Page includes image of the Commonwealth Coat of Arms and includes the words Budget 2021-22. 

Description of the Commonwealth Coat of Arms.

The centre of the shield includes symbols of Australia’s six states and the border of the shield symbolises federation. 

The shield is held up by the native Australian animals the kangaroo and the emu, which were chosen to symbolise a nation moving forward, based on the fact that neither animal can move backwards easily. 

A seven-point gold Commonwealth Star sits above the shield. Six of the star’s points represent the Australian states and the seventh point represents the territories.

A wreath of gold and blue sits under the Commonwealth Star. Gold and blue are the Commonwealth Coat of Arms’ ‘livery’, or ‘identifying’, colours. 

Australia’s floral emblem, the golden wattle, frames the shield and the kangaroo and emu and at the bottom of the shield you will see a scroll containing the word ‘Australia’.

The Coat of Arms is shown above the words, Budget 2021-22


Portfolio Budget Statements 2021­22

**Budget Related Paper No. 1.9**

Industry, Science, Energy and Resources Portfolio

Budget Initiatives and Explanations of

Appropriations Specified by Outcomes

and Programs by Entity

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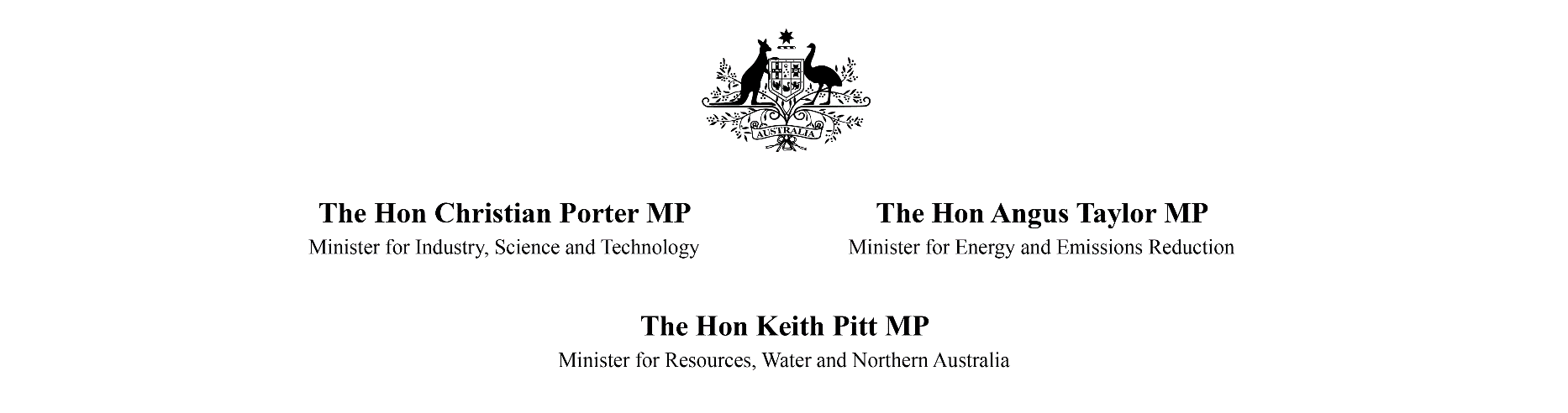
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President of the Senate

Australian Senate

Parliament House

CANBERRA ACT 2600

Speaker

House of Representatives

Parliament House

CANBERRA ACT 2600

Dear Mr President

Dear Mr Speaker

We hereby submit Portfolio Budget Statements in support of the 2021­22 Budget for the Industry, Science, Energy and Resources Portfolio.

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

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

Yours sincerely

The Hon Christian Porter MP The Hon Angus Taylor MP The Hon Keith Pitt MP

#### Abbreviations and conventions

The following notations 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nfp not for publication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 Industry, Science, Energy and Resources on (02) 6213 6000.

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

User guide

to the

Portfolio Budget Statements

# User guide

The purpose of the *2021­22 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) 2021­22 (or Appropriation (Parliamentary Departments) Bill *(*No. 1) 2021­22 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 enhanced Commonwealth performance framework. The diagram identifies the content of each of the publications and the relationship between them. Links to the publications for each entity within the portfolio can be found in the introduction to Section 2: Outcomes and planned performance.

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

Portfolio Budget Statements (May)   
*Portfolio based*

Corporate Plan  
(August)  
*Entity based*

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

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

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

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

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

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

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

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

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

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

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

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

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Portfolio Overview

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# Industry, Science, Energy and Resources Portfolio overview

## **Ministers and portfolio responsibilities**

The Hon Christian Porter MP is responsible for Industry, Science and Technology. Minister Porter is charged with boosting Australia’s competitiveness and facilitating economic and productivity growth, including by boosting the competitiveness of Australian manufacturing and the capability of Australian businesses. He is also charged with supporting science and commercialisation that enables economic growth and job creation. Minister Porter is supported by Senator the Hon Jonathon Duniam, Assistant Minister for Industry Development.

The Hon Angus Taylor MP is responsible for Energy and Emissions Reduction. Minister Taylor is charged with supporting the affordable, reliable, secure and competitive operation of energy markets for the long term benefit of the Australian community. He is also responsible for reducing Australia’s greenhouse gas emissions, and contributing to effective global action on climate change, including by supporting the commercialisation and uptake of low emissions technologies.

The Hon Keith Pitt MP is responsible for Resources, Water and Northern Australia. Minister Pitt is charged with working closely with the Australian resources sector, which is one of the major contributors to Australia’s economic prosperity, and focused on unlocking the potential of northern Australia. Minister Pitt is supported by the Hon Michelle Landry MP, Assistant Minister for Northern Australia.

The portfolio was established by the Administrative Arrangements Orders made on 5 December 2019, as amended on 18 March 2021 and 15 April 2021, and comprises:

**Department of Industry, Science, Energy and Resources**

The Department of Industry, Science, Energy and Resources supports economic recovery, productivity and growth, and job creation for all Australians by supporting manufacturing, business capability, technology, science and innovation. It supports the affordable, reliable, secure and competitive operation of energy markets and Australia’s transition to a lower emissions future, including by encouraging the commercialisation and uptake of low emissions technologies. It also backs Australia’s strong resources sector by supporting the development of Australia’s mineral and energy resources for the benefit of the nation.

Following the 15 April 2021 amendment to the Administrative Arrangements Orders, responsibility for small and family business transferred from the department to the Department of the Treasury.

**Australian Institute of Marine Science (AIMS)**

AIMS’ mission is to provide the research and knowledge of Australia’s tropical marine estate required to support growth in its sustainable use, effective environmental management and protection of its unique ecosystems.

**Australian Nuclear Science and Technology Organisation (ANSTO)**

ANSTO is Australia’s national nuclear research and development organisation and the custodian of Australia’s nuclear capabilities and expertise, including the provision of life-saving nuclear medicines for Australians.

**Australian Renewable Energy Agency (ARENA)**

ARENA is responsible for providing financial assistance for the research, development, demonstration, deployment and commercialisation of renewable energy and related technologies, and the storage and sharing of knowledge and information about renewable energy technologies.

**Clean Energy Finance Corporation (CEFC)**

CEFC seeks to mobilise capital investment in renewable energy, low-emissions technology and energy efficiency in Australia through commercial loans, equity investments and in limited circumstances, loan guarantees.

**Clean Energy Regulator (CER)**

CER contributes to a reduction in Australia’s net greenhouse gas emissions through the administration of market based mechanisms that incentivise reduction in emissions and the promotion of additional renewable electricity generations.  CER also provides data and information to Commonwealth organisations for policy development and to meet international reporting obligations. In addition, this information and data is provided to state and territory organisations to reduce their need to duplicate emissions and energy reporting.

**Climate Change Authority (CCA)**

CCA provides expert advice to the Australian Government on climate change mitigation initiatives, including through conducting regular and specifically commissioned reviews and through undertaking climate change research.

**Commonwealth Scientific and Industrial Research Organisation (CSIRO)**

CSIRO aims to deliver scientific and innovative solutions for industry, society and the environment, and to contribute to national benefit, knowledge and capabilities, and public good.

**Geoscience Australia**

Geoscience Australia is Australia’s national public sector geoscience organisation and the nation’s trusted adviser on the geology and geography of Australia. Geoscience Australia applies science and technology to describe and understand the Earth for the benefit of Australia.

**IP Australia**

IP Australia is responsible for administering Australia’s intellectual property rights system, specifically trademarks, patents, designs and plant breeder’s rights.

**National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA)**

NOPSEMA is responsible for regulating the workplace health and safety, well integrity and environmental management of petroleum and greenhouse gas storage operations in Commonwealth waters.

**Northern Australia Infrastructure Facility (NAIF)**

The NAIF offers debt or alternative financing mechanisms to encourage and complement private sector investment in infrastructure that benefits northern Australia.

**Snowy Hydro Limited**

Snowy Hydro Limited is a wholly-owned Commonwealth Company and Government Business Enterprise operating under the *Corporations Act 2001* and the *Public Governance, Performance and Accountability Act 2013*. As such, financial reporting information for Snowy Hydro Limited is not disclosed in the Portfolio Budget Statements. Snowy Hydro Limited publishes financial statements in its annual reports.

Snowy Hydro Limited owns and operates 16 power stations with a combined generation capacity of 5,500 megawatts, including the Snowy Mountains Hydro Electricity Scheme, and has more than one million retail customers in the National Electricity Market.

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

Figure 1: Industry, Science, Energy and Resources portfolio structure and outcomes

Assistant Minister for Industry Development

**Senator the Hon Jonathon Duniam**

Minister for Industry, Science and Technology

**The Hon Christian Porter MP**

Minister for Energy and Emissions Reduction

**The Hon Angus Taylor MP**

Minister for Resources, Water and Northern Australia

**The Hon Keith Pitt MP**

Assistant Minister for Northern Australia

**The Hon Michelle Landry MP**

**Department of Industry, Science, Energy and Resources**

Portfolio Secretary: Mr David Fredericks PSM

Outcome 1: Support economic growth, productivity and job creation for all Australians by investing in science, technology and commercialisation, growing innovative and competitive businesses, industries and regions, and supporting resources and northern Australia

Outcome 2: Reduce Australia’s greenhouse gas emissions, contribute to effective global action on climate change, and support technological innovation in clean and renewable energy, through developing and implementing a national response to climate change

Outcome 3: Support the affordable, reliable, secure and competitive operation of energy markets for the long term benefit of the Australian community through improving Australia’s energy supply, efficiency, quality, performance and productivity

**Australian Institute of Marine Science (AIMS)**

Chief Executive Officer: Dr Paul Hardisty

Outcome: Growth of knowledge to support protection and sustainable development of Australia’s marine resources through innovative marine science and technology

**Australian Renewable Energy Agency (ARENA)**

Chief Executive Officer: Mr Darren Miller

Outcome: Support improvements in the competitiveness of renewable energy and related technologies and the supply of renewable energy by administering financial assistance, developing analysis and advice about, and sharing information and knowledge with regard to, renewable energy and related technologies

**Clean Energy Finance Corporation (CEFC)**

Chief Executive Officer: Mr Ian Learmonth

Outcome: Facilitate increased flows of finance into Australia's clean energy sector, applying commercial rigour to investing in renewable energy, low-emissions and energy efficiency technologies, building industry capacity, and disseminating information to industry stakeholders

**Australian Nuclear Science and Technology Organisation (ANSTO)**

Chief Executive Officer: Mr Shaun Jenkinson

Outcome: Improved knowledge, innovative capacity and healthcare through nuclear-based facilities, research, training, products, services and advice to government, industry, the education sector and the Australian population

Figure 1: Industry, Science, Energy and Resources portfolio structure and outcomes (continued)

**Geoscience Australia (GA)**

Chief Executive Officer: Dr James Johnson

Outcome: Informed government, industry and community decisions on the economic, social and environmental management of the nation’s natural resources through enabling access to geoscientific and spatial information

**IP Australia**

Director General: Mr Michael Schwager

Outcome: Increased innovation, investment and trade in Australia, and by Australians overseas, through the administration of the registrable intellectual property rights system, promoting public awareness and industry engagement, and advising government

**National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA)**

Chief Executive Officer: Mr Stuart Smith

Outcome: Promote and enforce the effective management of risks to the workforce, the environment and the structural integrity of facilities, wells and well-related equipment of the Australian offshore petroleum and greenhouse gas storage industries through regulatory oversight

**Clean Energy Regulator (CER)**

Chair: Mr David Parker AM

Outcome: Contribute to a reduction in Australia's net greenhouse gas emissions, including through   
the administration of market based mechanisms that incentivise reduction in emissions and the promotion   
of additional renewable electricity generation

**Northern Australia Infrastructure Facility (NAIF)**

Chief Executive Officer: Mr Chris Wade

Outcome: Enable economic growth in northern Australia, by facilitating private sector investment in economic infrastructure through the provision of concessional financing delivered through the state and territory governments

**Climate Change Authority (CCA)**

Chief Executive Officer: Mr Brad Archer

Outcome: Provide expert advice to the Australian Government on climate change mitigation initiatives, including through conducting regular and specifically commissioned reviews and through undertaking climate change research

**Snowy Hydro Limited**

Chief Executive Officer: Mr Paul Broad

Objective: To operate as a commercial integrated energy business producing, supplying, trading and retailing energy in the National Electricity Market to create value for and provide returns to its shareholders and to manage the water resources of the Snowy Hydro Scheme in compliance with the Snowy Water Licence

**Commonwealth Scientific and Industrial Research Organisation (CSIRO)**

Chief Executive: Dr Larry Marshall

Outcome: Innovative scientific and technology solutions to national challenges and opportunities to benefit industry, the environment and the community, through scientific research and capability development, services and advice

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Entity resources and

planned performance

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Department o

Department of Industry, Science, Energy and Resources

Entity resources and planned performance

Department of Industry, Science, Energy and Resources

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# Department of Industry, Science, Energy and Resources

## **Section 1****: Entity overview and resources**

### 1.1 Strategic direction statement

The Department of Industry, Science, Energy and Resources (the department) helps drive economic and productivity growth, and job creation for all Australians. The department has an important role in positioning Australia to recover from the ongoing economic consequences of the COVID-19 pandemic and helping businesses and industry respond to a shifting global environment.

