351,725
Total administered special appropriations (i)	468,694	460,002
Special accounts (i)		
Opening balance	-	24,353
Appropriation receipts (j)	398,714	387,253
Non-appropriation receipts	1,464,142	1,096,937
Total special account receipts	1,862,856	1,508,543
<i>less administered appropriations drawn from special appropriations and credited to special accounts</i>	<i>(398,714)</i>	<i>(387,253)</i>
Total administered resourcing	3,238,101	2,933,017
Total resourcing for NIAA	3,550,905	3,274,652
	2019-20	2020-21
Average staffing level (number) (k)	1,090	1,210

NIAA Budget Statements

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

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

- (a) Appropriation Bill (No.1) 2020-21.
- (b) Represents unspent appropriations available from prior year due to the machinery of government changes.
- (c) Excludes \$16.363 million subject to administrative quarantine by Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).
- (d) Excludes Departmental Capital Budget (DCB).
- (e) Estimated External Revenue receipts under section 74 of the PGPA Act.
- (f) 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'.
- (g) Appropriation Bill (No.2) 2020-21.
- (h) Relates to appropriations sought for payment to the States, Territories and local governments in Appropriation Bill (No.2) 2020-21. Outcome 1 - Program 1.2: Children and Schooling includes the National Partnership on Northern Territory Remote Aboriginal Investment (Non-Government Schools) with payments of \$3.609 million to the Northern Territory in 2020-21. Information on the terms and conditions can be found in the National Partnership on Northern Territory Remote Aboriginal Investment at http://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.
- (i) For further information on special accounts, refer to Budget Paper No. 4 - Agency Resourcing. See Table 2.1.1 containing further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.
- (j) Amounts credited to the special accounts from administered special appropriation relating to the Aboriginal Land Rights (Northern Territory) Act 1976, Services for Other Entities and Trust Moneys, and Indigenous Remote Service Delivery Special Account.
- (k) The projected increase in Average Staffing Levels for 2020-21 is attributable to recruitment activities and the annualisation of staff who joined the NIAA mid-year in 2019-20.

1.3 BUDGET MEASURES

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

Table 1.2: NIAA 2020-21 Budget measures
Part 1: Measures announced after the Economic and Fiscal Update July 2020

		2020-21	2021-22	2022-23	2023-24
	Program	\$'000	\$'000	\$'000	\$'000
Payment measures					
Closing the Gap - partnering for delivery					
	Administered payment	1.4	-	-	-
Total		-	-	-	-
Funding for Remote Indigenous Housing in Queensland (a)					
	Administered payment	1.5	-	-	-
Total		-	-	-	-
JobMaker Plan - Digital Business Plan (b)					
	Departmental Payment	1.7	-	-	-
Total		-	-	-	-
Murray-Darling Communities Investment Package (c)					
	Administered payment	1.1	8	3,118	-
	Departmental payment	1.7	520	523	-
Total		528	3,641	-	-
Return of Cultural Heritage					
	Administered payment	1.4	-	-	-
Total		-	-	-	-
Students Support Package (d)					
	Administered payment	1.2	1,250	3,788	2,555
Total		1,250	3,788	2,555	-
Total payment measures					
	Administered		1,258	6,906	2,555
	Departmental		520	523	-
Total			1,778	7,429	2,555

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

- (a) The *Funding for Remote Indigenous Housing in Queensland* measure includes a payment of \$100.0 million in 2020-21 to be made through the Department of the Treasury.
- (b) The lead entity for measure *JobMaker Plan – Digital Business Plan* is the Department of the Treasury. The full measure description and package details appear in Budget Paper No.2 under the Treasury portfolio.
- (c) The lead entity for measure *Murray-Darling Communities Investment Package* is the Department of Agriculture, Water and the Environment. The full measure description and package details appear in Budget Paper No.2 under the Agriculture, Water and the Environment portfolio.
- (d) The lead entity for measure *Students Support Package* is the Department of Education, Skills and Employment. The full measure description and package details appear in Budget Paper No.2 under the Education, Skills and Employment 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 an entity's corporate plans and annual performance statements - included in Annual Reports - to provide a complete picture of an entity's planned and actual performance.

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

https://www.niaa.gov.au/sites/default/files/publications/niaa-corporate-plan-2019-20_0.pdf.

The first annual performance statement for NIAA will be published with the 2019-20 Annual Report. This can be found at:

<https://www.niaa.gov.au/who-we-are/accountability-and-reporting>

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: 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
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.4 - Justice Services • Program 1.6 - Indigenous Legal and Native Title Assistance
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Attorney-General's Department works with the NIAA by supporting the efficient operation of the native title system.</p> <p>The Attorney-General's Department works with the NIAA by supporting the objective and principles of legal assistance services and funding under the National Strategic Framework for Legal Assistance.</p> <p>The Attorney-General's Department contributes to the Indigenous Advancement Strategy (IAS) by administering the National Legal Assistance Partnership 2020-25 (NLAP) that includes funding to Aboriginal and Torres Strait Islander legal services to deliver culturally appropriate services consistent with self-determination, as defined under the NLAP, and the <i>Partnership Agreement on Closing the Gap</i> and the Closing the Gap framework.</p>

Department of Agriculture, Water and the Environment
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 - Sustainable Management of Natural Resources and the Environment • Program 3.2 - Sustainable Management - Natural Resources • Program 2.1 - Biosecurity and Export Services
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of Agriculture, Water and the Environment (DAWE) works with the NIAA to provide opportunities for Indigenous communities and land managers to engage with the National Landcare Program.</p> <p>DAWE and the NIAA partner with Aboriginal and Torres Strait Islander Ranger groups to deliver biosecurity work that protects Australian agriculture and the northern Australian environment.</p>

Department of Health
Programs <ul style="list-style-type: none">• Program 2.2 – Aboriginal and Torres Strait Islander Health
Contribution to Outcome 1 made by linked programs <p>The Department of Health works with the NIAA to deliver high quality essential health services to Aboriginal and Torres Strait Islander people, and respond to new and emerging health needs.</p>

Services Australia
Programs <ul style="list-style-type: none">• Program 1.1 – Services to the Community – Social Security and Welfare
Contribution to Outcome 1 made by linked programs <p>Payments and services under the IAS are delivered by Services Australia under a number of Indigenous specific and mainstream programs.</p>

Department of Industry, Science, Energy and Resources
Programs <ul style="list-style-type: none">• Program 1.2 – Growing innovative and competitive businesses, industries and regions• Program 1.4 – Growing a stronger Northern Australian economy
Contribution to Outcome 1 made by linked programs <p>The NIAA is implementing initiatives that enable Indigenous Australians to benefit economically from their land. This includes capacity building of native title corporations under the White Paper on Developing Northern Australia. The Department of Industry, Science, Energy and Resources oversees implementation of the White Paper.</p>

Department of Education, Skills and Employment
Programs <ul style="list-style-type: none">• Program 4.1 – Employment Services
Contribution to Outcome 1 made by linked programs <p>The Department of Education, Skills and Employment 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.</p>

<p>Department of Social Services</p> <hr/> <p>Programs</p> <ul style="list-style-type: none"> • 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
<p>Contribution to Outcome 1 made by linked programs</p> <p>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 the NIAA.</p> <p>The Department of Social Services contributes to the IAS 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.</p> <p>The Department of Social Services also contributes to the IAS by supporting eligible Indigenous Australians living in non-remote regions with a disability into work.</p> <p>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 Fourth Action Plan of the National Framework (2018-2020) has been extended to 30 June 2021, to finalise actions that are delayed due to coronavirus.</p> <p>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 the NIAA, in partnership with the Northern Territory government and non-government organisations and local communities.</p> <p>The Department of Social Services under the Fourth Action Plan to Reduce Violence against Women and their Children 2019-2022 contributes to address the specific needs of Aboriginal and Torres Strait Islander people affected by violence, including providing greater support for Indigenous women and their children in remote areas and supporting practical intervention programs to work with Indigenous young people and adults at risk of experiencing or committing family violence.</p>

Budgeted expenses for Outcome 1

This table shows how much the NIAA 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

	2019-20 Estimated actual	2020-21 Budget	2021-22 Forw ard estimate	2022-23 Forw ard estimate	2023-24 Forw ard estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Program 1.1: Jobs, Land and the Economy					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	652,618	713,048	698,175	703,310	711,694
Total annual administered expenses	652,618	713,048	698,175	703,310	711,694
Special appropriations					
<i>Aboriginal Land Rights (Northern Territory) Act 1976</i>	397,233	387,253	403,512	395,999	395,588
<i>Ranger Agreement</i>	1,036	1,057	1,078	1,099	1,122
<i>Public Governance, Performance and Accountability Act 2013, s.77</i>	-	10	10	10	10
Total special appropriation expenses	398,269	388,320	404,600	397,108	396,720
Special accounts (a)					
Aboriginals and Torres Strait Islander Corporations Unclaimed Money Account	43	50	50	50	50
Aboriginals Benefit Account	233,328	299,690	298,195	281,440	281,667
Indigenous Land and Sea Corporation Funding Special Account (b)	54,143	54,847	55,285	56,115	57,181
Total special account expenses	287,514	354,587	353,530	337,605	338,898
Expenses not requiring appropriation in the Budget year					
less expenses made from appropriations credited to special accounts	9,937	9,379	8,921	8,485	8,072
	(397,233)	(387,253)	(403,512)	(395,999)	(395,588)
Administered total	951,105	1,078,081	1,061,714	1,050,509	1,059,796
Total expenses for program 1.1	951,105	1,078,081	1,061,714	1,050,509	1,059,796

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
Program 1.2: Children and Schooling					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	248,982	230,280	235,112	234,908	232,535
Other services (Appropriation Bill No.2) (c)	4,779	3,609	3,635	-	-
Total annual administered expenses	253,761	233,889	238,747	234,908	232,535
Special appropriations					
<i>Higher Education Support Act 2003</i>	70,414	71,682	72,322	72,539	73,228
Total special appropriation expenses	70,414	71,682	72,322	72,539	73,228
Special accounts					
Services for Other Entities and Trust Moneys (d)	64	1,405	760	158	-
Total special account expenses	64	1,405	760	158	-
Expenses not requiring appropriation in the Budget year less expenses made from appropriations credited to special accounts	- (50)	2 -	2 -	2 -	2 -
Administered total	324,189	306,978	311,831	307,607	305,765
Total expenses for program 1.2	324,189	306,978	311,831	307,607	305,765
Program 1.3: Safety and Wellbeing					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	260,292	261,330	254,679	257,714	261,322
Expenses not requiring appropriation in the Budget year	-	-	-	-	1
Administered total	260,292	261,330	254,679	257,714	261,323
Total expenses for program 1.3	260,292	261,330	254,679	257,714	261,323
Program 1.4: Culture and Capability					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	48,380	56,625	61,370	66,398	70,354
Administered total	48,380	56,625	61,370	66,398	70,354
Total expenses for program 1.4	48,380	56,625	61,370	66,398	70,354
Program 1.5: Remote Australia Strategies					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1) (e)	52,743	52,867	53,420	54,085	166,842
Total annual administered expenses	52,743	52,867	53,420	54,085	166,842
Special accounts					
Indigenous Remote Service Delivery Special Account (d)	14,671	8,900	7,000	7,000	7,000
Total special account expenses	14,671	8,900	7,000	7,000	7,000
less expenses made from appropriations credited to special accounts	(1,431)	-	-	-	-
Administered total	65,983	61,767	60,420	61,085	173,842
Total expenses for program 1.5	65,983	61,767	60,420	61,085	173,842

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
Program 1.6: Evaluation and Research					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	5,990	10,000	10,100	10,221	10,364
Administered total	5,990	10,000	10,100	10,221	10,364
Total expenses for program 1.6	5,990	10,000	10,100	10,221	10,364
Program 1.7: Program Support					
Departmental expenses					
Departmental appropriation	243,029	253,432	243,002	237,991	238,261
s74 External Revenue (f)	9,635	8,986	9,221	9,576	10,085
Expenses not requiring appropriation in the Budget year (g)	19,146	12,428	12,186	12,432	11,609
Departmental total	271,810	274,846	264,409	259,999	259,955
Total expenses for program 1.7	271,810	274,846	264,409	259,999	259,955
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	1,269,005	1,324,150	1,312,856	1,326,636	1,453,111
Other services (Appropriation Bill No.2) (c)	4,779	3,609	3,635	-	-
Special appropriations	468,683	460,002	476,922	469,647	469,948
Special accounts	302,249	364,892	361,290	344,763	345,898
Expenses not requiring appropriation in the Budget year (g)	9,937	9,381	8,923	8,487	8,075
less expenses made from appropriations credited to special accounts	(398,714)	(387,253)	(403,512)	(395,999)	(395,588)
Administered total	1,655,939	1,774,781	1,760,114	1,753,534	1,881,444
Departmental expenses					
Departmental appropriation	243,029	253,432	243,002	237,991	238,261
s74 External Revenue (f)	9,635	8,986	9,221	9,576	10,085
Expenses not requiring appropriation in the Budget year (g)	19,146	12,428	12,186	12,432	11,609
Departmental total	271,810	274,846	264,409	259,999	259,955
Total expenses for Outcome 1	1,927,749	2,049,627	2,024,523	2,013,533	2,141,399
Movement of administered funds between years (h)					
	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
Outcome 1:					
Program 1.6: Evaluation and Research	(1,326)	1,326	-	-	-
Total movement of administered funds	(1,326)	1,326	-	-	-
Average staffing level (number) (i)					
	2019-20	2020-21			
	1,090	1,210			

- (a) These Special Accounts were transferred from the Department of Prime Minister and Cabinet to the NIAA as a result of a machinery of government transfer in 2019-20.
- (b) The purpose of the Indigenous Land and Sea Corporation Funding (ILSCF) Special Account is to make the annual and discretionary additional payments to the Indigenous Land and Sea Corporation (ILSC). Funds are received from the Aboriginal and Torres Strait Islander Land and Sea Future Fund (ATSILSFF) Special Account managed by the Future Fund Agency and Board of Guardians under the Finance Portfolio.
- (c) Program 1.2: Children and Schooling includes the National Partnership on Northern Territory Remote Aboriginal Investment (Non-Government Schools) with payments of \$3.609 million to the Northern Territory in 2020-21. Information on the terms and conditions can be found in the National Partnership on the Northern Territory Remote Aboriginal Investment at http://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. The National Partnership on Northern Territory Remote Aboriginal Investment is expected to expire on 30 June 2022.
- (d) The Services for Other Entities and Trust Moneys (SOETM) and Indigenous Remote Service Delivery (IRSD) Special Accounts were established in 2019-20, following the passing of the determinations by the Parliament.
- (e) The expense in Program 1.5: Remote Australia Strategies has increased in 2023-24 due to an ongoing provision established for the Commonwealth's liability for housing leases in the Northern Territory.
- (f) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013.
- (g) 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.
- (h) Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.
- (i) The projected increase in Average Staffing Levels for 2020-21 is attributable to recruitment activities and the annualisation of staff who joined the NIAA mid-year in 2019-20.

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 2020-21 Budget measures have created new programs or materially changed existing programs.

<p>Outcome 1 – 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.</p>		
<p>Program 1.1 – Jobs, Land and the Economy The objectives of this program are to enhance Indigenous Australians economic rights, improve employment and pathways to jobs, foster Indigenous business and assist Indigenous people to generate economic and social benefits from effective use of their land and waters, particularly in remote areas.</p>		
<p>Delivery</p>	<p>This program is delivered through IAS activities aimed at increasing Indigenous employment, business and economic development.</p>	
<p>Performance information</p>		
<p>Year</p>	<p>Performance criteria (a)</p>	<p>2019/20 Actual Achievements/Targets</p>
<p>2019-20</p>	<ul style="list-style-type: none"> • IAS activities contribute towards increased Indigenous employment, business and economic development. • An increase in the proportion (by number and value) of contracts awarded by NIAA to Indigenous businesses in line with the Indigenous Procurement Policy. 	<p>Target: 90 per cent of IAS activities are assessed as having core service delivery which met or exceeded requirements (c). Achieved: 92 per cent of relevant IAS activities were assessed as having core service delivery which met or exceeded requirements (d).</p> <p>Target: 3 per cent by volume of in scope contracts are awarded to Indigenous business. Achieved: 18 per cent by volume of NIAA in scope contracts awarded (d).</p> <p>Target: 1 per cent by value of in scope contracts are awarded to Indigenous business. Achieved: 20 per cent by value of in scope NIAA contracts awarded (e).</p>
<p>2020-21</p>	<ul style="list-style-type: none"> • IAS activities contribute towards increased Indigenous employment, business and economic development. 	<p>Target: 90 per cent of IAS activities are assessed as having core service delivery which met or exceeded requirements.</p> <p>Target: 60 per cent of job seekers engaged in IAS activities remain in employment for 26 weeks.</p>

Table 2.1.2: Performance criteria for Outcome 1 (continued)

Performance information		
Year	Performance criteria (a)	2019/20 Actual Achievements/Targets
2021-22 and beyond	As per 2020-21	Target: 65 per cent of job seekers engaged in IAS activities remain in employment for 26 weeks.
Purposes(b)	To assist the Australian Government achieve its objectives in improving the lives of Indigenous Australians by leading the development of the Commonwealth's approach, focusing on place, working in partnership, and effectively delivering programs through the Indigenous Advancement Strategy.	

- (a) Modified performance criteria reflect the changes in the 2019-20 Corporate Plan.
- (b) Refers to the updated purpose statement as outlined in the 2019-20 Corporate Plan.
- (c) Specified IAS activity outcomes for Program 1.1 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.
- (d) The result is for a total of 2,291 IAS performance reports which had been assessed by an NIAA Agreement manager before 31 August 2020. It is noted that some performance reports may still be under review for this period, which would lead to the actual result being understated
- (e) Data is based on contracts reported on AusTender (over \$10,000) as at 28 July 2020 for the 2019-20 financial year. Note that as AusTender reporting requirements are 45 days, it is likely that actual results are understated.

Table 2.1.2: Performance criteria for Outcome 1 (continued)

Program 1.2 – Children and Schooling		
The objectives of this program are to support early childhood development and wellbeing, school attendance, attainment and improved post school pathways, particularly in remote Indigenous communities. This program includes measures to improve access to further education.		
Delivery	This program is delivered through IAS activities aimed at supporting early childhood development and wellbeing, school attendance, attainment and improved post school pathways.	
Performance information		
Year	Performance criteria (a)	2019/20 Actual Achievements/Targets
2019-20	IAS activities contribute towards supporting early childhood development and wellbeing, school attendance, attainment and improved post school pathways.	Target: 90 per cent of IAS activities are assessed as having core service delivery which met or exceeded requirements(c). Achieved: 94 per cent of relevant IAS activities were assessed as having core service delivery which met or exceeded requirements (d).
2020-21	As per 2019-20	As per 2019-20
2021-22 and beyond	As per 2020-21	As per 2020-21
Purposes(b)	To assist the Australian Government achieve its objectives in improving the lives of Indigenous Australians by leading the development of the Commonwealth's approach, focusing on place, working in partnership, and effectively delivering programs through the Indigenous Advancement Strategy.	

- (a) Modified performance criteria reflect the changes in the 2019-20 Corporate Plan.
- (b) Refers to the updated purpose statement as outlined in the 2019-20 Corporate Plan.
- (c) Specified IAS activity outcomes for Program 1.2 include improved: educational environment with families; language, social and emotional skills development according to the Australian Early Development Census, school readiness of Indigenous children; student engagement, attendance, retention and attainment; and enrolment in vocational and tertiary education amongst Indigenous Australians.
- (d) The result is for a total of 2,291 IAS performance reports which had been assessed by an NIAA Agreement manager before 31 August 2020. It is noted that some performance reports may still be under review for this period, which would lead to the actual result being understated.

Table 2.1.2: Performance criteria for Outcome 1 (continued)

Program 1.3 – Safety and Wellbeing		
The objectives of this program are to improve mental health and wellbeing outcomes and ensure Indigenous people, including young Indigenous Australians, enjoy similar levels of physical, emotional and social wellbeing enjoyed by other Australians, and are safe in their homes, families and communities.		
Delivery	This program is delivered through IAS activities aimed at improving wellbeing and/or reducing levels of offending, violence and substance abuse.	
Performance information		
Year	Performance criteria (a)	2019/20 Actual Achievements/Targets
2019-20	IAS activities contribute towards improved mental health and wellbeing outcomes, reduced levels of offending, violence and substance abuse.	Target: 90 per cent of IAS activities are assessed as having core service delivery which met or exceeded requirements (c). Achieved: 93 per cent of relevant IAS activities were assessed as having core service delivery which met or exceeded requirements (d).
2020-21	As per 2019-20	As per 2019-20
2021-22 and beyond	As per 2020-21	As per 2020-21
Purposes (b)	To assist the Australian Government achieve its objectives in improving the lives of Indigenous Australians by leading the development of the Commonwealth's approach, focusing on place, working in partnership, and effectively delivering programs through the Indigenous Advancement Strategy.	

- (a) Modified performance criteria reflect the changes in the 2019-20 Corporate Plan.
- (b) Refers to the updated purpose statement as outlined in the 2019-20 Corporate Plan.
- (c) Specified IAS activity outcomes for Program 1.3 include: improved community safety and security; crime prevention; reduced family domestic violence, 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.
- (d) The result is for a total of 2,291 IAS performance reports which had been assessed by an NIAA Agreement manager before 31 August 2020. It is noted that some performance reports may still be under review for this period, which would lead to the actual result being understated.

Table 2.1.2: Performance criteria for Outcome 1 (continued)

Program 1.4 – 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 IAS activities aimed at: <ul style="list-style-type: none"> • maintaining 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, and • supporting participation to policy development and decision-making in partnership with governments. 	
Performance information		
Year	Performance criteria (a)	2019/20 Actual Achievements/Targets
2019-20	IAS activities contribute towards increased participation of Indigenous people in Australian society and improved capability of Indigenous organisations.	Target: 90 per cent of IAS activities are assessed as having core service delivery which met or exceeded requirements(c). Achieved: 93 per cent of relevant IAS activities were assessed as having core service delivery which met or exceeded requirements(d).
2020-21	As per 2019-20	As per 2019-20
2021-22 and beyond	As per 2020-21	As per 2020-21
Purposes(b)	To assist the Australian Government achieve its objectives in improving the lives of Indigenous Australians by leading the development of the Commonwealth's approach, focusing on place, working in partnership, and effectively delivering programs through the Indigenous Advancement Strategy.	

- (a) Modified performance criteria reflect the changes in the 2019-20 Corporate Plan.
- (b) Refers to the updated purpose statement as outlined in the 2019-20 Corporate Plan.
- (c) Specified IAS activity outcomes for Program 1.4 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 Islander peoples and non-Indigenous Australians.
- (d) The result is for a total of 2,291 IAS performance reports which had been assessed by an NIAA Agreement manager before 31 August 2020. It is noted that some performance reports may still be under review for this period, which would lead to the actual result being understated.

Table 2.1.2: Performance criteria for Outcome 1 (continued)

Program 1.5 – Remote Australia Strategies		
The objectives of this program are to enhance regional governance and local decision-making, through strategic investments in place based on community and Government priorities.		
Delivery	This program is delivered through IAS activities aimed at investment in local, flexible solutions based on community and government priorities.	
Performance information		
Year	Performance criteria (a)	2019/20 Actual Achievement/Targets
2019-20	IAS activities invest in local solutions based on community and government priorities.	Target: 90 per cent of IAS activities are assessed as having core service delivery which met or exceeded requirements(c). Partially achieved: 87 per cent of relevant IAS activities were assessed as having core service delivery which met or exceeded requirements(d).
2020-21	As per 2019-20	As per 2019-20
2021-22 and beyond	As per 2020-21	As per 2020-21
Purposes(b)	To assist the Australian Government achieve its objectives in improving the lives of Indigenous Australians by leading the development of the Commonwealth's approach, focusing on place, working in partnership, and effectively delivering programs through the Indigenous Advancement Strategy.	

- (a) Modified performance criteria reflect the changes in the 2019-20 Corporate Plan.
- (b) Refers to the updated purpose statement as outlined in the 2019-20 Corporate Plan.
- (c) Specified IAS activity outcomes for Program 1.5 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.
- (d) The result is for a total of 2,291 IAS performance reports which had been assessed by an NIAA Agreement manager before 31 August 2020. It is noted that some performance reports may still be under review for this period, which would lead to the actual result being understated.

Table 2.1.2: Performance criteria for Outcome 1 (continued)

Program 1.6 – Evaluation and Research		
The objective of this program is to improve the lives of Indigenous Australians by incorporating evaluation of and research into policies and programs impacting on Indigenous peoples delivered by the NIAA.		
Delivery	This program is delivered through IAS activities aimed at investment in evaluation of IAS activities and research into Indigenous priorities.	
Performance information		
Year	Performance criteria (a)	2019/20 Actual Achievements/Targets
2019-20	<ul style="list-style-type: none"> Increased understanding of whether IAS funding and policies are effective. Increased research and/or existing research made more usable. Release completed evaluation reports or summaries as committed to in the IAS Evaluation Framework. Develop performance measures for long-term outcomes of the IAS Evaluation Framework. 	<p>Target: Publish an 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.</p> <p>Achieved: Completed against expected timeframe</p> <p>Target: 100 per cent of completed evaluations or summaries on the work plan released.</p> <p>Partially achieved: 83 per cent of evaluations completed in 2019-20 to be released in agreed timeframes.</p> <p>Target: Develop measures for long-term outcomes of the IAS Evaluation Framework by June 2020.</p> <p>Achieved: Completed against agreed timeframe.</p>
2020-21	<ul style="list-style-type: none"> Evaluation efforts are prioritised based on significance, contribution and policy risk as per the NIAA Evaluation Framework. Evaluations are made available to improve policy and program decisions. Evaluation and research contributes to improved policy and program design and/or delivery. 	<p>Target: Publish an annual evaluation work plan each September taking into account the prioritisation criteria outlined in the NIAA Evaluation Framework.</p> <p>Target: 100 per cent of completed evaluations or summaries on the work plan released.</p>
2021-22 and beyond	As per 2020-21	As per 2020-21
Purposes (b)	To assist the Australian Government achieve its objectives in improving the lives of Indigenous Australians by leading the development of the Commonwealth's approach, focusing on place, working in partnership, and effectively delivering programs through the Indigenous Advancement Strategy.	

(a) Modified performance criteria reflect the changes in the 2019-20 Corporate Plan.

(b) Refers to the updated purpose statement as outlined in the 2019-20 Corporate Plan.

Table 2.1.2: Performance criteria for Outcome 1 (continued)

Program 1.7 – Program Support		
This program is the departmental support program to the six IAS programs and the annual operating costs for key activities of NIAA(a).		
Delivery	Departmental support to the six IAS programs and key activities of NIAA.	
Performance information		
Year	Performance criteria(b)	2019/20 Actual Achievements/Targets
2019-20	Efficient department support to the six IAS programs and key activities of NIAA.	Funding is expended on activities that contribute to the NIAA outcome.
2020-21	As per 2019-20	As per 2019-20
2021-22 and beyond	As per 2020-21	As per 2020-21
Purposes(c)	To assist the Australian Government achieve its objectives in improving the lives of Indigenous Australians by leading the development of the Commonwealth's approach, focusing on place, working in partnership, and effectively delivering programs through the Indigenous Advancement Strategy.	

- (a) Key activities include delivery of a new Closing the Gap framework, progressing constitutional recognition of Indigenous Australians and co-design of an Indigenous Voice for Indigenous Australians, specified in the 2019-20 Corporate Plan.
- (b) Modified performance criteria reflect the changes in the 2019-20 Corporate Plan.
- (c) Refers to the updated purpose statement as outlined in the 2019-20 Corporate Plan.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of NIAA finances for the 2020-21 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 Financial Statements

Budgeted revenue from government in 2020-21 is estimated at \$253.4 million. This represents an increase of \$10.1 million compared to 2019-20. The increase is largely due to the re-profiling of departmental appropriation for selected budget measures to align the funding with the expense from 2019-20 to 2020-21. The NIAA is budgeting for a break even position in 2020-21 and each forward year, after adjusting for depreciation expense and the application of leases in accordance with AASB 16 *Leases*.

The NIAA's net asset position is expected to increase in 2020-21 due to increased capital investment when compared to 2019-20. The net asset position is then expected to decrease over the forward estimates with depreciation outweighing further capital investment.

Administered Financial Statements

The estimated administered expenditure for 2020-21 has increased by \$118.9 million since 2019-20 from \$1,655.9 million to \$1,774.8 million (refer Table 3.7), which is largely attributable to indexation adjustments and additional funding received from 2020-21 Budget measures to the IAS. IAS expenditure is estimated to increase by \$55.1 million to \$1,324.1 million.