The department has a key role in the Australian Government’s economic recovery plan, which is responding to the pandemic by creating jobs and unlocking opportunities to improve the lives of all Australians. In implementing government programs and policies, the department is making targeted investments to leverage and build on Australia’s comparative strengths, working to back future growth in Australia’s manufacturing and resources sectors, lifting digital capability, and delivering key energy market reforms. Crucially, the department is looking to the future by working with business to help them grow, securing Australia’s science and research capabilities, unlocking investment in regional areas, supporting the commercialisation and deployment of emerging low emissions technologies, and building economy-wide resilience.

Manufacturing is a key pillar in the Government’s plan for a strong, modern, and resilient economy. The department is continuing to implement the Modern Manufacturing Strategy (announced in the 2020-21 Budget) and strengthen critical supply chains, including by co-investing in industry projects that build on Australia’s comparative advantages and achieve scale in the 6 National Manufacturing Priorities (NMPs). Through collaboration with industry, 6 Road Maps have been developed which set out a vision to build manufacturing capability for delivery under each NMP. To further support these roadmaps, the department will implement a number of Modern Manufacturing Strategy initiatives, including the $1.3 billion Modern Manufacturing Initiative, the $52.8 million Manufacturing Modernisation Fund and   
the $107.2 million Supply Chain Resilience Initiative.

The department is also delivering a range of measures that focus on areas of comparative advantage and strategic benefit, including through $2.6 million over the forward estimates to improve opportunities for small and medium enterprises (SMEs) to participate in Commonwealth procurement, $13.3 million over the forward estimates in additional support for the growing Australian space industry, and   
$1.0 million in 2020-21 and 2021-22 to promote and endorse locally designed and produced fashion products to key overseas markets. The department will support business growth, investment and job creation by implementing a package of measures to simplify and strengthen the anti-dumping system so that it remains effective and efficient, funded at $5.0 million over the forward estimates and $1.4 million ongoing from 2025-26.

Through the Prime Minister’s Digital Economy Strategy, the department is taking action to lift Australia’s digital capability by fostering digital transformation and encouraging businesses to invest and accelerate their adoption of digital technologies. The package includes $124.1 million in measures as part of the Government’s forthcoming Artificial Intelligence (AI) Action Plan. The AI Action Plan will help establish Australia as a global leader in the development and adoption of responsible AI. This will help to create and adopt globally competitive products and services which are designed and used in ways that reflect Australian culture and values.

Upskilling the Australian population in areas of comparative advantage is a key component of economic recovery from COVID-19, and the department is implementing 2 additional measures. The first is a $43.8 million expansion of the Cyber Security Skills Partnership Innovation Fund to create a pipeline of cyber security professionals that can meet growing demand for cyber jobs across the Australian economy. The second is $22.6 million in funding for 234 scholarships to support emerging technologies areas, identified through the Modern Manufacturing Strategy. These measures complement the suite of initiatives being implemented across government to increase Australia’s digital capabilities, promote national security and build cyber skills.

As part of the Women’s Economic Security Package, the department will boost the next generation of women in science, technology, engineering and mathematics (STEM) through $42.4 million in scholarships for university students and a Women in STEM Evaluation Toolkit. These measures are complementary to STEM and science initiatives already being undertaken by the department.

The department is working to boost Australia’s science capability through administering $387.2 million over 10 years to help realise the full benefits of co-hosting the Square Kilometre Array (SKA) Radio Telescope Project. With construction in   
Western Australia expected to begin in 2022, this investment delivers on the Government’s commitment to participate in a major international mega-science infrastructure collaboration. The SKA telescopes will help Australian scientists make vital scientific breakthroughs – such as a better understanding of the origin and future of stars and galaxies, and the structure of the universe. The project supports strong STEM capabilities, will result in improved internet connectivity for communities in the region, and will create new jobs in regional areas. The SKA Observatory will also establish a new data processing centre to enable its high-value science and data activities to be carried out in Australia helping develop human capability in data processing. This measure will also bolster international scientific engagement and leverage Australia’s reputation as a scientific partner of choice.

Affordable, reliable and secure energy will continue to be essential to boost economic growth and generate employment opportunities. The department is implementing initiatives that will accelerate investment in the development of new gas resources and infrastructure, maintain a secure and reliable electricity system, build resilience in liquid fuel supplies, and modernise Australia’s energy markets. Delivering these initiatives is part of the Government’s plan to put downward pressure on energy costs for all consumers, boost industry competitiveness and support the integration of cleaner forms of energy production.

A key focus for the department is delivering the $58.6 million Advancing Australia’s Gas Fired Recovery package that includes significant initiatives to facilitate the Government’s gas-fired recovery agenda and ensure Australian gas is working for all Australians. The Government has provided $5.6 million for a future National Gas Infrastructure Plan (NGIP) to be delivered in 2022 to support strategic planning for the east coast gas market. Building on the National Gas Infrastructure Plan: Interim Report, which addresses near term gas supply shortfalls forecast from 2024, the first full NGIP will focus on the medium to longer term east coast market infrastructure developments. The Government has also set aside up to $38.7 million over 2 years to ensure it can act swiftly through targeted support of critical gas infrastructure projects to help alleviate the forecast gas supply shortfall.

The Government is providing a one-off grant of up to $30 million in matched funding to Australian Industrial Power that will enable early works of a new 635 megawatt gas-fired power station at Port Kembla, near Wollongong in NSW. Funding of   
$24.9 million will also support new gas generator projects to become hydrogen-ready. These projects will bolster supply to the national grid and lower electricity prices, consistent with the Government’s commitment to support reliable, secure and affordable electricity for all Australians.

The department is continuing to deliver initiatives that improve Australia’s energy supply chain resilience by building on the Fuel Security Package (announced in the 2020‑21 budget) to further strengthen Australia’s long-term fuel security. This includes the introduction of a production payment to support domestic refiners and support to assist refiners to conduct infrastructure upgrades. The establishment of a new fuel security framework brings together new and existing fuel security functions to support industry in meeting the new minimum stockholding obligation.

The Government’s approach to reducing emissions is characterised by technology, not taxes. By accelerating the development and deployment of new and emerging energy technologies through a $1.5 billion investment over 10 years, Australia will meet and exceed its emissions reduction commitments without adding new costs to businesses, households or the economy. This package of measures will create 6,000 jobs by supporting investment in technologies prioritised under the Government’s Technology Investment Roadmap and the establishment of international technology partnerships. Consistent with the King Review recommendations, $81.7 million over the forward estimates will be committed to implement a new Safeguard Crediting Mechanism to incentivise the uptake of new low emissions technologies in hard-to-abate sectors. A further $36.8 million will support growth in voluntary climate action and enable industry to transition to low energy technologies to reduce energy use and emissions, improving productivity and competitiveness.

Australia’s resources sector continues to generate wealth for all Australians, comprising over half of Australia’s total exports. The sector has performed strongly despite the economic challenges of COVID-19, employing additional workers and raising capital to explore new potential. The department is helping to enhance the future of the resources sector by delivering the Government’s plan to unlock supply and open up new markets for Australia's commodities. The department will help identify, unlock, and accelerate development of new resources opportunities across Australia through a $100 million extension of the Junior Minerals Exploration Incentive. An additional $2.2 million for the Northern Land Council will help provide better services to Traditional Owners in the Beetaloo Basin as gas exploration accelerates under the Government’s Strategic Basin Plans. The department will support trade diversification through the implementation of a new $20.1 million Global Resources Strategy that will leverage the quality, strength, and reliability of Australia as a supplier of crucial resources and energy to the world.

The next 5 year plan for northern Australia, Our North, Our Future: 2021-2026, will stimulate economic recovery and create jobs in northern Australia by targeting ‘Regions of Growth’. Focusing investment around localised sectoral strengths will bolster delivery of the Government’s Digital Business Plan, Gas-Fired Recovery, and the Modern Manufacturing Strategy in the north. As part of the package, the department will deliver $111.9 million over 5 years for co-investment grants to businesses that will further support northern Australian businesses to scale-up, diversify and grow. The Government is also making a decade-long investment for full rehabilitation of the former Rum Jungle mine site in the Northern Territory (NT). Delivered by the NT Government, activities will address environmental contaminants and hazards resulting from historical uranium and copper mining, improving biodiversity outcomes and supporting cultural values. This project builds on funding provided through the 2020-21 Budget for land management activities at the Rum Jungle site and will create significant employment and local supply opportunities as well as training for the site’s traditional owners and surrounding regional communities.

The department is delivering key long-term environmental sustainability commitments by establishing the National Radioactive Waste Management Facility, for the safe and secure management of radioactive waste. The new Australian Radioactive Waste Agency (ARWA) will be established in Adelaide, enhancing the Government’s decentralisation agenda by delivering jobs and economic benefits to South Australia through the agency and regional host community. The extension of the Community Benefit Program provides continued support for the regional community involved in the site selection process for the facility.

### 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’ tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Department of Industry, Science, Energy and Resources resource statement – Budget estimates for 2021­22 as at Budget May 2021

|  |  |  |
| --- | --- | --- |
|  | *2020­21* | 2021­22 |
|  | *Estimated* | Estimate |
|  | *actual* |  |
|  | *$'000* | $'000 |
| **Departmental** |  |  |
| Annual appropriations - ordinary annual services (a)(b) |  |  |
| Prior year appropriations available | *106,581* | 97,921 |
| Departmental appropriation (c) | *605,249* | 609,837 |
| s74 external revenue (d) | *83,818* | 73,160 |
| Departmental capital budget (e) | *29,119* | 27,432 |
| Annual appropriations - other services - non-operating (b)(f) |  |  |
| Prior year appropriation available | *7,452* | 6,733 |
| Equity injection (g) | *14,884* | 28,534 |
| Total departmental annual appropriations | *847,103* | 843,617 |
| Special accounts (h) |  |  |
| Opening balance | *27,400* | 21,956 |
| Appropriation receipts | *10,466* | 9,426 |
| Non-appropriation receipts | *12,206* | 5,786 |
| Total special accounts | *50,072* | 37,168 |
| *less departmental appropriations drawn from annual*  *appropriations and credited to special accounts* | *10,466* | 9,426 |
| ***Total departmental resourcing*** | ***886,709*** | **871,359** |

Table 1.1: Department of Industry, Science, Energy and Resources resource statement – Budget estimates for 2021­22 as at Budget May 2021 (continued)

|  |  |  |
| --- | --- | --- |
|  | *2020­21* | 2021­22 |
|  | *Estimated* | Estimate |
|  | *actual* |  |
|  | *$'000* | $'000 |
| **Administered** |  |  |
| Annual appropriations - ordinary annual services (a)(b)(c) |  |  |
| Prior year appropriations available | *195,862* | 91,592 |
| Outcome 1 | *922,191* | 1,589,172 |
| Outcome 2 | *13,623* | 143,112 |
| Outcome 3 | *153,361* | 489,990 |
| Outcome 4 | *27,701* | – |
| Payments to corporate entities (i) | *1,320,395* | 1,347,506 |
| Annual appropriations - other services - non-operating (b)(f)(g) |  |  |
| Prior year appropriation available | *145,551* | 145,551 |
| Administered assets and liabilities | *896,754* | 432,795 |
| Payments to corporate entities (i) | *36,895* | 41,830 |
| *Total administered annual appropriations* | *3,712,333* | 4,281,548 |
| *Total administered special appropriations* (j) | *509,858* | 1,227,038 |
| Special accounts (h) |  |  |
| Opening balance | *5,966,292* | 6,057,481 |
| Adjustments | *(8,835)* | – |
| Non-appropriated receipts | *659,162* | 517,454 |
| *Total special accounts receipts* | *6,616,619* | 6,574,935 |
| *less payments to corporate entities from annual/special*  *appropriations and special accounts* | *2,141,391* | 2,403,744 |
| *less special account balances for corporate entities* | *5,519,000* | 5,344,000 |
| ***Total administered resourcing*** | ***3,178,419*** | **4,335,777** |
| **Total resourcing for the Department of Industry, Science, Energy and Resources** | ***4,065,128*** | **5,207,136** |
|  |  |  |
|  | *2020­21* | 2021­22 |
| **Average staffing levels (number)** | *3,106* | 3,096 |

Table 1.1: Department of Industry, Science, Energy and Resources resource statement – Budget estimates for 2021­22 as at Budget May 2021 (continued)

Third-party payments from and on behalf of other entities

|  |  |  |
| --- | --- | --- |
|  | *2020­21* | 2021­22 |
|  | *Estimated* | Estimate |
|  | *actual* |  |
|  | *$'000* | $'000 |
| **Payments made to corporate entities within the Portfolio** (i) |  |  |
| **Ordinary Annual Services** |  |  |
| Australian Institute of Marine Science | *45,218* | 45,548 |
| Australian Nuclear Science and Technology Organisation | *278,819* | 277,453 |
| Australian Renewable Energy Agency | *17,625* | 54,338 |
| Clean Energy Finance Corporation | *4,270* | 4,532 |
| Commonwealth Scientific and Industrial Research Organisation | *960,537* | 946,001 |
| National Offshore Petroleum Safety and Environmental Management Authority | *739* | 667 |
| Northern Australia Infrastructure Facility | *13,187* | 18,967 |
| **Total ordinary annual services** | ***1,320,395*** | **1,347,506** |
|  |  |  |
| **Other Services** |  |  |
| Australian Nuclear Science and Technology Organisation | *20,465* | 37,830 |
| Commonwealth Scientific and Industrial Research Organisation | *16,430* | 4,000 |
| **Total other services** | ***36,895*** | **41,830** |
|  |  |  |
| **Special appropriations** |  |  |
| Australian Renewable Energy Agency | *209,910* | 304,836 |
| National Offshore Petroleum Safety and Environmental Management Authority | *34,191* | 34,572 |
| **Total special appropriations** | ***244,101*** | **339,408** |
|  |  |  |
| **Special accounts** |  |  |
| Clean Energy Finance Corporation | *540,000* | 675,000 |
| **Total special accounts** | ***540,000*** | **675,000** |
|  |  |  |
| **Total payments to corporate entities within the Portfolio** | ***2,141,391*** | **2,403,744** |

All figures shown above are GST exclusive – these may not match figures in the cash flow statement. Prepared on a resourcing (i.e. appropriations available) basis.

1. Appropriation Bill (No.1) 2021-22*.*
2. Excludes $207 million subject to administrative quarantine by Finance or withheld under section 51 of the Public Governance, Performance and Accountability Act 2013 (PGPA Act).
3. The 2020-21 estimated actuals include Appropriation Act (No. 1) 2020-21 and Appropriation Bill (No. 3) 2020-21.
4. Estimated external revenue receipts under section 74 of the PGPA Act.
5. Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a ‘contribution by owner’.
6. Appropriation Bill (No.2) 2021-22.
7. The 2020-21 estimated actuals include Appropriation Act (No. 2) 2020-21 and Appropriation Bill (No. 4) 2020-21.
8. Excludes trust moneys held in special accounts. For further information on special accounts, please refer to Budget Paper No. 4 - Agency Resourcing.
9. 'Corporate entities' are corporate Commonwealth entities as defined under the PGPA Act.
10. For further information on special appropriations, please refer to Budget Paper No. 4 - Agency Resourcing.