The NIAA's budgeted administered net assets position in 2020-21 is expected to be \$1,359.0 million, which has increased by \$86.6 million since 2019-20 due to an increase in the Aboriginals Benefit Account asset balance.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
EXPENSES					
Employee benefits	154,542	155,268	158,448	162,820	168,740
Suppliers	86,168	91,954	80,040	72,845	68,622
Depreciation and amortisation	26,416	25,780	24,259	22,832	21,550
Finance costs (a)	2,031	1,844	1,662	1,502	1,043
Impairment loss on financial instruments	14	-	-	-	-
Write-down and impairment of other assets	2,623	-	-	-	-
Losses from asset sales	16	-	-	-	-
Total expenses	271,810	274,846	264,409	259,999	259,955
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Revenue from contracts w ith customers	7,644	6,959	7,141	7,416	7,810
Rental Income	1,991	2,027	2,080	2,160	2,275
Resources received free of charge	361	368	377	392	412
Total own-source revenue	9,996	9,354	9,598	9,968	10,497
Gains					
Reversal of makegood provisions	559	-	-	-	-
Total gains	559	-	-	-	-
Total own-source income	10,555	9,354	9,598	9,968	10,497
Net cost of / (contribution by)					
services	(261,255)	(265,492)	(254,811)	(250,031)	(249,458)
Revenue from Government	243,322	253,432	243,002	237,991	238,261
Surplus/(deficit) attributable to the Australian Government	(17,933)	(12,060)	(11,809)	(12,040)	(11,197)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserve	(1,455)	-	-	-	-
Total other comprehensive income/(loss)	(1,455)	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	(19,388)	(12,060)	(11,809)	(12,040)	(11,197)

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

	2019-20	2020-21	2021-22	2022-23	2023-24
	Estimated actual	Budget	Forw ard estimate	Forw ard estimate	Forw ard estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Total comprehensive income/(loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	(2,360)	-	-	-	-
less: depreciation/amortisation expenses previously funded through revenue appropriations (b)	9,045	9,624	9,954	10,674	10,349
less: depreciation/amortisation expenses for ROU assets (c)	17,371	16,156	14,305	12,158	11,201
add: principal repayments on leased assets (c)	10,843	13,720	12,450	10,792	10,353
Total comprehensive income/(loss) - as per the statement of comprehensive income	(17,933)	(12,060)	(11,809)	(12,040)	(11,197)

Prepared on Australian Accounting Standards basis.

- (a) Finance costs primarily relates to interest on lease liabilities recognised under *AASB 16 Leases*.
- (b) From 2010-11, the Government introduced net cash appropriation arrangements. This involved Bill 1 revenue appropriations for the depreciation and amortisation expenses of non-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.
- (c) Applies leases under *AASB 16 Leases*.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	111	-	-	-	-
Trade and other receivables	68,621	68,540	67,098	67,038	67,930
Total financial assets	68,732	68,540	67,098	67,038	67,930
Non-financial assets					
Property, plant and equipment (a)	202,450	185,970	170,788	157,283	145,250
Intangibles	15,757	21,189	25,345	28,042	30,443
Prepayments	28	-	-	-	-
Total non-financial assets	218,235	207,159	196,133	185,325	175,693
Total assets	286,967	275,699	263,231	252,363	243,623
LIABILITIES					
Payables					
Suppliers	9,281	8,507	7,317	6,858	6,497
Other payables	4,887	5,250	5,354	5,502	5,710
Total payables	14,168	13,757	12,671	12,360	12,207
Interest bearing liabilities					
Leases	129,881	116,161	103,711	92,919	82,566
Total interest bearing liabilities	129,881	116,161	103,711	92,919	82,566
Provisions					
Employee provisions	53,846	57,843	58,993	60,623	62,914
Other provisions	7,267	3,461	3,552	3,689	3,885
Total provisions	61,113	61,304	62,545	64,312	66,799
Total liabilities	205,162	191,222	178,927	169,591	161,572
Net assets	81,805	84,477	84,304	82,772	82,051
EQUITY*					
Parent entity interest					
Contributed equity	80,823	95,555	107,191	117,699	128,175
Retained earnings	(3,079)	(15,139)	(26,948)	(38,988)	(50,185)
Asset revaluation reserve	4,061	4,061	4,061	4,061	4,061
Total parent entity interest	81,805	84,477	84,304	82,772	82,051
Total equity	81,805	84,477	84,304	82,772	82,051

Prepared on Australian Accounting Standards basis.

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

(a) Includes ROU assets as defined under AASB 16 *Leases*, implemented in 2019-20.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2020-21)

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2020				
Balance carried forward from previous period	(3,079)	4,061	80,823	81,805
Adjusted opening balance	(3,079)	4,061	80,823	81,805
Comprehensive income				
Surplus/(deficit) for the period	(12,060)	-	-	(12,060)
Total comprehensive income	(12,060)	-	-	(12,060)
Transactions with owners				
Contributions by owners				
Departmental Capital Budget (DCB)	-	-	11,841	11,841
Equity Injection - Appropriation	-	-	2,891	2,891
Sub-total transactions with owners	-	-	14,732	14,732
Estimated closing balance as at 30 June 2021	(15,139)	4,061	95,555	84,477
Closing balance attributable to the Australian Government	(15,139)	4,061	95,555	84,477

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sale of services	6,640	8,986	9,221	9,576	10,085
Net GST received	2,446	3,896	3,226	2,981	2,776
Appropriations	237,645	262,418	252,223	247,567	248,346
Total cash received	246,731	275,300	264,670	260,124	261,207
Cash used					
Employees	146,043	155,268	158,448	162,820	168,740
Suppliers	81,571	95,593	82,889	75,434	70,986
Interest payments on lease liabilities	2,021	1,844	1,662	1,502	1,043
Retained receipts transferred to Official Public Account	6,553	8,986	9,221	9,576	10,085
Total cash used	236,188	261,691	252,220	249,332	250,854
Net cash from operating activities	10,543	13,609	12,450	10,792	10,353
INVESTING ACTIVITIES					
Cash received					
Proceeds from sale of property, plant and equipment	150	-	-	-	-
Total cash received	150	-	-	-	-
Cash used					
Purchase of property, plant, and equipment	5,332	5,869	4,567	4,575	4,560
Purchase of intangibles	6,913	8,863	7,069	5,933	5,916
Total cash used	12,245	14,732	11,636	10,508	10,476
Net cash used by investing activities	(12,095)	(14,732)	(11,636)	(10,508)	(10,476)
FINANCING ACTIVITIES					
Cash received					
Contributed equity					
Equity injections	6,761	2,891	2,101	2,101	2,101
Departmental Capital Budget	5,745	11,841	9,535	8,407	8,375
Total cash received	12,506	14,732	11,636	10,508	10,476
Cash used					
Principal payments on lease liabilities	10,843	13,720	12,450	10,792	10,353
Total cash used	10,843	13,720	12,450	10,792	10,353
Net cash from financing activities	1,663	1,012	(814)	(284)	123
Net increase in cash held	111	(111)	-	-	-
Cash and cash equivalents at the beginning of the reporting period	-	111	-	-	-
Cash and cash equivalents at the end of the reporting period	111	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	2019-20	2020-21	2021-22	2022-23	2023-24
	Estimated	Budget	Forw ard	Forw ard	Forw ard
	actual		estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	7,437	11,841	9,535	8,407	8,375
Equity injections - Bill 2	7,170	2,891	2,101	2,101	2,101
Total new capital appropriations	14,607	14,732	11,636	10,508	10,476
Provided for:					
<i>Purchase of non-financial assets</i>	14,607	14,732	11,636	10,508	10,476
Total items	14,607	14,732	11,636	10,508	10,476
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB (a)	5,484	11,841	9,535	8,407	8,375
Funded by capital appropriations - equity injection (b)	6,761	2,891	2,101	2,101	2,101
TOTAL AMOUNT SPENT	12,245	14,732	11,636	10,508	10,476
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	12,245	14,732	11,636	10,508	10,476
Total cash used to acquire assets	12,245	14,732	11,636	10,508	10,476

Prepared on Australian Accounting Standards basis.

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

(b) Includes both current Bill 2 and prior Act 2/4/6 appropriations.

Table 3.6: Statement of asset movements (Budget year 2020-21)

	Land	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2020					
Gross book value	10,367	60,382	8,675	17,942	97,366
Gross book value - ROU assets	795	143,703	2,323	-	146,821
Accumulated depreciation/amortisation and impairment	-	(4,511)	(1,913)	(2,185)	(8,609)
Accumulated depreciation/amortisation and impairment - ROU assets	(161)	(16,381)	(829)	-	(17,371)
Opening net book balance	11,001	183,193	8,256	15,757	218,207
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
By purchase - appropriation equity (a)	-	256	840	1,795	2,891
By purchase - appropriation ordinary annual services (b)	-	1,043	3,730	7,068	11,841
Total additions	-	1,299	4,570	8,863	14,732
Other movements					
Depreciation/amortisation expense	-	(3,603)	(2,591)	(3,430)	(9,624)
Depreciation/amortisation on ROU assets	(161)	(15,217)	(778)	-	(16,156)
Total other movements	(161)	(18,820)	(3,369)	(3,430)	(25,780)
As at 30 June 2021					
Gross book value	10,367	61,681	13,245	26,805	112,098
Gross book value - ROU assets	795	143,703	2,323	-	146,821
Accumulated depreciation/ amortisation and impairment	-	(8,114)	(4,504)	(5,615)	(18,233)
Accumulated depreciation/amortisation and impairment - ROU assets	(322)	(31,598)	(1,607)	-	(33,527)
Closing net book balance	10,840	165,672	9,457	21,190	207,159

Prepared on Australian Accounting Standards basis.

- (a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No.2) 2020-2021, including Collection Development Acquisition Budget (CDABs).
- (b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2020-2021 for depreciation/amortisation expenses, Departmental Capital Budgets (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)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
EXPENSES					
Employee benefits	149	153	159	167	177
Suppliers	53,569	65,212	63,204	63,344	67,797
Subsidies - Petrol Sniffing Prevention Strategy	182	185	190	197	207
Grants	1,331,427	1,436,839	1,417,536	1,411,321	1,533,105
Depreciation and amortisation	276	277	277	244	321
Finance costs	7	10	9	7	9
Impairment loss on trade and other receivables	9,661	9,177	8,719	8,283	7,869
Payments associated with Land Councils	198,224	200,153	206,463	205,721	206,666
Payments to Indigenous Land and Sea Corporation (a)	54,143	54,847	55,285	56,115	57,181
Mining withholding tax	8,301	7,928	8,272	8,135	8,112
Total expenses administered on behalf of Government	1,655,939	1,774,781	1,760,114	1,753,534	1,881,444
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Interest	24,191	12,179	12,499	12,968	13,614
Rental income	2,115	2,198	2,254	2,335	2,397
Indigenous Land and Sea Corporation Funding Special Account (a)	54,143	54,847	55,285	56,115	57,181
Other revenue	7,356	15,689	15,633	15,552	15,440
Total non-taxation revenue	87,805	84,913	85,671	86,970	88,632
Total own-source revenue administered on behalf of Government	87,805	84,913	85,671	86,970	88,632
Gains					
Reversal of impairment losses	7,516	-	-	-	-
Other gains	2,401	-	-	-	-
Total gains administered on behalf of Government	9,917	-	-	-	-
Total own-source income administered	97,722	84,913	85,671	86,970	88,632
Net cost of/(contribution by) services	(1,558,217)	(1,689,868)	(1,674,443)	(1,666,564)	(1,792,812)
OTHER COMPREHENSIVE INCOME					
Total comprehensive income/(loss)	(1,558,217)	(1,689,868)	(1,674,443)	(1,666,564)	(1,792,812)

Prepared on Australian Accounting Standards basis.

(a) Payment of organisation funding to the Indigenous Land and Sea Corporation is made annually each October, funded through the receipt of funds from the Indigenous Land and Sea Future Fund through the Indigenous Land and Sea Corporation Funding Special Account administered by the NIAA.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	24,353	19,254	18,544	18,436	18,436
Trade receivables and other receivables	22,669	23,078	24,082	25,549	27,625
Term deposits	1,238,007	1,329,511	1,436,784	1,556,356	1,660,295
Total financial assets	1,285,029	1,371,843	1,479,410	1,600,341	1,706,356
Non-financial assets					
Property, plant and equipment (a)	11,733	11,456	11,179	10,935	10,614
Prepayments	720	733	752	780	818
Total non-financial assets	12,453	12,189	11,931	11,715	11,432
Total assets administered on behalf of Government	1,297,482	1,384,032	1,491,341	1,612,056	1,717,788
LIABILITIES					
Payables					
Trade creditors and accruals	1,403	1,403	1,403	1,403	1,403
Grants	21,444	21,445	21,445	21,445	21,445
Other payables	1,716	1,718	1,718	1,718	1,718
Total payables	24,563	24,566	24,566	24,566	24,566
Interest bearing liabilities					
Leases	468	396	324	285	171
Total interest bearing liabilities	468	396	324	285	171
Interest bearing liabilities					
Employee provisions	25	25	25	25	25
Total provisions	25	25	25	25	25
Total liabilities administered on behalf of Government	25,056	24,987	24,915	24,876	24,762
Net assets/(liabilities)	1,272,426	1,359,045	1,466,426	1,587,180	1,693,026

Prepared on Australian Accounting Standards basis.

(a) Includes ROU assets as defined under AASB 16 *Leases*, implemented in 2019-20.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Net GST received	103,752	177,843	178,892	179,695	192,554
Indigenous Land and Sea Corporation Funding Special Account	54,143	54,847	55,285	56,115	57,181
Other	7,525	8,299	8,164	8,137	7,892
Total cash received	165,420	240,989	242,341	243,947	257,627
Cash used					
Employees	172	153	159	167	177
Suppliers	53,854	57,603	55,744	63,344	67,797
Subsidy payments	182	185	190	197	207
Grants payments	1,448,052	1,436,839	1,417,536	1,403,737	1,526,216
Interest payments on lease liabilities	7	10	9	7	9
Payments associated with Land Councils	198,306	270,550	277,499	277,583	278,886
Payments to Indigenous Land and Sea Corporation	54,143	54,847	55,285	56,115	57,181
Other	14,790	-	-	-	-
Total cash used	1,769,506	1,820,187	1,806,422	1,801,150	1,930,473
Net cash from / (used by) operating activities	(1,604,086)	(1,579,198)	(1,564,081)	(1,557,203)	(1,672,846)
INVESTING ACTIVITIES					
Cash received					
Proceeds from realisation of investments	1,340,500	1,126,546	1,138,765	1,151,117	1,163,602
Interest on investments and loans	28,571	12,179	12,499	12,968	13,614
Repayments of loans	26,793	-	-	-	-
Total cash received	1,395,864	1,138,725	1,151,264	1,164,085	1,177,216
Cash used					
Purchase of investments	1,536,007	1,218,050	1,246,038	1,270,689	1,267,541
Total cash used	1,536,007	1,218,050	1,246,038	1,270,689	1,267,541
Net cash from / (used by) investing activities	(140,143)	(79,325)	(94,774)	(106,604)	(90,325)

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
FINANCING ACTIVITIES					
Cash received					
Cash received due to restructuring	1,637	-	-	-	-
Total cash received	1,637	-	-	-	-
Cash used					
Principal payments on lease liabilities	69	72	72	39	114
Total cash used	69	72	72	39	114
Net cash from/(used by) financing activities	1,568	(72)	(72)	(39)	(114)
Net increase/(decrease) in cash held	(1,742,661)	(1,658,595)	(1,658,927)	(1,663,846)	(1,763,285)
Cash and cash equivalents at beginning of reporting period	35,916	24,353	19,254	18,544	18,436
Cash from Official Public Account for:					
- Appropriations	1,924,539	1,787,761	1,793,413	1,796,283	1,923,059
- Special Accounts	55,098	54,847	55,285	56,115	57,181
Total cash from Official Public Account	1,979,637	1,842,608	1,848,698	1,852,398	1,980,240
Cash to Official Public Account for:					
- Appropriations	193,441	134,265	135,196	132,545	159,774
- Special Accounts	55,098	54,847	55,285	56,115	57,181
Total cash to Official Public Account	248,539	189,112	190,481	188,660	216,955
Cash and cash equivalents at end of reporting period	24,353	19,254	18,544	18,436	18,436

Prepared on Australian Accounting Standards basis

Table 3.10: Schedule of administered asset movements (Budget year 2020-21)

	Land \$'000	Buildings \$'000	Total \$'000
As at 1 July 2020			
Gross book value - ROU assets	11,710	294	12,004
Accumulated depreciation/amortisation and impairment - ROU assets	(222)	(49)	(271)
Opening net book balance	11,488	245	11,733
CAPITAL ASSET ADDITIONS			
Other movements			
Depreciation/amortisation on ROU assets	(225)	(52)	(277)
Total other movements	(225)	(52)	(277)
As at 30 June 2021			
Gross book value - ROU assets	11,710	294	12,004
Accumulated depreciation/amortisation and impairment - ROU assets	(447)	(101)	(548)
Closing net book balance	11,263	193	11,456

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 former 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 – seeks to provide the Australian Government with a decision-making advantage by helping it to interpret developments across the world. ONI's assessment remit also 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.

ONI's success in delivering impactful assessments hinges on its ability to access, understand and interpret intelligence – and publicly available information – and to identify, analyse and communicate meaning effectively. ONI's assessment function continues to evolve to meet government's requirements and improve its responsiveness to the needs of the Prime Minister and other key policy customers.

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 to any section of the public. The OSC's output provides unique value to government by 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

ONI Budget Statements

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 ONI's 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, coordinating foreign intelligence engagement and integrating key intelligence missions across the NIC.

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.

ONI seeks to achieve outcomes for government by employing highly capable staff to prosecute ONI's various intelligence missions. ONI's people are underpinned by other core capabilities, in particular robust information, intelligence and knowledge management processes, and relationships with intelligence partners – both domestic and international.

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

- political, economic and strategic shifts in international circumstances;
- evolutions in ONI's operating environment domestically;
- an expanding customer base that is asking more of both ONI and the broader NIC; and
- a rapidly growing and diversifying information environment.

ONI's strategic risks – those that relate to the fulfilment of its purpose – are mitigated in part by a robust risk management framework and its internal governance framework.

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.

ONI Budget Statements

Table 1.1: ONI resource statement — Budget estimates for 2020-21 as at Budget October 2020

	2019-20 <i>Estimated actual</i> \$'000	2020-21 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	38,604	48,574
Departmental appropriation (b)	73,191	89,546
s74 External Revenue (c)	709	800
Departmental capital budget (d)	4,116	4,172
Annual appropriations - other services - non-operating (e)		
Prior year appropriations available	5,200	416
Equity injection	416	2,195
Total departmental annual appropriations	122,236	145,703
Total departmental resourcing	122,236	145,703
Administered		
Annual appropriations - ordinary annual services (a)	-	1,574
Total administered annual appropriations	-	1,574
Total administered resourcing	-	1,574
Total resourcing for ONI	122,236	147,277
	2019-20	2020-21
Average staffing level (number)	244	307

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.

(a) *Appropriation Bill (No. 1) 2020-21.*

(b) Excludes departmental capital budget (DCB).

(c) Estimated External Revenue receipts under section 74 of the PGPA Act.

(d) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

(e) *Appropriation Bill (No. 2) 2020-21.*

1.3 BUDGET MEASURES

ONI has no budget measures in the 2020-21 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 Administered and Departmental funding sources.

Table 2.1.1: Budgeted expenses for Outcome 1

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
Program 1.1: Assessments and Reports					
Departmental expenses					
Departmental appropriation	36,596	44,773	41,180	37,865	38,073
Expenses not requiring appropriation in the Budget year (b)	1,195	6,191	6,317	6,368	6,347
Departmental total	37,791	50,964	47,497	44,233	44,420
Total expenses for program 1.1	37,791	50,964	47,497	44,233	44,420
Program 1.2: Coordination and Evaluation					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	-	1,574	4,344	5,349	5,329
Administered total	-	1,574	4,344	5,349	5,329
Departmental expenses					
Departmental appropriation	36,595	44,773	41,179	37,865	38,072
s74 External Revenue (a)	709	800	1,000	1,000	1,000
Expenses not requiring appropriation in the Budget year (b)	1,195	6,191	6,316	6,367	6,346
Departmental total	38,499	51,764	48,495	45,232	45,418
Total expenses for program 1.2	38,499	53,338	52,839	50,581	50,747

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	-	1,574	4,344	5,349	5,329
Administered total	-	1,574	4,344	5,349	5,329
Departmental expenses					
Departmental appropriation	73,191	89,546	82,359	75,730	76,145
s74 External Revenue (a)	709	800	1,000	1,000	1,000
Expenses not requiring appropriation in the Budget year (b)	2,390	12,382	12,633	12,735	12,693
Departmental total	76,290	102,728	95,992	89,465	89,838
Total expenses for Outcome 1	76,290	104,302	100,336	94,814	95,167
	2019-20	2020-21			
Average staffing level (number)	244	307			

(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, audit fees, and seconded staff employee expenses 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.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2020-21 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 2020-21. 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 2020-21.

3.1.2 Explanatory notes and analysis of budgeted financial statements

ONI does not have any special accounts.

Comprehensive Income Statement

ONI is budgeting for a break-even operating result, adjusted for depreciation and amortisation expense in 2020-21, 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.

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.

Administered

From 2020-21 ONI will receive administered funding for the National Intelligence Community Research Program (NICRP).

3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
EXPENSES					
Employee benefits	44,660	55,141	56,271	57,565	58,610
Suppliers	18,543	35,884	27,630	19,609	18,756
Grants	2,128	-	-	-	-
Depreciation and amortisation (a)	10,956	11,700	12,088	12,288	12,469
Finance costs	3	3	3	3	3
Total expenses	76,290	102,728	95,992	89,465	89,838
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other	709	800	1,000	1,000	1,000
Total own-source revenue	709	800	1,000	1,000	1,000
Gains					
Other	4,103	4,200	4,200	4,200	4,200
Total gains	4,103	4,200	4,200	4,200	4,200
Total own-source income	4,812	5,000	5,200	5,200	5,200
Net (cost of)/contribution by services	(71,478)	(97,728)	(90,792)	(84,265)	(84,638)
Revenue from Government	73,191	89,546	82,359	75,730	76,145
Surplus/(deficit) attributable to the Australian Government	1,713	(8,182)	(8,433)	(8,535)	(8,493)
Total comprehensive income/(loss) attributable to the Australian Government	1,713	(8,182)	(8,433)	(8,535)	(8,493)

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

	2019-20	2020-21	2021-22	2022-23	2023-24
	\$'000	\$'000	\$'000	\$'000	\$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	9,356	-	-	-	-
less: Depreciation/amortisation expenses previously funded through revenue appropriations (a)	6,957	7,701	8,159	8,468	8,649
less: depreciation/amortisation expenses for ROU assets (b)	3,999	3,999	3,929	3,820	3,820
add: Principal repayments on leased assets (b)	3,313	3,518	3,655	3,753	3,976
Total comprehensive income/(loss) - as per the statement of comprehensive income	1,713	(8,182)	(8,433)	(8,535)	(8,493)

Prepared on Australian Accounting Standards basis.

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

(b) Applies leases under AASB 16 Leases.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,273	700	700	700	700
Trade and other receivables	53,038	55,221	55,213	56,131	56,892
Total financial assets	54,311	55,921	55,913	56,831	57,592
Non-financial assets					
Land and buildings	41,933	36,193	30,624	25,097	19,537
Property, plant and equipment	9,689	10,411	9,200	7,881	5,875
Intangibles	3,069	2,754	2,489	2,024	1,959
Other non-financial assets	3,169	3,169	3,169	3,169	3,169
Total non-financial assets	57,860	52,527	45,482	38,171	30,540
Total assets	112,171	108,448	101,395	95,002	88,132
LIABILITIES					
Payables					
Suppliers	3,047	3,361	3,361	3,361	3,361
Other payables	1,063	1,063	1,063	1,063	1,063
Total payables	4,110	4,424	4,424	4,424	4,424
Interest bearing liabilities					
Leases	27,459	23,941	20,286	16,533	12,557
Total interest bearing liabilities	27,459	23,941	20,286	16,533	12,557
Provisions					
Employee provisions	16,012	17,367	17,346	18,279	19,055
Other provisions	166	150	145	130	115
Total provisions	16,178	17,517	17,491	18,409	19,170
Total liabilities	47,747	45,882	42,201	39,366	36,151
Net assets	64,424	62,566	59,194	55,636	51,981
EQUITY*					
Parent entity interest					
Contributed equity	70,965	77,332	82,375	87,352	92,190
Reserves	3,188	3,188	3,188	3,188	3,188
Retained surplus (accumulated deficit)	(9,729)	(17,911)	(26,344)	(34,879)	(43,372)
Total parent entity interest	64,424	62,609	59,219	55,661	52,006
Total equity	64,424	62,609	59,219	55,661	52,006

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 2020-21)

	Retained earnings	Asset revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2020				
Balance carried forward from previous period	(9,729)	3,188	70,965	64,424
Adjusted opening balance	(9,729)	3,188	70,965	64,424
Comprehensive income				
Surplus/(deficit) for the period	(8,182)	-	-	(8,182)
Total comprehensive income	(8,182)	-	-	(8,182)
of which:				
Attributable to the Australian Government	(8,182)	-	-	(8,182)
Transactions with owners				
Contributions by owners				
Equity injection - Appropriation	-	-	2,195	2,195
Departmental Capital Budget (DCB)	-	-	4,172	4,172
Sub-total transactions with owners	-	-	6,367	6,367
Estimated closing balance as at 30 June 2021	(17,911)	3,188	77,332	62,609
Closing balance attributable to the Australian Government	(17,911)	3,188	77,332	62,609

Prepared on Australian Accounting Standards basis

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	70,545	86,350	82,384	74,812	75,384
Net GST received	2,213	4,225	3,267	2,459	2,359
Other	642	800	1,000	1,000	1,000
Total cash received	73,400	91,375	86,651	78,271	78,743
Cash used					
Employees	40,304	47,515	50,294	51,179	51,211
Suppliers	22,606	35,394	27,252	17,963	18,256
Interest payments on lease liability	548	476	405	331	254
s74 External Revenue transferred to the OPA	5,045	5,045	5,045	5,045	5,045
Grants	2,128	-	-	-	-
Total cash used	70,631	88,430	82,996	74,518	74,766
Net cash from/(used by) operating activities	2,769	2,945	3,655	3,753	3,977
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	6,174	6,367	5,043	4,977	4,838
Total cash used	6,174	6,367	5,043	4,977	4,838
Net cash from/(used by) investing activities	(6,174)	(6,367)	(5,043)	(4,977)	(4,838)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	7,038	6,367	5,043	4,977	4,838
Total cash received	7,038	6,367	5,043	4,977	4,838
Cash used					
Principal payments on lease liability	3,313	3,518	3,655	3,753	3,977
Total cash used	3,313	3,518	3,655	3,753	3,977
Net cash from/(used by) financing activities	3,725	2,849	1,388	1,224	861
Net increase/(decrease) in cash held	320	(573)	-	-	-
Cash and cash equivalents at the beginning of the reporting period	953	1,273	700	700	700
Cash and cash equivalents at the end of the reporting period	1,273	700	700	700	700

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	4,116	4,172	4,234	4,277	4,338
Equity injections - Bill 2	416	2,195	809	700	500
Total new capital appropriations	4,532	6,367	5,043	4,977	4,838
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	4,532	6,367	5,043	4,977	4,838
Total items	4,532	6,367	5,043	4,977	4,838
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	5,200	2,195	809	700	500
Funded by capital appropriation - DCB (b)	974	4,172	4,234	4,277	4,338
TOTAL	6,174	6,367	5,043	4,977	4,838
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	6,174	6,367	5,043	4,977	4,838
Total cash used to acquire assets	6,174	6,367	5,043	4,977	4,838

Prepared on Australian Accounting Standards basis.

(a) Includes both current Bill 2 and prior Act 2/4/6 appropriations and special capital appropriations.

(b) 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 2020-21)

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2020				
Gross book value	17,444	11,821	10,063	39,328
Gross book value - ROU assets	30,772	-	-	30,772
Accumulated depreciation/amortisation and impairment	(2,284)	(2,132)	(6,994)	(11,410)
Accumulated depreciation/amortisation and impairment - ROU assets	(3,999)	-	-	(3,999)
Opening net book balance	41,933	9,689	3,069	54,691
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	899	1,296	-	2,195
By purchase - appropriation ordinary annual services (b)	-	2,672	1,500	4,172
Total additions	899	3,968	1,500	6,367
Other movements				
Depreciation/amortisation expense	(2,640)	(3,246)	(1,815)	(7,701)
Depreciation/amortisation on ROU assets	(3,999)	-	-	(3,999)
Total other movements	(6,639)	(3,246)	(1,815)	(11,700)
As at 30 June 2021				
Gross book value	18,343	15,789	11,563	45,695
Gross book value - ROU assets	30,772	-	-	30,772
Accumulated depreciation/amortisation and impairment	(4,924)	(5,378)	(8,809)	(19,111)
Accumulated depreciation/amortisation and impairment - ROU assets	(7,998)	-	-	(7,998)
Closing net book balance	36,193	10,411	2,754	49,358

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injections appropriations provided through *Appropriation Bill (No. 2) 2020-21*, including CDABs.