### 1.3 Budget measures

Budget measures in Part 1 relating to the Department of Industry, Science, Energy and Resources are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Entity 2021­22 Budget measures

Measures announced after the 2020­21 Mid-Year Economic and Fiscal Outlook (MYEFO)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2020-21  $'000 | 2021-22  $'000 | 2022-23  $'000 | 2023-24  $'000 | 2024-25  $'000 |
| **Receipt measures** |  |  |  |  |  |  |
| Advancing Australia's Gas Fired  Recovery | 3.1 |  |  |  |  |  |
| Administered receipts |  | - | 2,703 | - | - | - |
| Departmental receipts |  | - | - | - | - | - |
| **Total** |  | **-** | **2,703** | **-** | **-** | **-** |
| Implementing Sport 2030 -  High Performance, Wellbeing  and Integrity (a) | 1.1 |  |  |  |  |  |
| Administered receipts |  | - | - | - | - | - |
| Departmental receipts |  | - | 1,200 | 1,200 | - | - |
| **Total** |  | **-** | **1,200** | **1,200** | **-** | **-** |
| **Total receipt measures** |  |  |  |  |  |  |
| Administered |  | - | 2,703 | - | - | - |
| Departmental |  | - | 1,200 | 1,200 | - | - |
| **Total** |  | **-** | **3,903** | **1,200** | **-** | **-** |
| **Payment measures** |  |  |  |  |  |  |
| Advancing Australia's Gas Fired  Recovery | 3.1 |  |  |  |  |  |
| Administered payment |  | - | 2,500 | 2,500 | - | - |
| Departmental payment |  | - | 13,115 | 6,434 | 1,691 | 367 |
| **Total** |  | **-** | **15,615** | **8,934** | **1,691** | **367** |
| Anti-Dumping Reforms | 1.2 |  |  |  |  |  |
| Administered payment |  | - | - | - | - | - |
| Departmental payment |  | - | 775 | 1,441 | 1,396 | 1,402 |
| **Total** |  | **-** | **775** | **1,441** | **1,396** | **1,402** |
| Australia's Global Resources  Strategy | 1.3 |  |  |  |  |  |
| Administered payment |  | - | - | - | - | - |
| Departmental payment |  | - | 9,093 | 11,003 | - | - |
| **Total** |  | **-** | **9,093** | **11,003** | **-** | **-** |
| Australian Space Agency | 1.2 |  |  |  |  |  |
| Administered payment |  | - | - | - | - | - |
| Departmental payment |  | - | 3,405 | 3,275 | 3,291 | 3,304 |
| **Total** |  | **-** | **3,405** | **3,275** | **3,291** | **3,304** |
| Commonwealth's Deregulation  Agenda (b) | 1.2 |  |  |  |  |  |
| Administered payment |  | **-** | - | - | - | **-** |
| Departmental payment |  | **-** | 2,693 | 2,567 | 1,940 | **-** |
| **Total** |  | **-** | **2,693** | **2,567** | **1,940** | **-** |

Table 1.2: Entity 2021­22 Budget measures (continued)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2020-21  $'000 | 2021-22  $'000 | 2022-23  $'000 | 2023-24  $'000 | 2024-25  $'000 |
| Community Benefit Program  in Kimba - extension | 1.3 |  |  |  |  |  |
| Administered payment |  | (2,707) | 1,000 | 900 | 100 | - |
| Departmental payment |  | 12 | 236 | 79 | 71 | - |
| **Total** |  | **(2,695)** | **1,236** | **979** | **171** | **-** |
| COVID-19 Vaccine  Manufacturing Capabilities (c) | 1.2 |  |  |  |  |  |
| Administered payment |  | nfp | nfp | nfp | nfp | nfp |
| Departmental payment |  | nfp | nfp | nfp | nfp | nfp |
| **Total** |  | **nfp** | **nfp** | **nfp** | **nfp** | **nfp** |
| Digital Economy Strategy (b) | 1.1, 1.2 |  |  |  |  |  |
| Administered payment |  | (1,200) | 33,836 | 51,368 | 50,978 | 17,304 |
| Departmental payment |  | - | 3,743 | 2,389 | 1,599 | 1,050 |
| **Total** |  | **(1,200)** | **37,579** | **53,757** | **52,577** | **18,354** |
| Emissions Reduction and New  Investments under the Technology  Investment Roadmap | 2.1 |  |  |  |  |  |
| Administered payment |  | - | 114,609 | 88,790 | 217,730 | 179,200 |
| Departmental payment |  | - | 30,155 | 22,046 | 14,127 | 15,992 |
| **Total** |  | **-** | **144,764** | **110,836** | **231,857** | **195,192** |
| Global Science and Technology  Diplomacy Fund | 1.1 |  |  |  |  |  |
| Administered payment |  | (2,300) | 500 | (1,400) | (2,900) | (500) |
| Departmental payment |  | - | - | - | - | - |
| **Total** |  | **(2,300)** | **500** | **(1,400)** | **(2,900)** | **(500)** |
| GovERP – Common Corporate  Australian Public Service  System (c) (d) | 1.2 |  |  |  |  |  |
| Administered payment |  | - | nfp | - | - | - |
| Departmental payment |  | - | nfp | - | - | - |
| **Total** |  | **-** | **nfp** | **-** | **-** | **-** |
| Implementing Sport 2030 -  High Performance, Wellbeing  and Integrity (a) | 1.1 |  |  |  |  |  |
| Administered payment |  | - | - | - | - | - |
| Departmental payment |  | - | 6,267 | 6,076 | - | - |
| **Total** |  | **-** | **6,267** | **6,076** | **-** | **-** |
| Improving Energy Affordability  and Reliability | 3.1 |  |  |  |  |  |
| Administered payment |  | (3,700) | 37,450 | 42,400 | 21,000 | 19,200 |
| Departmental payment |  | 33 | 9,446 | 7,037 | 1,159 | 973 |
| **Total** |  | **(3,667)** | **46,896** | **49,437** | **22,159** | **20,173** |
| Junior Minerals Exploration  Incentive - extension (e) | 1.3 |  |  |  |  |  |
| Administered payment |  | - | - | - | - | - |
| Departmental payment |  | - | - | - | - | - |
| **Total** |  | **-** | **-** | **-** | **-** | **-** |
| Oil stocks and Refining Capacity  in Australia (c) | 3.1 |  |  |  |  |  |
| Administered payment |  | - | nfp | nfp | nfp | nfp |
| Departmental payment |  | - | nfp | nfp | nfp | nfp |
| **Total** |  | **-** | **nfp** | **nfp** | **nfp** | **nfp** |

Table 1.2: Entity 2021­22 Budget measures (continued)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2020-21  $'000 | 2021-22  $'000 | 2022-23  $'000 | 2023-24  $'000 | 2024-25  $'000 |
| Our North, Our Future - Next  Five Year Plan for Northern  Australia | 1.4 |  |  |  |  |  |
| Administered payment |  | - | 30,777 | 30,777 | 30,777 | 4,110 |
| Departmental payment |  | - | 5,935 | 4,648 | 4,538 | 2,957 |
| **Total** |  | **-** | **36,712** | **35,425** | **35,315** | **7,067** |
| Rum Jungle Rehabilitation  Project (c) | 1.3 |  |  |  |  |  |
| Administered |  | - | nfp | nfp | nfp | nfp |
| Departmental |  | - | nfp | nfp | nfp | nfp |
| **Total** |  | **-** | **nfp** | **nfp** | **nfp** | **nfp** |
| Square Kilometre Array Radio  Telescope Project | 1.1 |  |  |  |  |  |
| Administered |  | - | 40,831 | 63,102 | 30,295 | 5,933 |
| Departmental |  | - | 683 | 237 | 238 | 491 |
| **Total** |  | **-** | **41,514** | **63,340** | **30,533** | **6,424** |
| Strategic Basin Plans (f) | 1.3 |  |  |  |  |  |
| Administered |  | - | (1,172) | 543 | 546 | - |
| Departmental |  | - | 147 | 18 | 18 | - |
| **Total** |  | **-** | **(1,025)** | **561** | **564** | **-** |
| Support for Australian Fashion | 1.2 |  |  |  |  |  |
| Administered payment |  | 665 | 285 | - | - | - |
| Departmental payment |  | 35 | 15 | - | - | - |
| **Total** |  | **700** | **300** | **-** | **-** | **-** |
| Supporting Small and Medium  Enterprise Participation in  Commonwealth Procurement | 1.2 |  |  |  |  |  |
| Administered payment |  | - | 500 | 500 | 500 | 500 |
| Departmental payment |  | - | 155 | 155 | 156 | 156 |
| **Total** |  | **-** | **655** | **655** | **656** | **656** |
| Women's Economic Security  Package (b) | 1.1 |  |  |  |  |  |
| Administered payment |  | - | 402 | 3,907 | 8,017 | 12,567 |
| Departmental payment |  | - | 391 | 207 | 87 | 87 |
| **Total** |  | **-** | **793** | **4,114** | **8,104** | **12,654** |
| **Total payment measures** |  |  |  |  |  |  |
| Administered |  | (9,242) | 261,518 | 283,387 | 357,043 | 238,314 |
| Departmental |  | 80 | 86,254 | 67,612 | 30,312 | 26,778 |
| **Total** |  | **(9,162)** | **347,771** | **350,999** | **387,354** | **265,092** |

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

1. The lead entity for this measure is the Department of Health. The full measure and package details appear in Budget Paper No. 2 (BP No.2) under the Health portfolio.
2. The lead entity for this measure is the Department of Prime Minister and Cabinet. The full measure and package details appear in BP No.2 under Cross Portfolio.
3. The financial impact for this measure is not for publication (nfp).
4. The lead entity for this measure is the Department of Finance. The full measure and package details appear in BP No.2 under Cross Portfolio.
5. This measure will be delivered through the Australian Tax Office. The financial impact is reflected in the Department of the Treasury’s Portfolio Budget Statements.
6. This measure will be delivered through a National Partnership Agreement through the Department of the Treasury. The financial impact is reflected in its Portfolio Budget Statements.

## **Section 2: Outcomes and planned performance**

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

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

**Note:**

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

The most recent corporate plan for the Department of Industry, Science, Energy & Resources can be found at:

https://www.industry.gov.au/news/announcing-our-corporate-plan-2020-21

The most recent annual performance statement can be found at: https://www.industry.gov.au/data-and-publications/annual-report-2019-20

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

|  |
| --- |
| **Outcome 1: Support economic growth, productivity and job creation for all Australians by investing in science, technology and commercialisation, growing innovative and competitive businesses, industries and regions, and supporting resources and northern Australia** |