(b) 'Appropriation ordinary annual services' refers to funding provided through *Appropriation Bill (No. 1) 2020-21* 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)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
EXPENSES					
Suppliers	-	572	142	147	179
Grants	-	1,002	4,202	5,202	5,150
Total expenses administered on behalf of Government	-	1,574	4,344	5,349	5,329
Net (cost of)/contribution by services	-	(1,574)	(4,344)	(5,349)	(5,329)
Surplus/(deficit)	-	(1,574)	(4,344)	(5,349)	(5,329)
Total comprehensive income/(loss)	-	(1,574)	(4,344)	(5,349)	(5,329)

Prepared on Australian Accounting Standards basis.

ONI Budget Statements

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

ONI 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)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash used					
Grant	-	1,002	4,202	5,202	5,150
Suppliers	-	572	142	147	179
Total cash used	-	1,574	4,344	5,349	5,329
Net cash from/(used by) operating activities	-	(1,574)	(4,344)	(5,349)	(5,329)
Net increase/(decrease) in cash held	-	(1,574)	(4,344)	(5,349)	(5,329)
Cash and cash equivalents at beginning of reporting period					
Cash from Official Public Account for:					
- Appropriations	-	1,574	4,344	5,349	5,329
Total cash from Official Public Account	-	1,574	4,344	5,349	5,329
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

**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 households and properties, and administration of the Australian Honours and Awards system.

The OOSGG achieves this through a single program which comprises two components:

1. Support for the Governor-General
2. Administration of the Australian honours and awards system.

The OOSGG's role is to support the Governor-General to enable him to perform official duties, including support in connection with official activities, 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.

As part of the 2020-21 Budget, the Government announced additional funding for the OOSGG to support the processing of National Emergency Medals (NEM) in the wake of the 2019-20 bushfires, and to address security concerns around its ageing ICT infrastructure.

The OOSGG recognises the need for a high level of accountability and places a strong emphasis in meeting its obligations and responsibilities, and mitigating strategic risks. This is facilitated through:

- the development and implementation of corporate and business plans
- effective frameworks for policy and accountability, people management, industrial relations
- ongoing, proactive management of risk, fraud, security, information and communications technology
- continuous budget management.

Management and mitigation of risk is further reinforced through the OOSGG's daily operations and administrative practices.

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 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 (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: OOSGG resource statement — Budget estimates for 2020-21 as at Budget October 2020

	2019-20 Estimated actual \$'000	2020-21 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	4,019	5,322
Departmental appropriation (b)	14,459	14,292
s74 External Revenue (c)	313	-
Departmental capital budget (d)	650	1,868
Total departmental annual appropriations	19,441	21,482
Total departmental resourcing	19,441	21,482
Administered		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	505	467
Outcome 1	1,561	2,458
Administered capital budget (e)	2,950	3,304
Total administered annual appropriations	5,016	6,229
Total administered special appropriations	495	495
Total administered resourcing	5,511	6,724
Total resourcing for OOSGG	24,952	28,206
	2019-20	2020-21
Average staffing level (number)	73	83

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) 2020-21.*
- (b) Excludes departmental capital budget (DCB).
- (c) Estimated External Revenue receipts under section 74 of the PGPA Act.
- (d) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (e) 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

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

Table 1.2: OOSGG 2020-21 Budget measures
Measures announced after the Economic and Fiscal Update July 2020

	2020-21	2021-22	2022-23	2023-24
Program	\$'000	\$'000	\$'000	\$'000
Payment measures				
Office of the Official Secretary to the Governor-General - additional resourcing	1.1			
Administered payment	900	2,760	1,395	942
Departmental payment	1,949	7,590	1,674	813
Total	2,849	10,350	3,069	1,755
Total payment measures				
Administered	900	2,760	1,395	942
Departmental	1,949	7,590	1,674	813
Total	2,849	10,350	3,069	1,755

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

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance 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 a complete picture of an entity's planned and actual performance.

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 the entity 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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
Program 1.1: Support for the Governor-General and Official Activities.					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	1,345	2,458	4,312	2,965	2,537
Special appropriations <i>Special appropriation - Governor-General</i>	495	495	495	495	495
Expenses not requiring appropriation in the Budget year (a)	1,639	1,985	1,985	1,985	1,985
Administered total	3,479	4,938	6,792	5,445	5,017
Departmental expenses					
Departmental appropriation s74 External Revenue (b)	14,075 188	14,292 -	15,627 -	14,989 -	14,609 -
Expenses not requiring appropriation in the Budget year (a)	883	607	557	557	557
Departmental total	15,146	14,899	16,184	15,546	15,166
Total expenses for program 1.1	18,625	19,837	22,976	20,991	20,183
	2019-20	2020-21			
Average staffing level (number)	73	83			

(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 2020-21 Budget measures 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 – The objective of this program is to support the Governor-General and Official Activities. 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: <ul style="list-style-type: none"> • 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	2019-20 Actual Achievement/Targets
2019-20	<ul style="list-style-type: none"> • 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 <i>Environment Protection and Biodiversity Conservation Act 1999</i> and government policies relating to heritage properties, and with due consideration of advice provided by the National Capital Authority and other relevant authorities. 	All performance criteria as outlined in the 2019-20 PBS were met.
2020-21	As per 2019-20	The Governor-General expresses satisfaction with the support he receives to perform his official duties; and with the management of the official households and properties.
2021-22 and beyond	As per 2019-20	As per 2020-21

Table 2.1.2: Performance criteria for Outcome 1 (continued)

<p>Delivery (component 2)</p>	<p>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:</p> <ul style="list-style-type: none"> • 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. 	
<p>Performance information (component 2)</p>		
<p>Year</p>	<p>Performance criteria</p>	<p>2019-20 Actual Achievement/Targets</p>
<p>2019-20</p>	<ul style="list-style-type: none"> • 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 • Insignia and other resources for investitures and honours list announcements are accurate and issued in a timely manner. 	<p>All performance criteria as outlined in the 2019-20 PBS were met.</p>
<p>2020-21</p>	<p>As per 2019-20</p>	<p>The Governor-General and the Councils and Committee supported by the Office, express satisfaction with the support provided and activities conducted.</p>
<p>2021-22 and beyond</p>	<p>As per 2019-20</p>	<p>As per 2020-21</p>
<p>Purpose</p>	<p>The OOSGG was established in 1984, by amendment to the <i>Governor-General Act 1974</i>, 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.</p>	

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2020-21 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 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.

Budgeted revenue from Government in 2020-21 has increased since the 2019-20 PAES to \$14.3 million. This increases over the forward estimates, attributable to additional funding received from 2020-21 Budget measures.

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.

Departmental Capital Budget

The estimated Departmental Capital Budget for 2020-21 has increased since the 2019-20 PAES to \$1.9 million. Over the forward estimates period, this amount increases due to additional funding received from 2020-21 Budget measures.

Administered

Schedule of Budgeted Income and Expenses Administered on Behalf of Government

The estimated administered expenditure for 2020-21 has increased since the 2019-20 PAES to \$2.5 million. Over the forward estimates period this amount increases, attributable to additional funding received from 2020-21 Budget measures.

This is in addition to the administered appropriation of \$0.5 million for the Governor-General's salary.

OOSGG Budget Statements

Administered Capital Budget Statement

In 2020-21, the OOSGG will receive \$3.3m 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 2020-21 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

	2019-20	2020-21	2021-22	2022-23	2023-24
	Estimated actual	Budget	Forw ard estimate	Forw ard estimate	Forw ard estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Employee benefits	8,791	9,594	9,984	9,649	9,273
Suppliers	5,817	4,773	5,718	5,415	5,411
Depreciation and amortisation (a)	538	532	482	482	482
Total expenses	15,146	14,899	16,184	15,546	15,166
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other	188	-	-	-	-
Total own-source revenue	188	-	-	-	-
Gains					
Sale of assets	15	-	-	-	-
Other	345	75	75	75	75
Total gains	360	75	75	75	75
Total own-source income	548	75	75	75	75
Net (cost of)/contribution by services	(14,598)	(14,824)	(16,109)	(15,471)	(15,091)
Revenue from Government	14,459	14,292	15,627	14,989	14,609
Surplus/(deficit) attributable to the Australian Government	(139)	(532)	(482)	(482)	(482)
Total comprehensive income/(loss)	(139)	(532)	(482)	(482)	(482)
Total comprehensive income/(loss) attributable to the Australian Government	(139)	(532)	(482)	(482)	(482)

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

	2019-20	2020-21	2021-22	2022-23	2023-24
	\$'000	\$'000	\$'000	\$'000	\$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	399	-	-	-	-
less: Depreciation/amortisation expenses previously funded through revenue appropriations (a)	538	532	482	482	482
Total comprehensive income/(loss) - as per the statement of comprehensive income	(139)	(532)	(482)	(482)	(482)

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)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	88	88	88	88	88
Trade and other receivables	5,426	5,426	5,426	5,426	5,426
Total financial assets	5,514	5,514	5,514	5,514	5,514
Non-financial assets					
Land and buildings	3	3	3	3	3
Property, plant and equipment	1,589	2,989	8,722	9,096	9,026
Intangibles	868	804	708	688	670
Inventories	35	35	35	35	35
Other non-financial assets	102	102	102	102	102
Total non-financial assets	2,597	3,933	9,570	9,924	9,836
Total assets	8,111	9,447	15,084	15,438	15,350
LIABILITIES					
Payables					
Suppliers	1,364	1,364	1,364	1,364	1,364
Other payables	251	251	251	251	251
Total payables	1,615	1,615	1,615	1,615	1,615
Interest bearing liabilities					
Leases	3	3	3	3	3
Total interest bearing liabilities	3	3	3	3	3
Provisions					
Employee provisions	2,616	2,616	2,616	2,616	2,616
Total provisions	2,616	2,616	2,616	2,616	2,616
Total liabilities	4,234	4,234	4,234	4,234	4,234
Net assets	3,877	5,213	10,850	11,204	11,116
EQUITY*					
Parent entity interest					
Contributed equity	3,138	5,006	11,125	11,961	12,355
Reserves	621	621	621	621	621
Retained surplus (accumulated deficit)	118	(414)	(896)	(1,378)	(1,860)
Total parent entity interest	3,877	5,213	10,850	11,204	11,116
Total equity	3,877	5,213	10,850	11,204	11,116

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 2020-21)

	Retained earnings	Asset revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2020				
Balance carried forward from previous period	118	621	3,138	3,877
Adjusted opening balance	118	621	3,138	3,877
Comprehensive income				
Surplus/(deficit) for the period	(532)	-	-	(532)
Total comprehensive income	(532)	-	-	(532)
of which:				
Attributable to the Australian Government	(532)	-	-	(532)
Transactions with owners				
Contributions by owners				
Departmental Capital Budget (DCB)	-	-	1,868	1,868
Sub-total transactions with owners	-	-	1,868	1,868
Estimated closing balance as at 30 June 2021	(414)	621	5,006	5,213
Closing balance attributable to the Australian Government	(414)	621	5,006	5,213

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	13,095	14,292	15,627	14,989	14,609
Other	177	-	-	-	-
Total cash received	13,272	14,292	15,627	14,989	14,609
Cash used					
Employees	8,511	9,594	9,984	9,649	9,273
Suppliers	4,720	4,698	5,643	5,340	5,336
Total cash used	13,231	14,292	15,627	14,989	14,609
Net cash from/(used by) operating activities	41	-	-	-	-
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	15	-	-	-	-
Total cash received	15	-	-	-	-
Cash used					
Purchase of property, plant and equipment and intangibles	766	1,868	6,119	836	394
Total cash used	766	1,868	6,119	836	394
Net cash from/(used by) investing activities	(751)	(1,868)	(6,119)	(836)	(394)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	650	1,868	6,119	836	394
Total cash received	650	1,868	6,119	836	394
Net cash from/(used by) financing activities	650	1,868	6,119	836	394
Net increase/(decrease) in cash held	(60)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	148	88	88	88	88
Cash and cash equivalents at the end of the reporting period	88	88	88	88	88

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	650	1,868	6,119	836	394
Total new capital appropriations	650	1,868	6,119	836	394
Provided for:					
Purchase of non-financial assets	650	1,868	6,119	836	394
Total items	650	1,868	6,119	836	394
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB (a)	550	1,868	6,119	836	394
Funded internally from departmental resources (b)	216	-	-	-	-
TOTAL	766	1,868	6,119	836	394
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	766	1,868	6,119	836	394
Total cash used to acquire assets	766	1,868	6,119	836	394

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 2020-21)

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2020				
Gross book value	-	1,953	1,335	3,288
Gross book value - ROU assets	5	-	-	5
Accumulated depreciation/ amortisation and impairment	-	(364)	(467)	(831)
Accumulated depreciation/amortisation and impairment - ROU assets	(2)	-	-	(2)
Opening net book balance	3	1,589	868	2,460
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	-	1,773	95	1,868
Total additions	-	1,773	95	1,868
Other movements				
Depreciation/amortisation expense	-	(373)	(159)	(532)
Total other movements	-	(373)	(159)	(532)
As at 30 June 2021				
Gross book value	-	3,726	1,430	5,156
Gross book value - ROU assets	5	-	-	5
Accumulated depreciation/ amortisation and impairment	-	(737)	(626)	(1,363)
Accumulated depreciation/amortisation and impairment - ROU assets	(2)	-	-	(2)
Closing net book balance	3	2,989	804	3,796

Prepared on Australian Accounting Standards basis.

a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2020-21 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)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
EXPENSES					
Suppliers	1,345	2,458	4,312	2,965	2,537
Personal benefits	495	495	495	495	495
Depreciation and amortisation (a)	1,639	1,985	1,985	1,985	1,985
Total expenses administered on behalf of Government	3,479	4,938	6,792	5,445	5,017
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Sale of goods and rendering of services	25	38	38	38	38
Total non-taxation revenue	25	38	38	38	38
Total own-source revenue administered on behalf of Government	25	38	38	38	38
Gains					
Reversal of previous asset write-downs and impairments	11	-	-	-	-
Total gains administered on behalf of Government	11	-	-	-	-
Total own-sourced income administered on behalf of Government	36	38	38	38	38
Net (cost of)/contribution by services	(3,443)	(4,900)	(6,754)	(5,407)	(4,979)
Total comprehensive income/(loss)	(3,443)	(4,900)	(6,754)	(5,407)	(4,979)

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)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1	1	1	1	1
Trade and other receivables	199	199	199	199	199
Total financial assets	200	200	200	200	200
Non-financial assets					
Land and buildings	149,946	151,513	151,897	152,443	152,972
Property, plant and equipment	1,567	1,786	2,005	2,037	2,063
Inventories	1,901	1,901	1,901	1,901	1,901
Total non-financial assets	153,414	155,200	155,803	156,381	156,936
Total assets administered on behalf of Government	153,614	155,400	156,003	156,581	157,136
LIABILITIES					
Payables					
Suppliers	148	148	148	148	148
Total payables	148	148	148	148	148
Total liabilities administered on behalf of Government	148	148	148	148	148
Net assets/(liabilities)	153,466	155,252	155,855	156,433	156,988