#### Linked programs

|  |
| --- |
| **Portfolio agencies**  **Australian Institute of Marine Science**  **Australian Nuclear Science and Technology Organisation**  **Australian Renewable Energy Agency**  **Clean Energy Finance Corporation**  **Commonwealth Scientific and Industrial Research Organisation**  **Geoscience Australia**  **IP Australia**  **National Offshore Petroleum Safety and Environmental Management Authority**  **Northern Australia Infrastructure Facility** |
| **Programs**  Australian Institute of Marine Science   * Program 1 – Marine Research   Australian Nuclear Science and Technology Organisation   * Program 1 – Science and Technology Solutions   Australian Renewable Energy Agency   * Program 1.1 – Australian Renewable Energy Agency   Clean Energy Finance Corporation   * Program 1.1 – Clean Energy Finance Corporation   Commonwealth Scientific and Industrial Research Organisation   * Program 1 – Scientific and Industrial Research and Infrastructure   Geoscience Australia   * Program 1 – Geoscientific and Spatial Information Services   IP Australia   * Program 1 – IP Rights Administration and Professional Registration * Program 2 – Education and Awareness * Program 3 – Advice to Government and International Engagement   National Offshore Petroleum Safety and Environmental Management Authority   * Program 1 – Regulatory oversight of Safety Cases, Well Operations Management Plans and Environment Plans coupled with effective monitoring, investigation and enforcement   Northern Australia Infrastructure Facility   * Program 1 – Northern Australia Infrastructure Facility |
| **Contribution to Outcome 1 made by linked programs**  The portfolio agencies’ programs contribute to enabling growth and productivity for globally competitive industries through supporting science and commercialisation, growing business investment and improving business capability and streamlining regulation.  Further information on the linked programs is available in the agencies’ chapters. |
| **Department of Agriculture, Water and the Environment** |
| **Programs**   * Program 1.1 – Sustainable Management of Natural Resources and the Environment * Program 1.3 – Commonwealth Environmental Water * Program 2.1 – Antarctica: Science, Policy and Presence * Program 3.2 – Sustainable Management - Natural Resources * Program 3.10 – Agricultural Resources |
| **Contribution to Outcome 1 made by linked programs**  The Department of Agriculture, Water and the Environment (DAWE) works collaboratively with the department on the Australian Antarctic Science Council and the ongoing protection of the Alligator Rivers Region from impacts of mining uranium at Ranger mine.  The department also works collaboratively with DAWE to support manufacturers in the food and beverage and recycling sectors through the Modern Manufacturing Strategy. |
| **Department of Defence** |
| **Programs**   * Program 2.1 – Strategic Policy and Intelligence * Program 2.9 – Capability, Acquisition and Sustainment * Program 2.13 – Defence Science and Technology |
| **Contribution to Outcome 1 made by linked programs**  The Department of Defence works collaboratively with the department to grow the capability and capacity of Australia’s defence industry, particularly small to medium enterprises, to support the delivery of the Australian Government’s defence industry policy agenda. This includes a focus on the National Naval Shipbuilding Enterprise, Australian Industrial Capability Program and Sovereign Industrial Capability Priorities, as well as the linkages between defence industry policy and broader industry policy.  The department also focuses on maximising opportunities for Australian industry involvement in Defence procurement and building scale and resilience in defence manufacturing through the Modern Manufacturing Strategy. |
| **Department of Education, Skills and Employment** |
| **Programs**   * Program 2.6 – Research capacity * Program 4.1 – Employment Services |
| **Contribution to Outcome 1 made by linked programs**  The department is working with the Department of Education, Skills and Employment (DESE) to enhance Australia’s research capacity, primarily through the development of Research Infrastructure Investment Plans and National Research Infrastructure Roadmaps.  DESE works collaboratively with the department to create policies that help Australians participate in education, training and the workforce and meet employer needs for skilled workers. This includes building capability in national manufacturing priority sectors recently announced in the Modern Manufacturing Strategy.  Like the department, DESE works to assist employees in structurally transitioning industries. The departments work together to help support a whole of government response to structural adjustment. |
| **Department of Foreign Affairs and Trade** |
| **Programs**   * Program 1.1 – Foreign Affairs and Trade Operations |
| **Contribution to Outcome 1 made by linked programs**  The Department of Foreign Affairs and Trade (DFAT) works collaboratively with the department through its role in science diplomacy, collaboration on the Global Innovation Strategy, and advancement of Australia’s trade and investment interests, including supporting Australia’s technology approach to addressing climate change.  The department also works collaboratively with DFAT to support Australian manufacturers to grow exports, attract foreign investment and build resilience in supply chains through the Modern Manufacturing Strategy.  The department (through the Australian Space Agency) works with DFAT and with Austrade to deliver on the Advancing Space: Australian Civil Space Strategy 2019-28 by opening doors internationally for the Australian space sector, and ensuring the responsible use of outer space, in line with our international obligations. |
| **Australian Trade and Investment Commission** |
| **Programs**   * Program 1.1 – Promotion of Australia’s export and other international economic interests |
| **Contribution to Outcome 1 made by linked programs**  The Australian Trade and Investment Commission promotes Australia’s exports and other international economic interests through the provision of information, advice and services to businesses, associations, institutions and government. It works collaboratively with the department on the Global Innovation Strategy, the Advancing Space: Australian Civil Space Strategy 2019-28 and the Modern Manufacturing Strategy, to help businesses build their global networks, develop resilient global supply chains, and identify and capitalise on opportunities in the global marketplace  The Australian Trade and Investment Commission also works closely with the department on the International Freight Assistance. |
| **Department of Health** |
| **Programs**   * Program 1.1 – Health Research, Coordination and Access |
| **Contribution to Outcome 1 made by linked programs**  The Department of Health works collaboratively with the department to implement the Biomedical Translation Fund, the Medical Research Future Fund and strategies to make Australia a preferred destination for clinical trials.  Through the National Measurement Institute, the department contributes to reducing smoking prevalence in Australia by conducting tobacco plain packaging compliance and enforcement activities.  The department also works with the Department of Health to support manufacturers of medical products through the Modern Manufacturing Strategy. |
| **Department of Home Affairs** |
| **Programs**   * Program 2.1 – Migration * Program 3.3 – Border Revenue * Program 3.1 – Trade Facilitation and Industry Engagement |
| **Contribution to Outcome 1 made by linked programs**  The Department of Home Affairs contributes to Australia’s anti-dumping system, in coordination with the Anti-Dumping Commission, and provision of tariff and duty credits and concessions. The Department of Home Affairs is also working with the department on the Significant Investor Visa Complying Investment Framework that encourages the expansion of Australia’s venture capital fund capacity, attracting investment in innovative early stage companies, particularly from new sources of foreign investment. The department will continue to work with the Department of Home Affairs regarding employer sponsored permanent skilled migration. |
| **Department of Infrastructure, Transport, Regional Development and Communications** |
| **Programs**   * Program 1.1 – Infrastructure Investment * Program 1.2 – Growing innovative and competitive businesses, industries and regions * Program 3.1 – Regional Development |
| **Contribution to Outcome 1 made by linked programs**  The Department of Infrastructure, Transport, Regional Development and Communications (DITRDC) works collaboratively with the department on developing northern Australia through land transport infrastructure investment programs including the Northern Australia Roads and Beef Roads programs, and Roads of Strategic Importance initiative.  DITRDC is also working with the department to support economic activity, improve innovation and create long-term sustainable jobs in Australia’s regions though Regional Cooperative Research Centres Projects grants, and through support for space sector investment linked to City Deals. |
| **National Indigenous Australians Agency** |
| **Programs**   * Program 1.1 – Jobs, Land and the Economy |
| **Contribution to Outcome 1 made by linked programs**  The National Indigenous Australians Agency 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 oversees implementation of the White Paper. |
| **Department of the Treasury** |
| **Programs**   * Program 1.1 – Department of the Treasury * Program 1.4 – General Revenue Assistance * Program 1.9 – National Partnership Payments to the States |
| **Contribution to Outcome 1 made by linked programs**  The Department of the Treasury (Treasury) shares policy responsibility in respect to incentives and concessions delivered through the tax system, including the Research and Development (R&D) Tax Incentive, the Early Stage Venture Capital Limited Partnerships tax concessions, Venture Capital Limited Partnerships tax concessions, Pooled Development Funds tax concessions and tax incentives for early stage investors (‘angel investors’).  Treasury continues to provide general revenue assistance through royalty payments collected from offshore oil and gas projects in Western Australia and a uranium project in the Northern Territory. A range of specific purpose payments are made to the states, including a pilot hydrogen energy supply chain project in Victoria, and for the environmental management of the former Rum Jungle mine site in the Northern Territory.  Treasury is responsible for measures to support small business such as the Coronavirus SME Guarantee Scheme (Phase 1 and 2) and the SME Recovery Loan Scheme. Following the machinery of government change of 15 April 2021, Treasury also became responsible for the Australian Small Business Advisory Service (ASBAS). |
| **Australian Competition and Consumer Commission** |
| **Programs**   * Program 1.1 – Australian Competition and Consumer Commission |
| **Contribution to Outcome 1 made by linked programs**  The Australian Competition and Consumer Commission is responsible for achieving compliance with the Competition and Consumer Act 2010 and associated legislation in order to protect, strengthen and supplement the way competition works in Australian markets and industries to improve the efficiency of the economy and the welfare of Australians. This contributes to enabling growth and productivity for globally competitive industries. |
| **Australian Taxation Office** |
| **Programs**   * Program 1.1 – Australian Taxation Office * Program 1.7 – Fuel Tax Credit Scheme * Program 1.10 – Research and Development Tax Incentive |
| **Contribution to Outcome 1 made by linked programs**  The Australian Taxation Office (ATO) works collaboratively with the department on a number of taxation benefits initiatives. These include the Research and Development (R&D) Tax Incentive, tax incentives for early stage investors (‘angel investors’), the Fuel Tax Credit Scheme, the Early Stage Venture Capital Limited Partnerships tax concessions, Venture Capital Limited Partnerships tax concessions, Pooled Development Funds tax concessions and Australian Venture Capital Fund tax concessions. |
| **Sports Integrity Australia** |
| **Programs**   * Program 1.1 – Sports Integrity |
| **Contribution to Outcome 1 made by linked programs**  Through the National Measurement Institute, the department provides analytical services and research to support Sport Integrity Australia’s anti-doping program. |

##### **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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
| Estimated | Budget | Forward | Forward | Forward |
| actual |  | estimate | estimate | estimate |
| $'000 | $'000 | $'000 | $'000 | $'000 |
| **Program 1.1: Investing in science, technology and commercialisation** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 293,573 | 430,470 | 388,739 | 351,367 | 306,624 |
| Expenses not requiring appropriation in the Budget year (a) | 298 | – | – | – | – |
| **Administered Total** | **293,871** | **430,470** | **388,739** | **351,367** | **306,624** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 144,774 | 136,304 | 127,723 | 117,209 | 110,603 |
| s74 external revenue (b) | 42,740 | 44,175 | 40,167 | 40,656 | 38,669 |
| Special accounts | 746 | 393 | 465 | 24 | – |
| Expenses not requiring appropriation in the Budget year (c) | 15,473 | 11,667 | 11,436 | 11,536 | 11,536 |
| **Departmental Total** | **203,733** | **192,539** | **179,791** | **169,425** | **160,808** |
| **Total expenses for Program 1.1** | **497,604** | **623,009** | **568,530** | **520,792** | **467,432** |
| **Program 1.2: Growing innovative and competitive businesses, industries and regions** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 363,311 | 726,099 | 849,518 | 661,579 | 237,785 |
| Special accounts | 435 | – | – | – | – |
| Special appropriations | 20,187 | – | – | – | – |
| Expenses not requiring appropriation in the Budget year (a) | 1 | – | – | – | – |
| **Administered Total** | **383,934** | **726,099** | **849,518** | **661,579** | **237,785** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 216,532 | 236,903 | 230,507 | 216,420 | 204,235 |
| s74 external revenue (b) | 35,487 | 25,554 | 20,244 | 15,705 | 14,937 |
| Special accounts | 6,273 | 5,273 | 5,273 | 5,273 | 5,273 |
| Expenses not requiring appropriation in the Budget year (c) | 21,087 | 17,234 | 17,331 | 17,282 | 17,282 |
| **Departmental Total** | **279,379** | **284,964** | **273,355** | **254,680** | **241,727** |
| **Total expenses for Program 1.2** | **663,313** | **1,011,063** | **1,122,873** | **916,259** | **479,512** |

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
| Estimated | Budget | Forward | Forward | Forward |
| actual |  | estimate | estimate | estimate |
| $'000 | $'000 | $'000 | $'000 | $'000 |
| **Program 1.3: Supporting a strong resources sector** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 72,243 | 75,788 | 59,298 | 36,524 | 4,558 |
| Special accounts | 14,345 | 15,818 | 15,441 | 15,594 | 15,886 |
| Special appropriations | 60 | 60 | 60 | 60 | 60 |
| Expenses not requiring appropriation in the Budget year (a) | 581,031 | 6,926 | 6,215 | 5,146 | 3,884 |
| **Administered Total** | **667,679** | **98,592** | **81,014** | **57,324** | **24,388** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 38,520 | 35,536 | 34,640 | 31,752 | 30,019 |
| s74 external revenue (b) | 7 | 9 | 8 | 8 | 8 |
| Expenses not requiring appropriation in the Budget year (c) | 3,146 | 2,288 | 2,345 | 2,312 | 2,312 |
| **Departmental Total** | **41,673** | **37,833** | **36,993** | **34,072** | **32,339** |
| **Total expenses for Program 1.3** | **709,352** | **136,425** | **118,007** | **91,396** | **56,727** |
| **Program 1.4: Growing a stronger northern Australian economy** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | – | 30,777 | 30,777 | 30,777 | 4,110 |
| Expenses not requiring appropriation in the Budget year (a) | 660,987 | 514,555 | 284,090 | 276,837 | 204,076 |
| **Administered Total** | **660,987** | **545,332** | **314,867** | **307,614** | **208,186** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 30,580 | 35,487 | 35,186 | 32,537 | 30,761 |
| s74 external revenue (b) | 4 | 6 | 5 | 5 | 5 |
| Expenses not requiring appropriation in the Budget year (c) | 2,497 | 2,285 | 2,382 | 2,369 | 2,369 |
| **Departmental Total** | **33,081** | **37,778** | **37,573** | **34,911** | **33,135** |
| **Total expenses for Program 1.4** | **694,068** | **583,110** | **352,440** | **342,525** | **241,321** |

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
| Estimated | Budget | Forward | Forward | Forward |
| actual |  | estimate | estimate | estimate |
| $'000 | $'000 | $'000 | $'000 | $'000 |
| **Outcome 1 Totals by appropriation type** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 2,027,627 | 2,551,770 | 2,620,367 | 2,367,021 | 1,743,348 |
| *Less payments to corporate entities* | *(1,298,500)* | *(1,288,636)* | *(1,292,035)* | *(1,286,774)* | *(1,190,271)* |
| Special Accounts | 14,780 | 15,818 | 15,441 | 15,594 | 15,886 |
| Special appropriations | 54,438 | 34,632 | 33,729 | 33,213 | 34,022 |
| *Less payments to corporate entities* | *(34,191)* | *(34,572)* | *(33,669)* | *(33,153)* | *(33,962)* |
| Expenses not requiring appropriation in the Budget year (a) | 1,242,317 | 521,481 | 290,305 | 281,983 | 207,960 |
| Payments to corporate entities | 1,332,691 | 1,323,208 | 1,325,704 | 1,319,927 | 1,224,233 |
| **Administered Total** | **3,339,162** | **3,123,701** | **2,959,842** | **2,697,811** | **2,001,216** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 430,408 | 444,231 | 428,056 | 397,918 | 375,618 |
| s74 external revenue (b) | 78,238 | 69,743 | 60,424 | 56,374 | 53,619 |
| Special accounts | 7,019 | 5,666 | 5,738 | 5,297 | 5,273 |
| Expenses not requiring appropriation in the Budget year (c) | 42,201 | 33,474 | 33,494 | 33,499 | 33,499 |
| **Departmental Total** | **557,866** | **553,114** | **527,712** | **493,088** | **468,009** |
| **Total expenses for Outcome 1** | **3,897,028** | **3,676,815** | **3,487,554** | **3,190,899** | **2,469,225** |

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
| Estimated | Budget | Forward | Forward | Forward |
| actual |  | estimate | estimate | estimate |
| $'000 | $'000 | $'000 | $'000 | $'000 |
| **Movement of administered funds between years (d)** |  |  |  |  |  |
| **Outcome 1:** |  |  |  |  |  |
| **Program 1.1** |  |  |  |  |  |
| Australia-China Science and Research Fund | (989) | 989 | – | – | – |
| Boosting Female Founders Initiative | (5,853) | 4,685 | 1,168 | – | – |
| Cooperative Research Centres Program | (9,396) | – | 9,396 | – | – |
| Global Innovation Strategy | (2,400) | 150 | 1,250 | 1,000 | – |
| National Carp Control Plan | (1,838) | – | 1,838 | – | – |
| Square Kilometre Array Radio Telescope Project | (49,270) | 49,270 | – | – | – |
| **Program 1.2** |  |  |  |  |  |
| ACE EV Group Advanced Manufacturing Facility and Vehicle  to the Grid Trial | (2,500) | 2,500 | – | – | – |
| Asialink Business | (200) | – | 200 | – | – |
| Digital Skills Finder Platform | (1,250) | 1,250 | – | – | – |
| Encouraging Innovation in Advanced Manufacturing | (709) | 709 | – | – | – |
| International Space Investment | (500) | 109 | 391 | – | – |
| Manufacturing Modernisation Fund | (3,232) | 4,882 | (1,650) | – | – |
| National Innovation Games | (808) | 808 | – | – | – |
| SME Export Hubs | – | (357) | 357 | – | – |
| Space infrastructure Fund | – | (600) | 600 | – | – |
| Thermochemical Conversion Technology Trial Facility | (5,529) | 4,912 | 617 | – | – |
| **Program 1.3** |  |  |  |  |  |
| Offshore Electricity Registrar | (464) | 464 | – | – | – |
| **Total movement of administered funds** | **(84,938)** | **69,771** | **14,167** | **1,000** | **–** |
|  |  |  |  |  |  |
|  | 2020­21 | 2021­22 |  |  |  |
| **Average staffing level (number)** | 2,543 | 2,600 |  |  |  |

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

1. Expenses not requiring appropriation relate to unwinding of the present value discount associated with the obligation for Quantum Computing partly paid shares, expenses for restoration provisions associated with Ranger Rehabilitation, depreciation and amortisation expenses for the National Offshore Petroleum Titles Administrator, and the expenses associated with the concessional loans to PSMA Australia Limited and proposed under the Northern Australia Infrastructure Facility.
2. Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.
3. Expenses not requiring appropriation in the budget year are made up of depreciation / amortisation expenses, audit fees, and approved operating losses.
4. Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

Table 2.1.2: Program components of Outcome 1

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 1.1: Investing in science, technology and commercialisation** | | | | | |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
| Estimated | Budget | Forward | Forward | Forward |
| actual |  | estimate | estimate | estimate |
| $'000 | $'000 | $'000 | $'000 | $'000 |
| *Program 1.1: Investing in science, technology and commercialisation* | | | | | |
| **Annual administered expenses:** |  |  |  |  |  |
| Access to World-leading Astronomy Infrastructure | 12,538 | 13,147 | 13,410 | 13,710 | 19,175 |
| Antarctic Science Collaboration Initiative | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Australia-China Science and Research Fund | 1,463 | – | – | – | – |
| Australia-India Strategic Research Fund | 3,280 | – | – | – | – |
| Boosting Female Founders Initiative | 6,424 | 16,774 | 13,268 | 12,202 | 5,900 |
| Business Research and Innovation Initiative | 5,876 | 16,022 | 5,875 | 6,030 | 484 |
| Cooperative Research Centres Program | 222,777 | 189,980 | 197,815 | 191,042 | 193,807 |
| COVID-19 Response Package - PPE Material | 2,358 | – | – | – | – |
| Digital Productivity | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| Global Innovation Strategy | 3,980 | – | – | – | – |
| Global Science and Technology Diplomacy Fund | – | 19,599 | 15,391 | 14,400 | 8,240 |
| Innovation Investment Fund | 134 | 140 | 147 | 155 | 163 |
| Inspiring All Australians in STEM | 11,355 | 12,068 | 19,623 | 23,733 | 21,972 |
| National Carp Control Plan | – | 1,839 | 1,838 | – | – |
| National Research Centre for Disaster Resilience | – | 8,000 | 8,000 | 8,000 | 9,000 |
| Research and Development Tax Incentive | 5,363 | 5,700 | 5,700 | 5,700 | 5,700 |
| Square Kilometre Array Radio Telescope Project | 11,525 | 140,701 | 101,172 | 69,895 | 35,683 |
| **Total annual administered expenses** | **293,573** | **430,470** | **388,739** | **351,367** | **306,624** |
| **Expenses not requiring appropriation in the Budget year:** |  |  |  |  |  |
| Quantum Computing (a) | 298 | – | – | – | – |
| **Total expenses not requiring appropriation in the Budget year** | **298** | **–** | **–** | **–** | **–** |
| **Total expenses for Program 1.1** | **293,871** | **430,470** | **388,739** | **351,367** | **306,624** |

Table 2.1.2: Program components of Outcome 1 (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 1.2: Growing innovative and competitive businesses, industries and regions** | | | | | |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
| Estimated | Budget | Forward | Forward | Forward |
| actual |  | estimate | estimate | estimate |
| $'000 | $'000 | $'000 | $'000 | $'000 |
| *Program 1.2: Growing innovative and competitive businesses, industries and regions* | | | | | |
| **Annual administered expenses:** |  |  |  |  |  |
| ACE EV Group Advanced Manufacturing Facility and Vehicle to the Grid Trial | 2,500 | 2,500 | – | – | – |
| Advanced Manufacturing Growth Fund | 7,835 | – | – | – | – |
| Artificial Intelligence Action Plan | – | 22,176 | 40,568 | 42,338 | 22,304 |
| Artificial Intelligence Capability Fund | – | 300 | – | – | – |
| Asialink Business | 3,050 | 2,997 | 3,099 | – | – |
| Australian Business Number and Business Names Registration System - expansion | 50 | 50 | 50 | 50 | 50 |
| Australian Made Export Campaign | 1,500 | 1,500 | 1,000 | – | – |
| Bait Industry Support | 2,100 | – | – | – | – |
| COVID-19 Response Package - PPE | 2,300 | – | – | – | – |
| Delivering Cyber Security Skills for a Digital Economy | 3,307 | 21,000 | 23,000 | 21,000 | – |
| Digital Skills Finder Platform | 1,250 | 1,250 | – | – | – |
| Empowering Businesses to Go Digital | 1,196 | 500 | – | – | – |
| Encouraging Innovation in Advanced Manufacturing | 3,839 | 709 | – | – | – |
| Entrepreneurs' Programme | 128,772 | 119,624 | 110,578 | 111,704 | 112,358 |
| Ferretti International - Upgrade | 15,000 | – | – | – | – |
| Geocoded National Address File | 6,324 | 6,451 | 6,580 | 6,711 | 9,500 |
| Growing Australia's Space Industry | 3,400 | 8,500 | 33,500 | 49,000 | 48,000 |
| Improving Digital Capability of SMEs | 500 | – | – | – | – |
| Industry Growth Centres | 66,245 | 76,800 | 45,700 | 41,500 | 41,208 |
| International Space Investment | 4,500 | 7,109 | 391 | – | – |
| Manufacturing Modernisation Fund | 37,079 | 36,962 | 13,350 | – | – |
| Modern Manufacturing Initiative | 40,000 | 380,000 | 520,000 | 340,000 | – |
| Mossman Mill Transition Program | 4,000 | 4,000 | – | – | – |
| National Innovation Games | 808 | 808 | – | – | – |
| Next Generation Manufacturing Investment Program | 100 | – | – | – | – |

Table 2.1.2: Program components of Outcome 1 (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 1.2: Growing innovative and competitive businesses, industries and regions** | | | | | |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
| Estimated | Budget | Forward | Forward | Forward |
| actual |  | estimate | estimate | estimate |
| $'000 | $'000 | $'000 | $'000 | $'000 |
| *Program 1.2: Growing innovative and competitive businesses, industries and regions* | | | | | |
| SME Export Hubs | 2,905 | 1,687 | 357 | – | – |
| Space Infrastructure Fund | 6,800 | 4,300 | 600 | – | – |
| Supply Chain Resilience Initiative | 2,000 | 12,000 | 45,000 | 45,000 | – |
| Support for an Australian Fashion Certification Trade Mark | 665 | 285 | – | – | – |
| Support for Industry Service Organisations program | 4,409 | 5,179 | 5,128 | 4,276 | 4,365 |
| Supporting SMEs to Build Cyber Security Resilience | 6,906 | – | – | – | – |
| Thermochemical Conversion Technology Trial Facility (b) | 2,471 | 4,912 | 617 | nfp | nfp |
| Using Blockchain Technology to Reduce Business Compliance Costs | 1,500 | 4,500 | – | – | – |
| **Total annual administered expenses** | **363,311** | **726,099** | **849,518** | **661,579** | **237,785** |
| **Expenses not requiring appropriation:** |  |  |  |  |  |
| PSMA Australia Loan (c) | 1 | – | – | – | – |
| **Total expenses not requiring appropriation in the Budget year** | **1** | **–** | **–** | **–** | **–** |
| **Special appropriation:** |  |  |  |  |  |
| *Automotive Transformation Scheme Act 2009* | 20,187 | – | – | – | – |
| **Total special appropriation expenses** | **20,187** | **–** | **–** | **–** | **–** |
| **Special account expenses:** |  |  |  |  |  |
| Services for Other Entities and Trust Moneys | 435 | – | – | – | – |
| **Total special account expenses** | **435** | **–** | **–** | **–** | **–** |
| **Total expenses for Program 1.2** | **383,934** | **726,099** | **849,518** | **661,579** | **237,785** |

Table 2.1.2: Program components of Outcome 1 (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 1.3: Supporting a strong resources sector** | | | | | |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
| Estimated | Budget | Forward | Forward | Forward |
| actual |  | estimate | estimate | estimate |
| $'000 | $'000 | $'000 | $'000 | $'000 |
| *Program 1.3: Supporting a strong resources sector* | | | | | |
| **Annual administered expenses:** |  |  |  |  |  |
| Advancing Research and Development for Critical Minerals | 1,250 | 1,250 | 1,000 | 1,000 | – |
| Beetaloo Basin Drilling Program | – | 20,000 | 30,000 | – | – |
| Long Term Handling of the Northern Endeavour (b) | nfp | nfp | nfp | – | – |
| Maralinga Maintenance | 1,082 | 251 | 253 | 261 | 256 |
| Northern Endeavour Temporary Operations | 47,376 | – | – | – | – |
| Offshore Electricity Registrar(d) | 75 | 605 | – | – | – |
| Onshore Gas Social and Economic Research Fund | 2,952 | 4,609 | 2,913 | 2,913 | – |
| Petroleum Royalties Administration | 40 | 40 | 40 | 40 | 40 |
| Positioning the Northern Land Council to deliver in the Beetaloo | – | 1,058 | 543 | 546 | – |
| Radioactive Waste Management | 11,161 | 35,205 | 17,309 | 31,764 | 4,262 |
| Rum Jungle Mine Site - Environmental Rehabilitation(b) | – | – | nfp | nfp | nfp |
| Shaping Australia to Capture the Global Hydrogen Opportunity | 1,000 | 1,000 | 240 | – | – |
| Strategic Basin Plans | 7,000 | 11,770 | 7,000 | – | – |
| Supporting the Development of New Onshore Gas Supply | 307 | – | – | – | – |
| **Total annual administered expenses** | **72,243** | **75,788** | **59,298** | **36,524** | **4,558** |
| **Special appropriation:** |  |  |  |  |  |
| *Offshore Minerals Act 1994* | 60 | 60 | 60 | 60 | 60 |
| **Total special appropriation expenses** | **60** | **60** | **60** | **60** | **60** |
| **Special account expenses:** |  |  |  |  |  |
| National Offshore Petroleum Titles Administrator | 14,345 | 15,818 | 15,441 | 15,594 | 15,886 |
| **Total special account expenses** | **14,345** | **15,818** | **15,441** | **15,594** | **15,886** |
| **Expenses not requiring appropriation:** |  |  |  |  |  |
| National Offshore Petroleum Titles Administrator (e) | 2,759 | 1,895 | 2,102 | 1,984 | 1,804 |
| Ranger Rehabilitation (f) | 578,272 | 5,031 | 4,113 | 3,162 | 2,080 |
| **Total expenses not requiring appropriation in the Budget year** | **581,031** | **6,926** | **6,215** | **5,146** | **3,884** |
| **Total expenses for Program 1.3** | **667,679** | **98,592** | **81,014** | **57,324** | **24,388** |

Table 2.1.2: Program components of Outcome 1 (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 1.4: Growing a stronger northern Australian economy** | | | | | |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
| Estimated | Budget | Forward | Forward | Forward |
| actual |  | estimate | estimate | estimate |
| $'000 | $'000 | $'000 | $'000 | $'000 |
| *Program 1.4: Growing a stronger northern Australian economy* | | | | | |
| **Annual administered expenses:** |  |  |  |  |  |
| Northern Australia Development Program | – | 30,777 | 30,777 | 30,777 | 4,110 |
| **Total annual administered expenses** | ***–*** | ***30,777*** | ***30,777*** | ***30,777*** | ***4,110*** |
| **Expenses not requiring appropriation:** |  |  |  |  |  |
| Northern Australia Infrastructure Facility (c) | 660,987 | 514,555 | 284,090 | 276,837 | 204,076 |
| **Total expenses not requiring appropriation in the Budget year** | **660,987** | **514,555** | **284,090** | **276,837** | **204,076** |
| **Total expenses for Program 1.4** | **660,987** | **545,332** | **314,867** | **307,614** | **208,186** |

1. Expenses not requiring appropriation relate to unwinding of the present value discount associated with the obligation for Quantum Computing partly paid shares.
2. The financial impact is not for publication (nfp) due to commercial-in-confidence considerations.
3. Expenses not requiring appropriation relate to the expenses associated with the concessional loans to PSMA Australia Limited and proposed under the Northern Australia Infrastructure Facility.
4. Previously published in the 2020-21 Portfolio Additional Estimates Statements as the Offshore Renewable Energy – Registrar.
5. Expenses not requiring appropriation relate to depreciation and amortisation expenses for the National Offshore Petroleum Titles Administrator.
6. Expenses not requiring appropriation relate to expenses for restoration provisions for Ranger Rehabilitation.