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	24	38	38	38	38
Total cash received	24	38	38	38	38
Cash used					
Personal benefits	495	495	495	495	495
Suppliers	1,507	2,458	4,312	2,965	2,537
Total cash used	2,002	2,953	4,807	3,460	3,032
Net cash from/(used by) operating activities	(1,978)	(2,915)	(4,769)	(3,422)	(2,994)
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	2,931	3,771	2,588	2,563	2,540
Total cash used	2,931	3,771	2,588	2,563	2,540
Net cash from/(used by) investing activities	(2,931)	(3,771)	(2,588)	(2,563)	(2,540)
Net increase/(decrease) in cash held	(4,909)	(6,686)	(7,357)	(5,985)	(5,534)
Cash and cash equivalents at beginning of reporting period	1	1	1	1	1
Cash from Official Public Account for:					
- Appropriations	5,293	6,686	7,357	5,985	5,534
Total cash from Official Public Account	5,293	6,686	7,357	5,985	5,534
Cash to Official Public Account for:					
- Appropriations	384	-	-	-	-
Total cash to Official Public Account	384	-	-	-	-
Cash and cash equivalents at end of reporting period	1	1	1	1	1

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (ACB)	2,950	3,304	2,588	2,563	2,540
Total new capital appropriations	2,950	3,304	2,588	2,563	2,540
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	2,950	3,304	2,588	2,563	2,540
Total items	2,950	3,304	2,588	2,563	2,540
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - ACB (a)	2,931	3,771	2,588	2,563	2,540
TOTAL	2,931	3,771	2,588	2,563	2,540
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total accrual purchases	2,931	3,771	2,588	2,563	2,540
Total cash used to acquire assets	2,931	3,771	2,588	2,563	2,540

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 2020-21)

	Land	Buildings	Other property, plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2020				
Gross book value	102,000	49,539	1,614	153,153
Accumulated depreciation/amortisation and impairment	-	(1,593)	(47)	(1,640)
Opening net book balance	102,000	47,946	1,567	151,513
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	-	3,494	277	3,771
Total additions	-	3,494	277	3,771
Other movements				
Depreciation/amortisation expense	-	(1,927)	(58)	(1,985)
Total other movements	-	(1,927)	(58)	(1,985)
As at 30 June 2021				
Gross book value	102,000	53,033	1,891	156,924
Accumulated depreciation/amortisation and impairment	-	(3,520)	(105)	(3,625)
Closing net book balance	102,000	49,513	1,786	153,299

Prepared on Australian Accounting Standards basis.

- a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2020-21 for depreciation/amortisation expenses, ACBs or other operational expenses.

OLD PARLIAMENT HOUSE

ENTITY RESOURCES AND PLANNED PERFORMANCE

OLD PARLIAMENT HOUSE

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OLD PARLIAMENT HOUSE

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Museum of Australian Democracy was established in Old Parliament House (OPH) in 2009 to provide an enriched understanding and appreciation of the political legacy and intrinsic value of Australian democracy. OPH provides transformative learning experiences through formal, curriculum-based programs for schools and unique informal experiences through exhibitions, youth parliaments, self-directed learning and online engagement as it explores what it means to be an informed and engaged citizen.

As the home of our Federal Parliament from 1927 to 1988 and an icon of outstanding national heritage significance OPH aims to communicate the spirit of OPH as a significant national heritage site, while ensuring the building and heritage collections are conserved for future generations.

OPH's 2018–23 Strategic Plan outlines the vision and direction to build upon its strategic priorities of bold, relevant, authentic and dynamic content and activities. The priorities which support its strategic direction and align with broader government objectives are:

- Our exhibitions, events, collections, research and education programs will provoke thoughtful engagement through stories and creative interpretations of past and current events informed by authoritative research and data analysis. We will advance national conversations about democracy - past present and future.
- We promote active citizenship via a suite of transformative audience experiences and targeted activities that are timely and influential, and which support inclusion and build civic and social cohesion.
- In this nationally significant building, we will create a vibrant and contemporary hub that empowers civic and individual engagement in the democratic process. Progress will be achieved in harmony with heritage values that recognise, preserve and communicate the spirit of place.
- Our organisational culture will enable MoAD and its valued staff to be nimble, collaborative and efficient. Our actions and relationships will ensure ongoing relevance and financial sustainability.

1.2 ENTITY RESOURCE STATEMENT

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

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

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

Table 1.1: OPH resource statement—Budget estimates for 2020-21 as at Budget October 2020

	2019-20 Estimated actual \$'000	2020-21 Estimate \$'000
Opening balance/cash reserves at 1 July (a)	10,090	7,061
Funds from Government		
Annual appropriations - ordinary annual services (b)	14,683	15,482
Annual appropriations - other services (c)	3,620	196
Total annual appropriations (e)	18,303	15,678
Amounts received from related entities		
Amounts from portfolio department (d)	4,749	500
Total amounts received from related entities	4,749	500
Total funds from Government	23,052	16,178
Funds from other sources		
Sale of goods and services	1,914	2,338
Total funds from other sources	1,914	2,338
Total net resourcing for OPH	35,056	25,577
	2019-20	2020-21
Average staffing level (number)	73	70

(a) OPH cash reserves reflect funds quarantined by management for the purposes of covering employee provisions and urgent building works

(b) Appropriation Bill (No.1) 2020-21

(c) Appropriation Bill (No.2) 2020-21

(d) Funding provided by the portfolio department that is not specified within the Appropriation Bills as a payment to the CCE (for example, a grant awarded to a CCE from one of its portfolio departments administered programs)

(e) The OPH is not directly appropriated as it is a Corporate Commonwealth Entity. Appropriations are made to the Department of Prime Minister and Cabinet (a Non-Corporate Commonwealth Entity), which are then paid to the OPH and are considered "departmental" for all purposes.

Please note: 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.

1.3 BUDGET MEASURES

There are no new measures relating to OPH for the 2020-21 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 Old Parliament House can be found at:
www.moadoph.gov.au/about/corporate-documents.

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

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: An enhanced appreciation and understanding of the political and social heritage of Australia for members of the public, through activities including the conservation and upkeep of, and the provision of access to, Old Parliament House and the development of its collections, exhibitions and educational programs.

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
Program 1.1: Old Parliament House					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	14,683	15,482	12,852	14,186	14,219
Payment from related entities	4,749	500	-	1,400	-
Expenses not requiring appropriation in the budget year	-	2,286	5,414	2,700	4,100
Revenues from other independent sources	1,914	2,338	2,538	2,576	2,614
Total expenses for Program 1.1	21,346	20,606	20,804	20,862	20,933
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	14,683	15,482	12,852	14,186	14,219
Payment from related entities	4,749	500	-	1,400	-
Expenses not requiring appropriation in the budget year	-	2,286	5,414	2,700	4,100
Revenues from other independent sources	1,914	2,338	2,538	2,576	2,614
Total expenses for Outcome 1	21,346	20,606	20,804	20,862	20,933
	2019-20	2020-21			
Average staffing level (number)	73	70			

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.

<p>Outcome 1: An enhanced appreciation and understanding of the political and social heritage of Australia for members of the public, through activities including the conservation and upkeep of, and the provision of access to, Old Parliament House and the development of its collections, exhibitions and educational programs.</p>
<p>Program 1.1—Old Parliament House</p> <p>OPH’s collection is of national, regional and local significance. It captures the ideas, movements, individuals and events of Australian democracy and the story of this nationally listed heritage place, Old Parliament House, which was home to the Federal Parliament for 61 years.</p> <p>OPH offers a spectrum of entry points: through interpretations of the building, in-house and touring exhibitions, onsite and online projects, education and public programs, children’s activities and opportunities to experience the spirit of Old Parliament House through festivals and events.</p>
<p>Purpose</p> <p>The principal function of Old Parliament House is to provide an enriched understanding and appreciation of Australia’s political legacy and the intrinsic value of Australia’s democracy.</p>
<p>Delivery</p> <p>The Program will be delivered in the following ways:</p> <ul style="list-style-type: none"> • Ensuring the heritage values of Old Parliament House are recognised, preserved and communicated • Managing a collection of national, regional and local significance to document and illustrate the development of Australian democracy • Providing enhanced visitor experiences through participation onsite and online • Providing quality learning programs that align with national curriculum requirements both onsite and to regional and remote areas through our digital excursion program

Performance information		
Year	Performance criteria	2019-20 Actual Achievement/Targets
2019-20	<p>Deliver a spectrum of experiences – exhibitions, events, learning programs and digital activities that allow our audience to engage with the concepts and history of democracy.</p> <p>Collect, share and digitise—build and maintain a rich national collection for current and future generations of Australians to enjoy and learn from.</p>	<p>Actual</p> <p>191,759 number of visits to the organisation.</p> <p>492,388 number of visits to the organisation’s website.</p> <p>90% of visitors were satisfied with their visit.</p> <p>78,386 people participating in public programs.</p> <p>61,593 students and teachers participating in school programs onsite and offsite.</p> <p>76,320 students and teachers participating in virtual and online excursions.</p> <p>1,144 educational institutions participating in organised school learning programs.</p> <p>97% of teachers reporting overall positive experience.</p> <p>99% of teachers reporting relevance to the classroom curriculum.</p> <p>21% of the total collection available to the public.</p> <p>83% of the total collection digitised.</p>

OPH Budget Statements

Performance information		
Year	Performance criteria	2019-20 Actual Achievement/Targets
2020-21	<p>Deliver a spectrum of experiences – exhibitions, events, learning programs and digital activities that allow our audience to engage with the concepts and history of democracy.</p> <p>Collect, share and digitise—build and maintain a rich national collection for current and future generations of Australians to enjoy and learn from</p>	<p>Targets</p> <p>150,000 number of visits to the organisation.</p> <p>495,000 number of visits to the organisation’s website.</p> <p>90% of visitors were satisfied with their visit.</p> <p>35,000 people participating in public programs.</p> <p>45,000 students and teachers participating in school programs onsite and offsite.</p> <p>80,000 students and teachers participating in virtual and online excursions.</p> <p>1,200 educational institutions participating in organised school learning programs.</p> <p>95% of teachers reporting overall positive experience.</p> <p>95% of teachers reporting relevance to the classroom curriculum.</p> <p>35% of the total collection available to the public.</p> <p>90% of the total collection digitised.</p>
2021–22 and beyond	As per 2020-21	As per 2020-21

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of OPH's finances for the 2020-21 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Explanatory notes and analysis of budgeted financial statements

Comprehensive income statement

Total budgeted income for 2020-21 is estimated to be \$18.320 million, of which \$15.482 million is appropriation from Government, and includes funding from the National Collecting Institutions - additional funding measure announced in the July 2020 Economic and Fiscal update. Appropriation from Government also includes a movement of funds from 2021-22 into 2020-21 for the completion of urgent capital works.

Total expenses for 2020-21 are estimated to be \$13.320 million (excluding depreciation), and remains consistent over the forward estimate period.

Operational losses sustained by OPH are technical accounting losses driven by the heritage depreciation on the building. OPH maintains sufficient underlying cash balances to maintain financial sustainability.

Departmental Balance Sheet

Total assets are budgeted to decrease in 2020-21, reflecting the depreciation on non-financial assets. \$8.014 million is expected to be spent in the capital works program and \$0.196m on heritage collection acquisitions.

OPH classifies the building to a 'Heritage & Cultural asset'. This is on the basis that the building reflects significant cultural heritage of the Australian nation and has satisfactorily met the criteria under the Financial Reporting Rules for Heritage and Cultural classification.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
EXPENSES					
Employee benefits	7,914	7,989	8,235	8,396	8,480
Suppliers	6,499	5,331	5,276	5,445	5,695
Depreciation and amortisation	6,933	7,286	7,293	7,021	6,758
Total expenses	21,346	20,606	20,804	20,862	20,933
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	1,785	2,338	2,538	2,576	2,614
Other	5,293	500	-	1,400	-
Total own-source revenue	7,078	2,838	2,538	3,976	2,614
Total own-source income	7,078	2,838	2,538	3,976	2,614
Net (cost of)/contribution by services	(14,268)	(17,768)	(18,266)	(16,886)	(18,319)
Revenue from Government	14,683	15,482	12,852	14,186	14,219
Surplus/(deficit) attributable to the Australian Government	415	(2,286)	(5,414)	(2,700)	(4,100)
Total comprehensive income/(loss)	415	(2,286)	(5,414)	(2,700)	(4,100)
Total comprehensive income/(loss) attributable to the Australian Government	415	(2,286)	(5,414)	(2,700)	(4,100)

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					
	2019-20	2020-21	2021-22	2022-23	2023-24
	\$'000	\$'000	\$'000	\$'000	\$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	5,112	3,931	796	3,503	2,095
less: Heritage and cultural depreciation/amortisation expenses previously funded through revenue appropriations (a)	4,677	6,200	6,200	6,200	6,200
less: Depreciation/amortisation expenses on ROU assets (b)	222	223	223	223	223
add: Principal repayments on leased assets (b)	202	206	213	220	228
Total comprehensive income/(loss) - as per the Statement of comprehensive income	415	(2,286)	(5,414)	(2,700)	(4,100)

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

(b) Applies leases under AASB 16 Leases.

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	9,853	5,355	5,990	6,339	6,111
Trade and other receivables	349	349	349	349	349
Total financial assets	10,202	5,704	6,339	6,688	6,460
Non-financial assets					
Heritage and cultural	105,541	108,365	102,353	99,337	95,434
Property, plant and equipment	2,982	2,874	2,843	2,804	3,027
Buildings - ROU	1,554	1,578	1,609	1,471	1,471
Intangibles	246	46	46	223	0
Inventories	54	54	54	54	54
Other non-financial assets	72	72	72	72	72
Total non-financial assets	110,449	112,989	106,977	103,961	100,058
Total assets	120,651	118,693	113,316	110,649	106,518
LIABILITIES					
Payables					
Suppliers	1,438	398	398	398	398
Other payables	33	33	33	33	33
Total payables	1,471	431	431	431	431
Interest bearing liabilities					
Leases	1,543	1,390	1,232	1,069	841
Total interest bearing liabilities	1,543	1,390	1,232	1,069	841
Provisions					
Employee provisions	2,227	2,227	2,227	2,227	2,227
Total provisions	2,227	2,227	2,227	2,227	2,227
Total liabilities	5,241	4,048	3,890	3,727	3,499
Net assets	115,410	114,645	109,426	106,922	103,019
EQUITY					
Parent entity interest					
Contributed equity	72,275	72,471	72,666	72,862	73,059
Reserves	43,912	45,237	45,237	45,237	45,237
Retained surplus (accumulated deficit)	(777)	(3,063)	(8,477)	(11,177)	(15,277)
Total equity	115,410	114,645	109,426	106,922	103,019

Prepared on Australian Accounting Standards basis.

**Table 3.3: Departmental statement of changes in equity—summary of movement
(Budget year 2020-21)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2020				
Balance carried forward from previous period	(777)	43,912	72,275	115,410
Adjusted opening balance	(777)	43,912	72,275	115,410
Comprehensive income				
Other comprehensive income	-	1,325	-	1,325
Surplus/(deficit) for the period	(2,286)	-	-	(2,286)
Total comprehensive income	(2,286)	1,325	-	(961)
of which:				
Attributable to the Australian Government	(2,286)	1,325	-	(961)
Transactions with owners				
Contributions by owners				
Equity injection	-	-	196	196
Sub-total transactions with owners	-	-	196	196
Estimated closing balance as at 30 June 2021	(3,063)	45,237	72,471	114,645
Closing balance attributable to the Australian Government	(3,063)	45,237	72,471	114,645

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Receipts from Government	19,230	15,982	12,852	15,586	14,219
Sale of goods and rendering of services	5,474	2,338	2,538	2,576	2,614
Total cash received	24,704	18,320	15,390	18,162	16,833
Cash used					
Employees	7,742	7,989	8,235	8,396	8,480
Suppliers	6,499	6,565	5,521	5,697	5,695
Total cash used	14,241	14,554	13,756	14,093	14,175
Net cash from/(used by) operating activities	10,463	3,766	1,634	4,069	2,658
INVESTING ACTIVITIES					
Cash received					
Investments	7,550	-	-	-	-
Total cash received	7,550	-	-	-	-
Cash used					
Purchase of property, plant and equipment and intangibles	14,118	8,254	981	3,696	2,855
Total cash used	14,118	8,254	981	3,696	2,855
Net cash from/(used by) investing activities	(6,568)	(8,254)	(981)	(3,696)	(2,855)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	3,620	196	195	196	197
Total cash received	3,620	196	195	196	197
Cash used					
Principal payments on lease liability	202	206	213	220	228
Total cash used	202	206	213	220	228
Net cash from/(used by) financing activities	3,418	(10)	(18)	(24)	(31)
Net increase/(decrease) in cash held	7,313	(4,498)	635	349	(228)
Cash and cash equivalents at the beginning of the reporting period	2,540	9,853	5,355	5,990	6,339
Cash and cash equivalents at the end of the reporting period	9,853	5,355	5,990	6,339	6,111

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	3,620	196	195	196	197
Total new capital appropriations	3,620	196	195	196	197
Provided for:					
<i>Purchase of non-financial assets</i>	3,620	196	195	196	197
Total items	3,620	196	195	196	197
PURCHASE OF NON-FINANCIAL ASSETS					
ASSETS					
Funded by capital appropriation - DCB (a)	3,620	196	195	196	197
Funded internally from departmental resources (b)	10,498	8,058	786	3,500	2,658
TOTAL	14,118	8,254	981	3,696	2,855

Prepared on Australian Accounting Standards basis.

(a) Includes both current Bill 2 and prior Act 2 appropriations.

(b) Includes sources of funding from current Bill and prior year Act 1 appropriations, donations and contributions, gifts, internally developed assets and proceeds from the sale of assets.

Table 3.6: Statement of asset movements (Budget year 2020-21)

	Buildings	Other property, plant and equipment	Heritage and cultural	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2020					
Gross book value	-	4,881	124,778	412	130,071
Gross book value - ROU assets	1,794	-	-	-	1,794
Accumulated depreciation/ amortisation and impairment	(240)	(1,899)	(19,237)	(166)	(21,542)
Opening net book balance	1,554	2,982	105,541	246	110,323
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase - appropriation equity (a)	-	-	196	-	196
By purchase - appropriation ordinary annual services (b)	-	485	7,503	70	8,058
By reversal of impairment losses	-	-	1,325	-	1,325
Total additions	-	485	9,024	70	9,579
Other movements					
Depreciation/amortisation expense	-	(593)	(6,200)	(270)	(7,063)
Depreciation/amortisation on ROU assets	(223)	-	-	-	(223)
Other - ROU assets	247	-	-	-	247
Total other movements	24	(593)	(6,200)	(270)	(7,039)
As at 30 June 2021					
Gross book value	-	5,366	133,802	482	139,650
Gross book value - ROU assets	2,041	-	-	-	2,041
Accumulated depreciation/ amortisation and impairment	-	(2,492)	(25,437)	(436)	(28,365)
Accumulated depreciation/amortisation and impairment - ROU assets	(463)	-	-	-	(463)
Closing net book balance	1,578	2,874	108,365	46	112,863

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2020-21, including CDABs.

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2020-21 for depreciation/amortisation expenses or other operational expenses.

Prepared on Australian Accounting Standards basis.

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, wagem goeygooyika bathayngaka*' (KALA LAGAU YA)
- '*Buaigiz kelar obaiswerare, merbi mir apuge mena obakedi, muike merbi areribi tonarge, ko merbi keub kerkerem*' (MERIAM MIR)
- '*Ngalpan moebaygal thoepoeriwuoyamoeyn, ngalpan ya kuduthoeraynu, ngalpan igililmaypa, sepa setha wara goeygil sey boey wagem*' (KALA KAWAU YA).

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

TSRA Budget Statements

Priority areas for the 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 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: TSRA resource statement - Budget estimates for 2020-21 as at Budget October 2020

	2019-20 Estimated actual \$'000	2020-21 Estimate \$'000
Opening balance/cash reserves at 1 July	2,976	3,848
Funds from Government		
Annual appropriations - ordinary annual services (a)		
Outcome 1	35,897	36,078
Total annual appropriations	35,897	36,078
Amounts received from related entities		
Amounts from other entities (b)	14,402	9,811
Total amounts received from related entities	14,402	9,811
Total funds from Government	50,299	45,889
Funds from other sources		
Interest	614	870
Sale of goods and services	610	505
Other	669	542
Total funds from other sources	1,893	1,917
Total net resourcing for Torres Strait Regional Authority	55,168	51,654
	2019-20	2020-21
Average staffing level (number)	159	154

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

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

a) *Appropriation Bill (No. 1) 2020-21*

b) Amounts received from other entities within the portfolio, or from other portfolio.

1.3 BUDGET MEASURES

The TSRA has no new Budget Measures in the 2020-21 Budget.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance 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 a complete picture of an entity's planned and actual performance.

The most recent corporate plan for TSRA can be found at: <http://www.tsra.gov.au/the-tsra/corporate-information>

The most recent annual performance statement can be found at TSRA's website: <https://www.tsra.gov.au/news-and-resources/annual-reports>

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, and by Departmental funding sources.

Table 2.1.1: Budgeted expenses for Outcome 1

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
Program 1.1: Torres Strait Regional Development					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	35,915	36,092	35,902	35,849	35,933
Payment from related entities	14,402	9,811	9,814	9,818	9,818
Revenues from other independent sources	430	2,067	2,007	1,475	1,475
Total expenses for Program 1.1	50,747	47,970	47,723	47,142	47,226
	2019-20	2020-21			
Average staffing level (number)	159	154			

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 2020-21 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	<p>Increasing economic development by:</p> <ul style="list-style-type: none"> • improving commercial capability of Torres Strait Islander and Aboriginal people in the region • providing access to capital for commercially viable businesses. <p>Improving the use of fisheries by:</p> <ul style="list-style-type: none"> • Implementing commercially and environmentally sustainable strategies to increase Torres Strait Islander and Aboriginal ownership of the local fishing industry. <p>Maintaining culture, art and heritage by:</p> <ul style="list-style-type: none"> • 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. <p>Improving Native Title claim outcomes by:</p> <ul style="list-style-type: none"> • 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. <p>Improving environmental management by:</p> <ul style="list-style-type: none"> • 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. <p>Enhancing governance and leadership by:</p> <ul style="list-style-type: none"> • improving communication, cultural competence and service delivery within a community development framework across governments • strengthening Torres Strait Islander and Aboriginal organisational leadership and governance. <p>Improving community health and safety by:</p> <ul style="list-style-type: none"> • 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.

TSRA Budget Statements

Performance information (continued)		
Year	Performance criteria	2019-20 Actual Achievement/Targets
2019-20	<ul style="list-style-type: none"> • 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. <p>In addition to the criteria above:</p> <ul style="list-style-type: none"> • the percentage ownership of Torres Strait Commercial Fisheries by Torres Strait Islander 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, as set out in the TSRA's (2019-2022) Development Plan have been met. Additional detail will be provided in the TSRA 2019-2020 Annual Report.
2020-21	As per 2019-20	The Benefits and Targets for each of the TSRA's eight activity areas are set out in the TSRA's (2019-2022) Development Plan.
2021-22 and beyond	As per 2020-21	As per 2020-21
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 2020-21 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

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 \$48.0 million and expenditure of \$48.0 million resulting in a breakeven result for the 2020-21 financial year.

Budgeted Departmental Balance Sheet

The TSRA's forecast balance sheet for the financial year ending 30 June 2021 shows the TSRA with total assets of \$94.1 million and liabilities of \$6.7 million, resulting in a net asset position of \$87.3 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). TSRA is forecasting a cash position of \$3.9 million for the financial year ending 30 June 2021.

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 \$4.4 million on capital expenditure in the 2020-21 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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
EXPENSES					
Employee benefits	18,718	20,495	20,725	21,015	21,375
Suppliers	16,664	13,464	13,127	12,356	12,130
Grants	13,432	12,590	12,447	12,344	12,292
Depreciation and amortisation	1,758	1,263	1,266	1,269	1,271
Finance costs	154	158	158	158	158
Write-down and impairment of assets	21	-	-	-	-
Total expenses	50,747	47,970	47,723	47,142	47,226
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	610	505	505	505	505
Interest	652	1,020	960	970	970
Grant revenue	14,402	9,811	9,814	9,818	9,818
Other	669	542	542	-	-
Total own-source revenue	16,333	11,878	11,821	11,293	11,293
Gains					
Other	131	-	-	-	-
Total gains	131	-	-	-	-
Total own-source income	16,464	11,878	11,821	11,293	11,293
Net (cost of)/contribution by services	(34,283)	(36,092)	(35,902)	(35,849)	(35,933)
Revenue from Government	35,897	36,078	35,887	35,834	35,918
Surplus/(deficit) attributable to the Australian Government	1,614	(14)	(15)	(15)	(15)
Total comprehensive income/(loss) attributable to the Australian Government	1,614	(14)	(15)	(15)	(15)

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

	2019-20	2020-21	2021-22	2022-23	2023-24
	\$'000	\$'000	\$'000	\$'000	\$'000
Total comprehensive income/(loss) excluding depreciation on ROU, principal repayments on leased assets	1,632	-	-	-	-
less: Depreciation/amortisation expenses on ROU assets (a)	107	118	121	124	126
add: Principal repayments on leased assets (a)	89	104	106	109	111
Total comprehensive income/(loss) - as per the Statement of comprehensive income	1,614	(14)	(15)	(15)	(15)

Prepared on Australian Accounting Standards basis.

a) Applies leases under AASB 16 Leases.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	3,848	3,848	3,848	3,848	3,803
Trade and other receivables	5,533	5,533	5,533	5,533	5,533
Other investments	26,591	23,343	22,788	21,533	20,778
Total financial assets	35,972	32,724	32,169	30,914	30,114
Non-financial assets					
Land and buildings	56,622	59,548	60,235	61,371	62,203
Property, plant and equipment	1,392	1,703	1,559	1,665	1,621
Other non-financial assets	89	89	89	89	89
Total non-financial assets	58,103	61,340	61,883	63,125	63,913
Total assets	94,075	94,064	94,052	94,039	94,027
LIABILITIES					
Payables					
Suppliers	1,533	1,533	1,533	1,533	1,533
Other payables	256	256	256	256	256
Total payables	1,789	1,789	1,789	1,789	1,789
Interest bearing liabilities					
Leases	418	421	424	426	429
Total interest bearing liabilities	418	421	424	426	429
Provisions					
Employee provisions	4,511	4,511	4,511	4,511	4,511
Total provisions	4,511	4,511	4,511	4,511	4,511
Total liabilities	6,718	6,721	6,724	6,726	6,729
Net assets	87,357	87,343	87,328	87,313	87,298
EQUITY*					
Parent entity interest					
Contributed equity	3,021	3,021	3,021	3,021	3,021
Reserves	18,096	18,096	18,096	18,096	18,096
Retained surplus (accumulated deficit)	66,240	66,226	66,211	66,196	66,181
Total parent entity interest	87,357	87,343	87,328	87,313	87,298
Total equity	87,357	87,343	87,328	87,313	87,298

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 2020-21)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2020				
Balance carried forward from previous period	66,240	18,096	3,021	87,357
Adjusted opening balance	66,240	18,096	3,021	87,357
Comprehensive income				
Surplus/(deficit) for the period	(14)	-	-	(14)
Total comprehensive income	(14)	-	-	(14)
Estimated closing balance as at 30 June 2021	66,226	18,096	3,021	87,343
Closing balance attributable to the Australian Government	66,226	18,096	3,021	87,343

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	35,897	36,078	35,887	35,834	35,918
Sale of goods and rendering of services	610	505	505	505	505
Interest	614	870	810	820	820
Net GST received	2,868	-	-	-	-
Grants	14,402	9,811	9,814	9,818	9,818
Other	756	542	542	-	-
Total cash received	55,147	47,806	47,558	46,977	47,061
Cash used					
Employees	18,688	20,495	20,725	21,015	21,375
Suppliers	19,223	13,464	13,127	12,356	12,130
Borrowing costs	24	-	-	-	-
Interest payments on lease liability	6	8	8	8	8
Other	14,348	12,590	12,447	12,344	12,292
Total cash used	52,289	46,557	46,307	45,723	45,805
Net cash from/(used by) operating activities	2,858	1,249	1,251	1,254	1,256
INVESTING ACTIVITIES					
Cash received					
Investments	3,387	3,248	555	1,255	755
Other	772	-	-	-	-
Total cash received	4,159	3,248	555	1,255	755
Cash used					
Purchase of property, plant and equipment and intangibles	4,320	4,393	1,700	2,400	1,945
Other	1,736	-	-	-	-
Total cash used	6,056	4,393	1,700	2,400	1,945
Net cash from/(used by) investing activities	(1,897)	(1,145)	(1,145)	(1,145)	(1,190)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	89	104	106	109	111
Total cash used	89	104	106	109	111
Net cash from/(used by) financing activities	(89)	(104)	(106)	(109)	(111)
Net increase/(decrease) in cash held	872	-	-	-	(45)
Cash and cash equivalents at the beginning of the reporting period	2,976	3,848	3,848	3,848	3,848
Cash and cash equivalents at the end of the reporting period	3,848	3,848	3,848	3,848	3,803