Table 2.1.3: Performance Criteria for Outcome 1

Table 2.1.3 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where  
2021­22 Budget measures have created new programs or materially changed existing programs.

|  |  |  |
| --- | --- | --- |
| Outcome 1 – Support economic growth, productivity and job creation for all Australians by investing in science, technology and commercialisation, growing innovative and competitive businesses, industries and regions, and supporting resources and northern Australia | | |
| **Program 1.1** **– Investing in science, technology and commercialisation** | | |
| **Delivery** | The objective of this program is to facilitate the development and uptake of new ideas and technology and translate them into commercial outcomes and enhanced productivity. This will be delivered by:   * Supporting and capitalising on national science expertise to drive innovation, enhance productivity and generate globally competitive solutions across the economy to improve Australia’s response to COVID-19 as well as addressing national and international challenges, such as in space, cyber, health, energy, climate change, resources, agriculture, disaster management and Artificial Intelligence (AI). * Promoting the growth of a highly skilled workforce through greater understanding, awareness and participation in science, technology, engineering and mathematics (STEM), particularly for women, Aboriginal and Torres Strait Islander Peoples and other underrepresented groups. * Supporting basic research, business research and development, commercialisation and translation of research, and access to early stage finance, and encouraging collaboration between industry and the research sector, including through Australia’s world class science agencies, and infrastructure. * Enabling Australia’s participation in world-leading science, supporting access to domestic and international science facilities and deepening international science engagement to drive Australia’s national interests. | |
| **Performance information** | | |
| **Year** | **Performance criteria** (a) | **Actual Achievement/Targets** |
| 2020-21 | R&D expenditure registered by entities with the department in order to claim the R&D Tax Incentive through their annual tax returns. | The R&D Tax Incentive is a demand-driven program, therefore the department does not have forward estimates.  Results: On Track |
| Proportion of Australians who consider STEM skills important when considering employment. | Target: ≥ 87%  Results: On Track |
| Number of business-research collaborations facilitated by departmental programs. | Target: Year-on-year increase.  Results: On Track |
| Australia’s national system of measurement is trusted nationally and internationally.  Results: On Track | |
| To measure **Outputs** towards achieving the intended results of Program 1.1, the department will track: | | |
| 2021-22 | R&D expenditure registered by entities with the department in order to claim the R&D Tax Incentive through their annual tax returns. | The R&D Tax Incentive is a demand-driven program, therefore the department does not have forward estimates.  Note: R&D is reported against the financial year in which it is registered. This is the year following the year in which the companies undertake the R&D activity. |
| Number of business-research collaborations facilitated by departmental programs. | Year-on-year increase. |
| To measure **Effectiveness** in achieving the intended results of Program 1.1, the department will track: | | |
| 2021-22 | Proportion of Australians who consider STEM skills important when considering employment. | ≥ 87% |
| Australia’s national system of measurement is trusted nationally and internationally. | |
| 2022-23 and beyond | As per 2021-22 | As per 2021-22 |
| **Purposes** | Support economic growth, productivity and job creation for all Australians by investing in science, technology and commercialisation and growing innovative and competitive businesses, industries and regions. | |
| **Material changes to Program 1.1 resulting from the following measures:** Nil | | |
| **Program 1.2 – Growing innovative and competitive businesses, industries and regions** | | |
| **Delivery** | The objective of this program is to support the growth of innovative and competitive businesses, industries and regions, and build a diversified, flexible, resilient and dynamic economic base that can identify and adapt to new markets and emerging opportunities. This will be delivered by:   * Empowering Australian businesses to strengthen, grow, innovate, digitise and commercialise, supported by a competitive business environment that enables recovery from COVID-19. * Developing a modern, competitive and advanced manufacturing sector, investing in areas of competitive strength to create jobs, support economic growth and improve economic resilience. * Driving export growth and strengthen and diversify supply chains and markets, attract private sector investment and capture new and emerging opportunities. * Encouraging the adoption of digital technologies by Australian businesses to underpin productivity gains, growth, and resilience. * Supporting Australia becoming a leading digital nation by 2030 including by enabling the development of emerging technologies and initiatives such as the National Block Chain Roadmap, the AI Ethics Framework. * Supporting the growth and transformation of the Australian space industry as outlined in the Advancing Space: Australian Civil Space Strategy 2019-2028. | |
| **Performance information** | | |
| **Year** | **Performance criteria** (a) | **Actual Achievement/Targets** |
| 2020-21 | Instances of assistance delivered to businesses in priority sectors. | Year-on year increase.  Results: Achieved |
| Number of regional areas where businesses have received assistance. | Year-on-year maintenance.  Results: Achieved |
| The median time to complete a grant application for a merit, eligibility or competitive grant. | Year-on-year decrease.  Results: On Track |
| Proportion of anti-dumping Preliminary Affirmative Determination (PAD) reports, or status reports explaining that there are insufficient grounds to issue a PAD, made on or before day 60 of an anti-dumping/countervailing investigation. | 100%  Results: Achieved |
| Total number of jobs created by the digitally intensive industries. | Year-on-year increase.  Results: On Track |
| To measure **Outputs** towards achieving the intended results of Program 1.2, the department will track: | | |
| 2021-22 | Investment leveraged through portfolio manufacturing initiatives. | Year-on-year increase. |
| Instances of support provided to businesses in priority sectors. | Year-on-year increase. |
| Number of regional areas where businesses have received support. | Year-on-year increase or maintenance. |
| To measure **Efficiency** in achieving the intended results of Program 1.2, the department will track: | | |
| 2021-22 | The median time to complete a grant application for a merit, eligibility or competitive grant. | Year-on-year decrease. |
| Proportion of anti-dumping Preliminary Affirmative Determination (PAD) reports, or status reports explaining that there are insufficient grounds to issue a PAD, made on or before day 60 of an anti‑dumping/countervailing investigation. | 100% |
| To measure **Effectiveness** in achieving the intended results of Program 1.2, the department will track: | | |
| 2021-22 | Total number of jobs created by the digitally intensive industries. | Year-on-year increase. |
| 2022-23 and beyond | As per 2021-22 | As per 2021-22 |
| **Purposes** | Support economic growth, productivity and job creation for all Australians by investing in science, technology and commercialisation and growing innovative and competitive businesses, industries and regions. | |
| **Material changes to Program 1.2 resulting from the following measures:** Nil | | |
| **Program 1.3 – Supporting a strong resources sector** | | |
| **Delivery** | The objective of this program is to support the sustainable development of the resources sector, attract private-sector investment and encourage innovative technologies. This will be delivered by:   * Supporting investment and further exploration in the resources sector. * Growing Australia’s resource development potential and, in particular, growing the critical minerals sector and supporting the development of downstream supply-chain capabilities. * Removing regulatory and administrative barriers that impose unnecessary costs and delays to resources projects. * Safeguarding Australians and the environment, including by developing an enduring, safe and efficient national radioactive waste management capability and a national facility for the disposal of low level radioactive waste and temporary storage of intermediate level waste. * Supporting the efficient and effective regulation of Australia’s offshore petroleum and greenhouse gas sectors. | |
| **Performance information** | | |
| **Year** | **Performance criteria** (a) | **Actual Achievement/Targets** |
| 2020-21 | Total expenditure on resources exploration. | Year-on-year increase  Results: On Track |
| Grow Australia’s critical minerals potential, including by supporting development of downstream capacity. | Year-on-year increase  Results: On Track |
| Identify and remove regulatory and administrative barriers that impose unnecessary costs and delays to resources projects.  Results: On Track | |
| To measure **Efficiency** towards achieving the intended results of Program 1.3, the department will track: | | |
| 2021-22 | Identify and remove regulatory and administrative barriers that impose unnecessary costs and delays to resources projects. | |
| To measure **Effectiveness** in achieving the intended results of Program 1.3, the department will track: | | |
| 2021-22 | Total expenditure on resources exploration. | Year-on-year increase. |
| Grow Australia’s critical minerals potential, including by supporting development of downstream capacity. | Year-on-year increase. |
| 2022-23 and beyond | As per 2021-22 | As per 2021-22 |
| **Purposes** | Support economic growth, productivity and job creation for all Australians by supporting a strong resources sector and growing a stronger Northern Australian economy. | |
| **Material changes to Program 1.3 resulting from the following measures:** Nil | | |
| **Program 1.4** **– Growing a stronger northern Australia economy** | | |
| **Delivery** | The objective of this program is to drive economic growth and investment in northern Australia. This will be delivered by:   * Targeted support to northern Australian businesses to increase economic growth, diversity and resilience through the Next Five Year Plan. * Implementing reforms to the Northern Australia Infrastructure Facility to accelerate lending, increase risk appetite, expand eligibility and strengthen governance. | |
| **Performance information** | | |
| **Year** | **Performance criteria** (a) | **Actual Achievement/Targets** |
| 2020-21 | Number of Northern Australia White Paper measures delivered and progress to refresh the broader northern agenda. | Year-on-year increase.  Results: On Track |
| Total number of jobs created by federally-financed Northern Australia Infrastructure Facility projects. | Year-on year increase.  Results: Achieved |
| To measure **Outputs** towards achieving the intended results of Program 1.4, the department will track: | | |
| 2021-22 | Number of Northern Australia White Paper measures delivered and progress to refresh the broader northern agenda. | Year-on-year increase. |
| To measure **Effectiveness** in achieving the intended results of Program 1.4, the department will track: | | |
| 2021-22 | Total number of jobs created by federally-financed Northern Australia Infrastructure Facility projects. | Year-on-year increase. |
| 2022-23 and beyond | As per 2021-22 | As per 2021-22 |
| **Purposes** | Support economic growth, productivity and job creation for all Australians by supporting a strong resources sector and growing a stronger Northern Australian economy. | |
| **Material changes to Program 1.4 resulting from the following measures:** Nil | | |

1. In line with the Department of Finance guidelines, the department’s performance measures relate directly to its purposes and key activities, representing a mix of qualitative and quantitative measures that provide a basis for an assessment of outputs, efficiency and effectiveness over time. The department is committed to continuous improvement and any refinements to performance criteria will be reflected in the *2021–22 Corporate Plan*. As a leader in national policy for complex and multi-faceted areas such as the promotion of science, technology, engineering and mathematics (STEM); Australia’s resource development potential; supporting a secure, reliable and affordable energy sector; and supporting innovative and competitive businesses, industries and regions, the department has included measures which highlight where Australia, as a nation, stands. While the department contributes significantly to these measures, there are often many other factors at play which may affect the achievement of some of these measures. However, the department believes the measures above are important to track as a means to continually develop and improve its policies for the benefit of all Australians.

**2.2 Budgeted expenses and performance for Outcome 2**

|  |
| --- |
| **Outcome 2: Reduce Australia’s greenhouse gas emissions, contribute to effective global action on climate change, and support technological innovation in clean and renewable energy, through developing and implementing a national response to climate change** |

#### Linked programs

|  |
| --- |
| **Portfolio agencies**  **Australian Renewable Energy Agency**  **Clean Energy Finance Corporation**  **Clean Energy Regulator**  **Climate Change Authority**  **Commonwealth Scientific and Industrial Research Organisation**  **National Offshore Petroleum Safety and Environmental Management Authority** |
| Programs  Australian Renewable Energy Agency   * Program 1.1 – Australian Renewable Energy Agency   Clean Energy Finance Corporation   * Program 1.1 – Clean Energy Finance Corporation   Clean Energy Regulator   * Program 1.1 – Clean Energy Regulator   Climate Change Authority   * Program 1.1 – Reviewing Climate Change Mitigation Policies   Commonwealth Scientific and Industrial Research Organisation   * Program 1 – Scientific and Industrial Research and Infrastructure   National Offshore Petroleum Safety and Environmental Management Authority   * Program 1 – Regulatory oversight of Safety Cases, Well Operations Management Plans and Environment Plans coupled with effective monitoring, investigation and enforcement |
| **Contribution to Outcome 2 made by linked programs**  The portfolio agencies’ programs contribute to reducing Australia’s greenhouse gas emissions and effective global action on climate change, and supporting technological innovation in clean and renewable energy through developing and implementing a national response to climate change. |
| **Australian Taxation Office** |
| **Program**   * Program 1.1 – Australian Taxation Office |
| **Contribution to Outcome 2 made by linked programs**  The department shares information on carbon sequestration tree planting projects with the Australian Taxation Office, which administers the Carbon Sink Forest Tax measure, a tax deduction available to these types of projects. |
| **Bureau of Meteorology** |
| **Program**   * Program 1.1 – Bureau of Meteorology |
| **Contribution to Outcome 2 made by linked programs**  The Bureau of Meteorology works collaboratively with the department to provide weather and climate information, to support priority investment areas and research needs for nationally significant infrastructure. |
| **Department of Agriculture, Water and the Environment** |
| **Program**   * Program 1.1 – Sustainable Management of Natural Resources and the Environment * Program 3.2 – Sustainable Management – Natural Resources * Program 3.3 – Forestry Industry |
| **Contribution to Outcome 2 made by linked programs**  The Department of Agriculture, Water and the Environment (DAWE) is responsible for policies and programs on biodiversity conservation; sustainable natural resource management, climate science and adaptation, and sustainable and productive agricultural and forestry industries. The department collaborates with DAWE to promote complementary outcomes for emissions reductions, the environment and productivity. The department also works with DAWE on programs related to blue carbon and climate risk disclosure. |
| **Department of Foreign Affairs and Trade** |
| **Program**   * Program 1.1 – Foreign Affairs and Trade Operations |
| **Contribution to Outcome 2 made by linked programs**  The Department of Foreign Affairs and Trade (DFAT) leads international climate change negotiations for the government under the United Nations Framework Convention on Climate Change. The department works collaboratively with the DFAT in formulating advice to Government on these matters and representing Australia at United Nations Framework Convention on Climate Change meetings. The department also delivers a number of Australian Government funded projects that support climate change capacity development projects in developing countries. |
| **Department of Infrastructure, Transport, Regional Development and Communications** |
| **Programs**   * Program 2.1 – Surface Transport * Program 2.3 – Air Transport |
| **Contribution to Outcome 2 made by linked programs**  The Department of Infrastructure, Transport, Regional Development and Communications (DITRDC) and the department work collaboratively to support the Ministerial Forum on Vehicle Emissions. DITRDC leads participation and negotiations in: the International Civil Aviation Organization's Carbon Offsetting and Reduction Scheme for International Aviation; the International Maritime Organisation, assessing measures and the frameworks for reducing international aviation and maritime emissions. This work includes linkages to carbon markets and standards for carbon unit eligibility. DITRDC holds responsibility for maintaining and updating the Green Vehicle Guide, which provides information on tailpipe CO2 emissions from vehicles. |
| **Great Barrier Reef Marine Park Authority** |
| **Program**   * Program 1.1 – Improving the outlook for the Great Barrier Reef |
| **Contribution to Outcome 2 made by linked programs**  Climate change is the most significant threat to the Great Barrier Reef. The department is responsible for climate mitigation policy and the Department of Agriculture, Water and the Environment is responsible for climate adaptation policy and climate science to support an effective global response to climate change. |

##### **Budgeted expenses for Outcome 2**

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 2.2.1: Budgeted expenses for Outcome 2

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
| Estimated | Budget | Forward | Forward | Forward |
| actual |  | estimate | estimate | estimate |
| $'000 | $'000 | $'000 | $'000 | $'000 |
| **Program 2.1: Reducing Australia's greenhouse gas emissions** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) |  |  |  |  |  |
| Activating Regional Hydrogen Export Hubs | 1,250 | 3,500 | 16,750 | 28,000 | 13,500 |
| Biofuels - Monitoring, Compliance and Enforcement for Fuel Quality | 177 | 100 | 100 | 100 | 100 |
| Carbon Capture, Use and Storage Development Fund | 10,000 | 20,000 | 20,000 | – | – |
| Hydrogen Strategy and Implementation | 1,496 | 603 | 521 | – | – |
| Emissions Reduction and New Investments Under the Technology Investment Roadmap | – | 114,609 | 88,790 | 217,730 | 179,200 |
| Soil Carbon and Livestock Methane | 700 | 4,300 | 2,600 | 2,100 | 1,000 |
| **Administered Total** | **13,623** | **143,112** | **128,761** | **247,930** | **193,800** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 56,205 | 68,305 | 66,050 | 54,152 | 49,690 |
| s74 external revenue (a) | 5,580 | 3,417 | 1,658 | 1,263 | 878 |
| **Departmental Total** | **61,785** | **71,722** | **67,708** | **55,415** | **50,568** |
| **Total expenses for Program 2.1** | **75,408** | **214,834** | **196,469** | **303,345** | **244,368** |