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources (a)	4,320	4,393	1,700	2,400	1,945
TOTAL	4,320	4,393	1,700	2,400	1,945
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	4,320	4,393	1,700	2,400	1,945
Total cash used to acquire assets	4,320	4,393	1,700	2,400	1,945

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)

Table 3.6: Statement of asset movements (Budget year 2020-21)

	Land	Buildings	Other property, plant and equipment	Heritage and cultural	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2020					
Gross book value	11,808	44,350	5,714	77	61,949
Gross book value - ROU assets	258	313	-	-	571
Accumulated depreciation/ amortisation and impairment	-	-	(4,399)	-	(4,399)
Accumulated depreciation/amortisation and impairment - ROU assets	(9)	(98)	-	-	(107)
Opening net book balance	12,057	44,565	1,315	77	58,014
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase - appropriation ordinary annual services (a)	-	3,838	555	-	4,393
By purchase - appropriation ordinary annual services - ROU assets	6	101	-	-	107
Total additions	6	3,939	555	-	4,500
Other movements					
Depreciation/amortisation expense	-	(901)	(244)	-	(1,145)
Depreciation/amortisation on ROU assets	(9)	(109)	-	-	(118)
Total other movements	(9)	(1,010)	(244)	-	(1,263)
As at 30 June 2021					
Gross book value	11,808	48,188	6,269	77	66,342
Gross book value - ROU assets	264	414	-	-	678
Accumulated depreciation/ amortisation and impairment	-	(901)	(4,643)	-	(5,544)
Accumulated depreciation/amortisation and impairment - ROU assets	(18)	(207)	-	-	(225)
Closing net book balance	12,054	47,494	1,626	77	61,251

Prepared on Australian Accounting Standards basis.

a) 'Appropriation ordinary annual services' refers to funding provided through *Appropriation Bill (No. 1) 2020-21* 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 six years of reporting, there has been a consistent increase in employer action on gender equality. As employers have taken action, gender equality outcomes have improved and the gender pay gap has declined. The strongest progress towards gender equality are in those areas where employers have a direct influence on the outcome. Women's promotions and appointments to managerial roles are rising every year. Over seven in ten employers now have policies or strategies to support gender equality or promote flexible working.

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.

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.

In November 2018, WGEA secured funding through the Women's Economic Security Package to develop and implement a replacement, fit-for purpose online reporting and data management platform. This platform is being developed to ensure there is capacity and flexibility to support voluntary reporting, an increase in the collection of data, improved and streamlined user experience and improved delivery of data analysis and insights to reporting organisations and the general public. The new platform will be delivered for WGEA's eighth year of reporting under the Act in 2021.

WGEA's strategic priorities in 2020-21 and the forward years are to increase WGEA's impact and reach, maximise the potential of WGEA's data, develop the team and advance WGEA's technology.

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

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.

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: WGEA resource statement — Budget estimates for 2020-21 as at Budget October 2020

	2019-20 Estimated actual \$'000	2020-21 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	2,395	1,142
Departmental appropriation (c)	5,531	6,070
s74 External Revenue (d)	226	100
Departmental capital budget (e)	2,772	2,260
Total departmental annual appropriations	<u>10,924</u>	<u>9,572</u>
Total departmental resourcing	10,924	9,572
	<u>2019-20</u>	<u>2020-21</u>
Average staffing level (number)	33	33

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) 2020-21.
- b) Estimated adjusted balance carried forward from previous year.
- c) Excludes departmental capital budget (DCB).
- d) Estimated External Revenue receipts under section 74 of the PGPA Act.
- e) 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 2020-21 Budget.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance 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 a complete picture of an entity's planned and actual performance.

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

The most recent annual performance statement can be found at: <https://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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
Program 1.1: Workplace Gender Equality					
Departmental expenses					
Departmental appropriation	4,888	5,575	4,777	4,841	4,856
74 External Revenue (a)	226	100	100	100	100
Expenses not requiring appropriation in the Budget year (b)	647	2,150	2,132	2,035	755
Total expenses for program 1.1	5,761	7,825	7,009	6,976	5,711
	2019-20	2020-21			
Average staffing level (number)	33	33			

(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 2020-21 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: <ol style="list-style-type: none"> 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 programmes 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	2019-20 Actual Achievement/Targets
2019-20	Gender equality continues to be recognised as a mainstream business issue	<ul style="list-style-type: none"> • Increased use of gender data in business reporting • Continued improvement relating to flexible working arrangements and working arrangements to support employees with family or caring responsibilities. <p>Assessment: Targets on track across the duration of the multi-year programme</p>
	Analyse WGEA data to provide targeted and accessible insights	<ul style="list-style-type: none"> • 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 <p>Assessment: Targets on track across the duration of the multi-year programme</p>
	Agency meets key milestones in the development of a new reporting and data management system	<ul style="list-style-type: none"> • Identify and incorporate areas of improvement for reporting and leading practice and analysis of outputs • Development of requirements for new reporting and data management system <p>Assessment: Targets met</p>

WGEA Budget Statements

Performance information (continued)		
Year	Performance criteria	• 2019-20 Targets
2020-21	WGEA implements a fit-for-purpose reporting and data management system that provides for expanded data collection	<ul style="list-style-type: none"> • Employers report successfully utilising new reporting and data management system • Over 50% of reporting organisations provide some voluntary data • Utilisation of new CEO summary report and data visualisation
	WGEA establishes a framework for public sector and Small to Medium Enterprise (SME) reporting	<ul style="list-style-type: none"> • Commencement of voluntary reporting program for public sector
	WGEA data collection and analysis is relevant to the workforce of the future	<ul style="list-style-type: none"> • Reporting matters on which employers report are evaluated, and subsequent recommendations made to Government • Expansion of data analysis and data visualisation of workplace gender equality issues
2021-22 and beyond	WGEA has a world-leading data tool, providing meaningful analysis for organisations and the public	<ul style="list-style-type: none"> • Increased number of organisations reporting under the framework and inclusion of Public Sector and SME in data analysis • Increased engagement with the data tools and employer performance dashboards
	WGEA is bridging the gap between evidence and action	<ul style="list-style-type: none"> • Implementation of education and engagement campaigns tailored to employers' action gaps • SME's and public sector receive WGEA recognition for best practice programs
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 2020-21 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 2020-21 and the forward estimates.

Total revenue for WGEA in 2020-21 is budgeted at \$6.2 million (2019-20: \$5.8 million) and comprises:

- revenue from Government (appropriation funding) of \$6.07 million: and
- own source revenue of \$0.13 million.

Operating expenses in 2020-21 are estimated to total \$7.83 million (2019-20: \$5.8million). The increase in operating expenses in 2020-21 is attributed to higher depreciation and amortisation expenses compared to 2019-20 and change in the activities related to the measure Women's Economic Security Package that provided \$0.67 million in 2019-20 compared to \$1.18 million in 2020-21.

Total assets at the end of the 2020-21 year are estimated to be \$6.8 million. The majority of the assets represent receivables (appropriation receivables) and intangible assets.

Total liabilities for 2020-21 are estimated at \$1.7 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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
EXPENSES					
Employee benefits	3,498	3,530	3,329	3,412	3,528
Suppliers	1,663	2,153	1,566	1,542	1,441
Depreciation and amortisation (a)	600	2,117	2,099	2,002	722
Finance costs	-	25	15	20	20
Total expenses	5,761	7,825	7,009	6,976	5,711
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	226	100	100	100	100
Total own-source revenue	226	100	100	100	100
Gains					
Other	47	33	33	33	33
Total gains	47	33	33	33	33
Total own-source income	273	133	133	133	133
Net (cost of)/contribution by services	(5,488)	(7,692)	(6,876)	(6,843)	(5,578)
Revenue from Government	5,531	6,070	5,302	5,392	5,407
Surplus/(deficit) attributable to the Australian Government	43	(1,622)	(1,574)	(1,451)	(171)
Total comprehensive income/(loss) attributable to the Australian Government	43	(1,622)	(1,574)	(1,451)	(171)

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

	2019-20	2020-21	2021-22	2022-23	2023-24
	\$'000	\$'000	\$'000	\$'000	\$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	233	-	-	-	-
less: Depreciation/amortisation expenses previously funded through revenue appropriations (a)	174	1,615	1,593	1,475	195
less: depreciation/amortisation expenses for ROU assets (b)	426	502	506	527	527
add: Principal repayments on leased assets (b)	410	495	525	551	551
Total comprehensive income/(loss) - as per the statement of comprehensive income	43	(1,622)	(1,574)	(1,451)	(171)

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 were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
- (b) Applies leases under *AASB 16 Leases*.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	250	250	250	250	250
Trade and other receivables	2,190	2,190	2,190	2,190	2,190
Total financial assets	2,440	2,440	2,440	2,440	2,440
Non-financial assets					
Land and buildings	1,254	752	491	2,554	2,027
Property, plant and equipment	221	207	179	129	80
Intangibles	2,110	3,337	2,093	868	923
Other non-financial assets	21	21	21	21	21
Total non-financial assets	3,606	4,317	2,784	3,572	3,051
Total assets	6,046	6,757	5,224	6,012	5,491
LIABILITIES					
Payables					
Suppliers	53	53	53	53	53
Other payables	59	59	59	59	59
Total payables	112	112	112	112	112
Interest bearing liabilities					
Loans					
Leases	1,097	602	318	2,357	1,806
Total interest bearing liabilities	1,097	602	318	2,357	1,806
Provisions					
Employee provisions	839	839	839	839	839
Other provisions	194	194	194	194	194
Total provisions	1,033	1,033	1,033	1,033	1,033
Total liabilities	2,242	1,747	1,463	3,502	2,951
Net assets	3,804	5,010	3,761	2,510	2,540
EQUITY*					
Parent entity interest					
Contributed equity	7,555	10,383	10,708	10,908	11,109
Reserves	41	41	41	41	41
Retained surplus (accumulated deficit)	(3,792)	(5,414)	(6,988)	(8,439)	(8,610)
Total parent entity interest	3,804	5,010	3,761	2,510	2,540
Total equity	3,804	5,010	3,761	2,510	2,540

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 2020-21)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2020				
Balance carried forward from previous period	(3,792)	41	7,555	3,804
Adjusted opening balance	(3,792)	41	7,555	3,804
Comprehensive income				
Surplus/(deficit) for the period	(1,622)	-	-	(1,622)
Total comprehensive income	(1,622)	-	-	(1,622)
Contributions by owners				
Departmental Capital Budget (DCB)	-	-	2,828	2,828
Sub-total transactions with owners	-	-	2,828	2,828
Closing balance attributable to the Australian Government	(5,414)	41	10,383	5,010

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	4,264	6,070	5,302	5,392	5,407
Sale of goods and rendering of services	292	100	100	100	100
Total cash received	4,556	6,170	5,402	5,492	5,507
Cash used					
Employees	3,233	3,530	3,329	3,412	3,528
Suppliers	1,816	2,120	1,533	1,509	1,408
Borrowing costs	-	10	10	-	-
Interest payments on lease liability	-	15	5	20	20
Total cash used	5,049	5,675	4,877	4,941	4,956
Net cash from/(used by) operating activities	(493)	495	525	551	551
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	2,179	2,828	325	200	201
Total cash used	2,179	2,828	325	200	201
Net cash from/(used by) investing activities	(2,179)	(2,828)	(325)	(200)	(201)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	3,055	2,828	325	200	201
Total cash received	3,055	2,828	325	200	201
Cash used					
Principal payments on lease liability	397	495	525	551	551
Total cash used	397	495	525	551	551
Net cash from/(used by) financing activities	2,658	2,333	(200)	(351)	(350)
Net increase/(decrease) in cash held	(14)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	264	250	250	250	250
Cash and cash equivalents at the end of the reporting period	250	250	250	250	250

Prepared on Australian Accounting Standards basis.

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

	2019-20	2020-21	2021-22	2022-23	2023-24
	Estimated actual	Budget	Forw ard estimate	Forw ard estimate	Forw ard estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	2,772	2,260	325	200	201
Total new capital appropriations	2,772	2,260	325	200	201
Provided for:					
Purchase of non-financial assets	2,772	2,260	325	200	201
Total items	2,772	2,260	325	200	201
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	2,179	2,828	325	200	201
TOTAL	2,179	2,828	325	200	201
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	2,179	2,828	325	200	201
Total cash used to acquire assets	2,179	2,828	325	200	201

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). Includes purchases from current and previous years' Capital Budget.

Table 3.6: Statement of asset movements (Budget year 2020-21)

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2020				
Gross book value	345	484	4,959	5,788
Gross book value - ROU assets	1,494	-	-	1,494
Accumulated depreciation/ amortisation and impairment	(159)	(263)	(2,849)	(3,271)
Accumulated depreciation/amortisation and impairment - ROU assets	(426)	-	-	(426)
Opening net book balance	1,254	221	2,110	3,585
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services (a)	30	20	2,778	2,828
Total additions	30	20	2,778	2,828
Other movements				
Depreciation/amortisation expense	(30)	(34)	(1,551)	(1,615)
Depreciation/amortisation on ROU assets	(502)	-	-	(502)
Total other movements	(532)	(34)	(1,551)	(2,117)
As at 30 June 2021				
Gross book value	375	504	7,737	8,616
Gross book value - ROU assets	1,494	-	-	1,494
Accumulated depreciation/ amortisation and impairment	(189)	(297)	(4,400)	(4,886)
Accumulated depreciation/amortisation and impairment - ROU assets	(928)	-	-	(928)
Closing net book balance	752	207	3,337	4,296

Prepared on Australian Accounting Standards basis.

- a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2020-21 for depreciation/amortisation expenses, DCBs or other operational expenses.

PORTFOLIO GLOSSARY

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 2019-20 as at the 2020-21 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).

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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 accountable authority 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 <i>Public Governance, Performance and Accountability Act 2013</i> (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 to be used for comparison.
Expenditure	Spending money from the Consolidated Revenue Fund or a notional payment to a PGPA Act 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

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	than those relating to distributions to equity participants.
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 2020-21 is the Budget year, 2021-22 is forward year 1, 2022-23 is forward year 2 and 2023-24 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).

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, the appropriation is made available in later year(s).
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.
<i>Public Governance, Performance and Accountability Act 2013</i> (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 (PBS)	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.

Glossary

Program support	The entity running costs allocated to a program. This is funded as part of the entity's departmental appropriations.
ROU asset	An asset that represents a lessee's right to use (ROU) an underlying asset for the lease term in accordance with <i>AASB 16 Leases</i> .
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.