Table 2.2.1: Budgeted expenses for Outcome 2 (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
| Estimated | Budget | Forward | Forward | Forward |
| actual |  | estimate | estimate | estimate |
| $'000 | $'000 | $'000 | $'000 | $'000 |
| **Program 2.2: Developing clean energy technology** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 21,895 | 58,870 | 174,372 | 153,041 | 183,380 |
| *Less payments to corporate entities* | (21,895) | (58,870) | (174,372) | (153,041) | (183,380) |
| Special appropriations |  |  |  |  |  |
| *Australian Renewable Energy Agency Act 2011* | 209,910 | 304,836 | – | – | – |
| *Less payments to corporate entities* | (209,910) | (304,836) | – | – | – |
| Payments to corporate entities | 231,805 | 363,706 | 174,372 | 153,041 | 183,380 |
| **Administered Total** | **231,805** | **363,706** | **174,372** | **153,041** | **183,380** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 5,665 | 5,757 | 5,684 | 5,884 | 7,775 |
| **Departmental Total** | **5,665** | **5,757** | **5,684** | **5,884** | **7,775** |
| **Total expenses for Program 2.2** | **237,470** | **369,463** | **180,056** | **158,925** | **191,155** |
| **Outcome 2 Totals by appropriation type** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 13,623 | 143,112 | 128,761 | 247,930 | 193,800 |
| Payments to corporate entities | 231,805 | 363,706 | 174,372 | 153,041 | 183,380 |
| **Administered Total** | **245,428** | **506,818** | **303,133** | **400,971** | **377,180** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 61,870 | 74,062 | 71,734 | 60,036 | 57,465 |
| s74 external revenue (a) | 5,580 | 3,417 | 1,658 | 1,263 | 878 |
| **Departmental Total** | **67,450** | **77,479** | **73,392** | **61,299** | **58,343** |
| **Total expenses for Outcome 2** | **312,878** | **584,297** | **376,525** | **462,270** | **435,523** |
|  |  |  |  |  |  |
|  | 2020­21 | 2021­22 |  |  |  |
| **Average staffing level (number)** | 219 | 217 |  |  |  |

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

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

Table 2.2.2: Program components of Outcome 2

Outcome 2 programs are not broken down by components; therefore Table 2.2.2 is not presented.

**Table 2.2.3: Performance criteria for Outcome 2**

Table 2.2.3 below details the performance criteria for each program associated with Outcome 2. It also summarises how each program is delivered and where 2021­22 Budget measures have created new programs or materially changed existing programs.

|  |  |  |  |
| --- | --- | --- | --- |
| Outcome 2 – Reduce Australia’s greenhouse gas emissions, contribute to effective global action on climate change, and support technological innovation in clean and renewable energy, through developing and implementing a national response to climate change | | | |
| **Program 2.1** **– Reducing Australia’s greenhouse gas emissions** | | | |
| **Delivery** | The objective of this program is to shape the global response to climate change and achieve Australia’s greenhouse gas emissions reduction targets. This will be delivered by:   * Developing Australia’s long-term emissions reduction strategy ahead of the UN climate summit in Glasgow at the end of 2021. * Delivering cost effective emissions reduction opportunities across the economy including in hard-to-abate sectors. | | |
| **Performance information** | | | |
| **Year** | **Performance criteria** (a) | | **Actual Achievement/Targets** |
| 2020­21 | Australia’s emissions and projected emissions are on track to meet international commitments. | | Australia meets its international emission reduction commitment targets.  Results: On Track |
| Number of businesses participating in carbon neutral certification. | | Year-on-year increase.  Results: On Track |
| Legislated Large-scale Renewable Energy Target of 33,000 GWh of eligible renewable electricity generation in 2020 is met. | | 33,000 GWh of eligible renewable electricity generation in 2020.  Results: Achieved |
| To measure **Outputs** towards achieving the intended results of Program 2.1, the department will track: | | | |
| 2021­22 | Number of businesses participating in carbon neutral certification. | | Year-on-year increase. |
| To measure **Effectiveness** in achieving the intended results of Program 2.1, the department will track: | | | |
| 2021­22 | Australia’s emissions and projected emissions are on track to meet international commitments. | | Australia meets its international emission reduction commitment targets. |
| Legislated Large-scale Renewable Energy Target of 33,000 GWh of eligible renewable electricity generation is met. | | 33,000 GWh per year |
| 2022­23 and beyond | As per 2021­22 | | As per 2021­22 |
| **Purposes** | Reduce Australia’s greenhouse gas emissions, contribute to effective global action on climate change, and support technological innovation in clean and renewable energy, through developing and implementing a national response to climate change. | | |
| **Material changes to Program 2.1 resulting from the following measures:** Nil | | | |
| **Program 2.2** **– Developing clean energy technology** | | | |
| **Delivery** | The objective of this program is to support technological innovation in clean energy to reduce Australia’s greenhouse gas emissions. This will support the uptake of priority low emission technologies, including hydrogen, by implementing the Technology Investment Roadmap and the National Hydrogen Strategy, and utilising the Australian Renewable Energy Agency, the Clean Energy Finance Corporation and the Clean Energy Regulator. | | |
| **Performance information** | | | |
| **Year** | **Performance criteria** (a) | **Actual Achievement/Targets** | |
| 2020­21 | Australian Government expenditure on clean energy research and development. | $216.0m by 2020-21  Results: Uncertain | |
| To measure **Effectiveness** towards achieving the intended results of Program 2.2, the department will track: | | | |
| 2021­22 | Australian Government expenditure on low emission technologies and co-financing leveraged. | Leverage $3-$5 of new investment for each dollar of Commonwealth funding on average over the decade to 2030. | |
| 2022­23 and beyond | As per 2021­22 | As per 2021­22 | |
| **Purposes** | Reduce Australia’s greenhouse gas emissions, contribute to effective global action on climate change, and support technological innovation in clean and renewable energy, through developing and implementing a national response to climate change | | |
| **Material changes to Program 2.2 resulting from the following measures:** Nil | | | |

1. In line with Department of Finance guidelines, the department’s performance measures relate directly to its purposes and key activities, representing a mix of qualitative and quantitative measures that provide a basis for an assessment of outputs, efficiency and effectiveness over time. The department is committed to continuous improvement and any refinements to performance criteria will be reflected in the *2021–22 Corporate Plan*. As a leader in national policy for complex and multi-faceted areas such as the promotion of science, technology, engineering and mathematics (STEM); Australia’s resource development potential; supporting a secure, reliable and affordable energy sector; and supporting innovative and competitive businesses, industries and regions, the department has included measures which highlight where Australia, as a nation, stands. While the department contributes significantly to these measures, there are often many other factors at play which may affect the achievement of some of these measures. However, the department believes the measures above are important to track as a means to continually develop and improve its policies for the benefit of all Australians.

**2.3 Budgeted expenses and performance for Outcome 3**

|  |
| --- |
| **Outcome 3: Support the affordable, reliable, secure and competitive operation of energy markets for the long term benefit of the Australian community through improving Australia’s energy supply, efficiency, quality, performance and productivity** |

#### Linked programs

|  |
| --- |
| **Portfolio agencies**  **Australian Renewable Energy Agency**  **Clean Energy Finance Corporation**  **Clean Energy Regulator**  **Climate Change Authority**  **National Offshore Petroleum Safety and Environmental Management Authority** |
| **Programs**  Australian Renewable Energy Agency   * Program 1.1 – Australian Renewable Energy Agency   Clean Energy Finance Corporation   * Program 1.1 – Clean Energy Finance Corporation   Clean Energy Regulator   * Program 1.1 – Clean Energy Regulator   Climate Change Authority   * Program 1.1 – Reviewing Climate Change Mitigation Policies   National Offshore Petroleum Safety and Environmental Management Authority   * Program 1 – Regulatory oversight of Safety Cases, Well Operations Management Plans and Environment Plans coupled with effective monitoring, investigation and enforcement |
| **Contribution to Outcome 3 made by linked programs**  The portfolio agencies’ programs contribute to supporting the affordable, reliable, secure and competitive operation of energy markets for the long term benefit of the Australian community through improving Australia’s energy supply, efficiency, quality, performance and productivity. |
| **Australian Competition and Consumer Commission** |
| **Program**   * Program 1.1 – Australian Competition and Consumer Commission * Program 1.2 – Australian Energy Regulator |
| **Contribution to Outcome 3 made by linked programs**  The Australian Competition and Consumer Commission (ACCC) contributes to affordable, reliable, secure and competitive operations of energy markets by monitoring electricity, gas and fuel prices though public reporting, and through the authorisation process allowing energy operators to cooperate to ensure reliable supplies during COVID-19. The ACCC and Australian Energy Regulator (AER) also work collaboratively with the department on the implementation and monitoring of energy market policy, including the Consumer Data Right, the Default Market Offer and Big Stick Legislation.  The department works collaboratively with the AER by promoting efficient investment in, and efficient operation and use of, energy services for the long-term interests of consumers of energy with respect to price, quality, safety, reliability and security. This includes through the development of consumer services such as the Australian Government energy comparator website, Energy Made Easy. The department facilitates the work streams of the Energy National Cabinet Reform Committee and the Energy Ministers’ Meetings in developing electricity, gas and retail rules which the AER is responsible for enforcing. |
| **Department of Foreign Affairs and Trade** |
| **Program**   * Program 1.1 – Foreign Affairs and Trade Operations |
| **Contribution to Outcome 3 made by linked programs**  The Department of Foreign Affairs and Trade (DFAT) provides diplomatic support to the department on matters relating to compliance with the International Energy Agency treaty. DFAT and the department also collaborate on promotion of Australian expertise in energy market regulation and operation. |
| **Department of Home Affairs** |
| **Programs**   * Program 1.2 – National Security and Criminal Justice * Program 3.2 – Border Management |
| **Contribution to Outcome 3 made by linked programs**  The Department of Home Affairs and the department work collaboratively on the operation of energy markets through the implementation and enforcement of the Australian Domestic Gas Security Mechanism. The Department of Home Affairs hosts sector group meetings, contributing to the operations of energy markets by helping manage the risks to Australia’s critical energy infrastructure. |
| **Department of Infrastructure, Transport, Regional Development and Communications** |
| **Program**   * Program 3.1 – Regional Development |
| **Contribution to Outcome 3 made by linked programs**  The department works collaboratively with the Department of Infrastructure, Transport, Regional Development and Communications to ensure that accelerated gas exploration and development in the Beetaloo sub-basin in the Northern Territory includes economic opportunities for local Indigenous communities, and considers support from essential service providers, including local government, to consumers facing hardship. |
| **Department of the Treasury** |
| **Program**   * Program 1.1 – Department of the Treasury |
| **Contribution to Outcome 3 made by linked programs**  In response to the Productivity Commission’s Inquiry into Data Availability and Use, the Department of the Treasury (Treasury) supports the operations of energy markets through the development and implementation of a consumer data right, creating legal and governance frameworks to support consumer access to energy data, which will promote new energy services, competition and innovation. Treasury also supports the ongoing implementation of Commonwealth energy market policies, including the Default Market Offer and Big Stick Legislation. |

##### **Budgeted expenses for Outcome 3**

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 2.3.1: Budgeted expenses for Outcome 3

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
| Estimated | Budget | Forward | Forward | Forward |
| actual |  | estimate | estimate | estimate |
| $'000 | $'000 | $'000 | $'000 | $'000 |
| **Program 3.1: Supporting reliable, secure and affordable energy** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) |  |  |  |  |  |
| Accelerating Critical Gas Infrastructure Projects | – | 2,500 | 2,500 | – | – |
| Boosting Australia's Fuel Security | – | 50,000 | 90,000 | 60,000 | – |
| Business Energy Advice Program | 3,729 | 3,671 | – | – | – |
| Energy Efficiency Programs | 620 | 620 | 620 | 620 | 620 |
| Energy Efficient Communities Program | 19,761 | 19,984 | – | – | – |
| Energy Use Data Model for Better Forecasting | 2,661 | 2,662 | – | – | – |
| Establish a Renewable Microgrid Incorporating Hydrogen in the Daintree Community | – | 750 | 16,200 | 1,800 | – |
| Fuel Security Service Payment(a) | – | nfp | nfp | nfp | nfp |
| Funding for Refinery Upgrades(a) | – | nfp | nfp | nfp | nfp |
| Further Support for CopperString 2.0 Project (a) | nfp | – | – | – | – |
| GEMS National Legislative Framework | 5,832 | 5,832 | 5,832 | 5,832 | 5,832 |
| Hotel Energy Uplift Program | 10,205 | – | – | – | – |
| Hydrogen Ready Gas Infrastructure Program | – | 11,700 | 7,000 | – | – |
| Implementing the Finkel Review | 2,026 | – | – | – | – |
| Improving Cyber Security in the Energy Sector | 800 | 600 | – | – | – |
| International Energy Agency Compliance - Collective Action Response (a) | 10,969 | nfp | nfp | nfp | nfp |
| Micro-grids - Regional and Remote Communities | 16,138 | 15,450 | 8,202 | 4,297 | – |
| Portland Aluminium Smelter Program | – | – | 19,200 | 19,200 | 19,200 |
| Powering Communities Program | – | 10,228 | – | – | – |
| Supporting Reliable Energy Infrastructure | 6,219 | 400 | – | – | – |
| Supporting the Port Kembla Power Station | 5,000 | 25,000 | – | – | – |
| Temporary Refinery Production Payment Program | 41,746 | 41,746 | – | – | – |

Table 2.3.1: Budgeted expenses for Outcome 3 (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
| Estimated | Budget | Forward | Forward | Forward |
| actual |  | estimate | estimate | estimate |
| $'000 | $'000 | $'000 | $'000 | $'000 |
| Expenses not requiring appropriation in the budget year |  |  |  |  |  |
| Interconnector Funding - delivering reliable and affordable energy (a) | nfp | 263 | – | – | – |
| **Administered Total** | **125,706** | **191,406** | **149,554** | **91,749** | **25,652** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 94,456 | 95,258 | 79,422 | 60,203 | 55,713 |
| Special accounts | 10,631 | 285 | 203 | – | – |
| **Departmental Total** | **105,087** | **95,543** | **79,625** | **60,203** | **55,713** |
| **Total expenses for Program 3.1** | **230,793** | **286,949** | **229,179** | **151,952** | **81,365** |
| **Outcome 3 Totals by appropriation type** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 125,706 | 191,143 | 149,554 | 91,749 | 25,652 |
| Expenses not requiring appropriation in the budget year | – | 263 | – | – | – |
| **Administered Total** | **125,706** | **191,406** | **149,554** | **91,749** | **25,652** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 94,456 | 95,258 | 79,422 | 60,203 | 55,713 |
| Special accounts | 10,631 | 285 | 203 | – | – |
| **Departmental Total** | **105,087** | **95,543** | **79,625** | **60,203** | **55,713** |
| **Total expenses for Outcome 3** | **230,793** | **286,949** | **229,179** | **151,952** | **81,365** |
|  |  |  |  |  |  |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
| Estimated | Budget | Forward | Forward | Forward |
| actual |  | estimate | estimate | estimate |
| $'000 | $'000 | $'000 | $'000 | $'000 |
| **Movement of administered funds between years (b)** |  |  |  |  |  |
| **Outcome 3:** |  |  |  |  |  |
| Energy Efficient Communities | (11,455) | 11,455 | – | – | – |
| **Total movement of administered funds** | **(11,455)** | **11,455** | **–** | **–** | **–** |
|  |  |  |  |  |  |
|  | 2020­21 | 2021­22 |  |  |  |
| **Average staffing level (number)** | 275 | 279 |  |  |  |

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

1. The financial impact is not for publication (nfp) due to commercial-in-confidence considerations.
2. Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

Table 2.3.2: Program components of Outcome 3

Outcome 3 programs are not broken down by components; therefore Table 2.3.2 is not presented.

**Table 2.3.3: Performance criteria for Outcome 3**

Table 2.3.3 below details the performance criteria for each program associated with Outcome 3. It also summarises how each program is delivered and where 2021­22 Budget measures have created new programs or materially changed existing programs.

|  |  |  |
| --- | --- | --- |
| Outcome 3 – Support the affordable, reliable, secure and competitive operation of energy markets for the long term benefit of the Australian community through improving Australia’s energy supply, efficiency, quality, performance and productivity | | |
| **Program 3.1** **– Supporting reliable, secure and affordable energy** | | |
| **Delivery** | The objective of this program is to lead energy market reform to support investment and market outcomes in the long term interests of consumers, increase national energy efficiency, and support the security of domestic and international supply chains for electricity, gas and liquid fuel. This will be delivered by:   * Working with states, territories and industry, to ensure energy affordability, reliability, security and efficiency, including by:   + Increasing competition and consumer empowerment in the energy sector.   + Improving the stability of the energy system through support for existing generation, investment in energy infrastructure, reforms to National Energy Laws and effective responses to energy emergencies.   + Encouraging private sector investment in new electricity generation, storage and technology, including new growth opportunities.   + Strengthening Australia’s liquid fuel security through a market and regulatory framework that increases domestic diesel stocks and supports local refineries.   + Focusing energy efficiency investment – by governments, business and households – under a set of clearly articulated principles focused on consumer choice, affordability and technology. * Accelerating the development of the wholesale gas market to ensure the affordability of gas through implementing the Government’s Gas-Fired Recovery Plan. | |
| **Performance information** | | |
| **Year** | **Performance criteria** (a) | **Actual Achievement/Targets** |
| 2020­21 | Lower energy prices. | Progress towards wholesale  price < $70/MWh in the National Electricity Market.  Results: Achieved |
| Domestic gas market prices lower than liquefied natural gas (LNG) netback price.  Results: Achieved |
| The liquid fuel market is in supply-demand balance. | The Liquid Fuel Emergency Act 1984 is not triggered.  Results: On Track |
| To measure **Effectiveness** in achieving the intended results of Program 3.1, the department will track: | | |
| 2021­22 | Lower energy prices. | Progress towards wholesale price < $70/MWh in the National Electricity Market. |
| Domestic gas market prices lower than liquefied natural gas (LNG) netback price. |
| The liquid fuel market is in supply-demand balance. | The *Liquid Fuel Emergency Act* is not triggered. |
| 2022­23 and beyond | As per 2021­22 | As per 2021­22 |
| **Purposes** | Support the affordable, reliable, secure and competitive operation of energy markets for the long-term benefit of the Australian community through improving Australia’s energy supply, efficiency, quality, performance and productivity. | |
| **Material changes to Program 3.1 resulting from the following measures:** Nil | | |

1. In line with Department of Finance guidelines, the department’s performance measures relate directly to its purposes and key activities, representing a mix of qualitative and quantitative measures that provide a basis for an assessment of outputs, efficiency and effectiveness over time. The department is committed to continuous improvement and any refinements to performance criteria will be reflected in the *2021–22 Corporate Plan*. As a leader in national policy for complex and multi-faceted areas such as the promotion of science, technology, engineering and mathematics (STEM); Australia’s resource development potential; supporting a secure, reliable and affordable energy sector; and supporting innovative and competitive businesses, industries and regions, the department has included measures which highlight where Australia, as a nation, stands. While the department contributes significantly to these measures, there are often many other factors at play which may affect the achievement of some of these measures. However, the department believes the measures above are important to track as a means to continually develop and improve its policies for the benefit of all Australians.

**2.4 Budgeted expenses and performance for Outcome 4**

|  |
| --- |
| **Outcome 4: Facilitate the growth of small and family business** |

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

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. As a result of the amendments to the Administrative Arrangements Orders, which took effect on 15 April 2021, Outcome 4 is now the responsibility of the Department of the Treasury.

Table 2.4.1: Budgeted expenses for Outcome 4

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
| Estimated | Budget | Forward | Forward | Forward |
| actual |  | estimate | estimate | estimate |
| $'000 | $'000 | $'000 | $'000 | $'000 |
| **Program 4.1: Supporting Small Business** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) |  |  |  |  |  |
| Small Business Support | 27,701 | – | – | – | – |
| Expenses not requiring appropriation in the budget year (a) |  |  |  |  |  |
| Small Business Support | 4,000 | – | – | – | – |
| **Administered Total** | **31,701** | **–** | **–** | **–** | **–** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 19,566 | – | – | – | – |
| **Departmental Total** | **19,566** | **–** | **–** | **–** | **–** |
| **Total expenses for Program 4.1** | **51,267** | **–** | **–** | **–** | **–** |
| **Outcome 4 Totals by appropriation type** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 27,701 | – | – | – | – |
| Expenses not requiring appropriation in the budget year (a) | 4,000 | – | – | – | – |
| **Administered Total** | **31,701** | **–** | **–** | **–** | **–** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 19,566 | – | – | – | – |
| **Departmental Total** | **19,566** | **–** | **–** | **–** | **–** |
| **Total expenses for Outcome 4** | **51,267** | **–** | **–** | **–** | **–** |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 | 2021­22 |  |  |  |
| **Average staffing level (number)** | 69 | – |  |  |  |

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

1. Expenses not requiring appropriation in the Budget year reflect expenses funded by appropriations in the previous budget years under ordinary annual services (Appropriation Bill No. 1).

## **Section 3****: Budgeted financial statements**

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021­22 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

There are no material differences between the entity resources table and the financial statements.

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

**Departmental Financial Statements**

Budgeted Departmental Income Statement

The statement shows the estimated net cost of services for the department.

The budgeted net cost to the department for delivering its programs in 2021­22 is $646.5 million.

Expenses

Total departmental expenses budgeted for in 2021­22 are $726.1 million, comprising $373.0 million for employee expenses, $275.1 million for suppliers, $67.0 million for depreciation and amortisation, $7.2 million for grants and $3.7 million for finance costs.

Income

Total departmental own‑source income budgeted for in 2021­22 is $78.9 million, comprising $73.2 million from sales of goods and rendering of services and $5.8 million from other independent sources.

Revenue from government for 2021­22 is budgeted at $609.8 million.

Budgeted Departmental Balance Sheet

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

Assets

Total departmental assets budgeted for 2021­22 are $675.9 million, comprising $525.2 million non‑financial assets and $150.7 million financial assets.

Non­‑financial assets include $368.7 million for land and buildings, $109.2 million for intangibles, $39.8 million for property, plant and equipment, $2.2 million for inventories, and $5.3 million in other assets. Financial assets consist of $122.7 million for receivables, $27.8 million for cash, and $0.2 million in other financial assets.

Liabilities

Total departmental liabilities budgeted for in 2021­22 are $462.2 million, comprising $275.6 million in interest‑bearing liabilities, $137.7 million in provisions and $48.9 million in payables.

Statement of Changes in Equity – Summary of movement

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

Budgeted Departmental Statement of Cash Flows

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

**Administered Financial Statements**

Schedule of Budgeted Income and Expenses

The schedule shows the estimated income and expenses for programs administered by the department on behalf of the government.

Expenses

Total administered expenses budgeted for in 2021­22 are $4.5 billion, represented by $1.7 billion in payments to corporate entities, $1.5 billion in grants, $514.6 million in suppliers and depreciation, $504.1 million in finance costs, $227.2 million in subsidies, $15.5 million in write‑downs and impairments and $7.8 million in employee benefits.

Income

Total administered income budgeted for in 2021­22 is $840.5 million, represented by $514.8 million in royalties, $192.6 million in dividends, $67.4 million in interest, $62.4 million in fees and $2.9 million in other revenue.

Schedule of Budgeted Assets and Liabilities

The schedule shows the estimated end of year position for assets and liabilities administered by the department on behalf of the government.

Assets

Total administered assets budgeted for in 2021­22 are $27.3 billion, represented by $20.3 billion in investments, $6.8 billion in cash and receivables, $115.4 million in non‑financial assets and $43.0 million in other financial assets.

Liabilities

Total administered liabilities budgeted for in 2021­22 are $1.3 billion, represented by $728.4 million in provisions, $539.2 million in payables and $4.1 million in interest‑bearing liabilities.

Schedule of Budget Administered Cash Flows

The schedule shows the estimated cash receipts and payments administered by the department on behalf of the government.

### 3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
| Estimated | Budget | Forward | Forward | Forward |
| actual |  | estimate | estimate | estimate |
| $'000 | $'000 | $'000 | $'000 | $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 399,058 | 373,000 | 362,431 | 353,576 | 352,591 |
| Suppliers | 273,116 | 275,134 | 239,913 | 185,328 | 153,738 |
| Grants | 6,930 | 7,200 | 7,308 | 5,500 | 5,550 |
| Depreciation and amortisation | 67,025 | 66,999 | 67,594 | 67,099 | 67,099 |
| Finance costs | 3,700 | 3,663 | 3,343 | 2,947 | 2,947 |
| Other expenses | 140 | 140 | 140 | 140 | 140 |
| **Total expenses** | **749,969** | **726,136** | **680,729** | **614,590** | **582,065** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering  of services | 83,818 | 73,160 | 62,082 | 57,637 | 54,497 |
| Other revenue | 12,206 | 5,786 | 5,979 | 5,311 | 5,311 |
| **Total own-source revenue** | **96,024** | **78,946** | **68,061** | **62,948** | **59,808** |
| **Gains** |  |  |  |  |  |
| Other gains | 665 | 670 | 675 | 680 | 680 |
| **Total gains** | **665** | **670** | **675** | **680** | **680** |
| **Total own-source income** | **96,689** | **79,616** | **68,736** | **63,628** | **60,488** |
| **Net (cost of)/contribution by services** | **(653,280)** | **(646,520)** | **(611,993)** | **(550,962)** | **(521,577)** |
| Revenue from Government | 602,965 | 609,757 | 575,208 | 515,432 | 486,047 |
| **Surplus/(deficit) attributable**  **to the Australian Government** | **(50,315)** | **(36,763)** | **(36,785)** | **(35,530)** | **(35,530)** |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| **Total other comprehensive income** | **–** | **–** | **–** | **–** | **–** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **(50,315)** | **(36,763)** | **(36,785)** | **(35,530)** | **(35,530)** |

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** | | | | | |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
|  | Estimated | Budget | Forward | Forward | Forward |
|  | actual |  | estimate | estimate | estimate |
|  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU assets, principal repayments on leased assets** | **(13,644)** | **260** | **200** | **–** | **–** |
| plus: depreciation/amortisation expenses previously funded through revenue appropriations (a) | (32,781) | (32,781) | (32,781) | (32,781) | (32,781) |
| plus: depreciation/amortisation expenses for ROU assets (b) | (34,244) | (34,218) | (34,813) | (34,318) | (34,318) |
| less: principal repayments on leased assets (b) | (30,354) | (29,976) | (30,609) | (31,569) | (31,569) |
| **Total comprehensive income/(loss) - as per the statement of comprehensive income** | **(50,315)** | **(36,763)** | **(36,785)** | **(35,530)** | **(35,530)** |

Prepared on Australian Accounting Standards basis.

1. From 2010-11, the Government introduced the net cash appropriation arrangement that provided Non-corporate Commonwealth entities with a separate Departmental Capital Budget (DCB) under Appropriation Act (No.1) or Bill (No. 3). This replaced revenue appropriations provided under Appropriation Act (No.1) or Bill (No.3) used for depreciation/amortisation expenses. For information regarding DCB, refer to Table 3.5 Departmental Capital Budget Statement.
2. Applies leases under AASB 16 Leases.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
| Estimated | Budget | Forward | Forward | Forward |
| actual |  | estimate | estimate | estimate |
| $'000 | $'000 | $'000 | $'000 | $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 27,928 | 27,763 | 27,801 | 27,815 | 27,853 |
| Trade and other receivables | 122,990 | 122,696 | 122,858 | 122,844 | 122,806 |
| Accrued Revenue | 241 | 241 | 241 | 241 | 241 |
| ***Total financial assets*** | ***151,159*** | ***150,700*** | ***150,900*** | ***150,900*** | ***150,900*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 384,074 | 368,735 | 336,250 | 299,727 | 263,189 |
| Property, plant and equipment | 47,817 | 39,802 | 33,469 | 27,838 | 22,223 |
| Intangibles | 77,062 | 109,215 | 130,960 | 141,143 | 149,724 |
| Inventories | 2,179 | 2,179 | 2,179 | 2,179 | 2,179 |
| Other non-financial assets | 5,264 | 5,264 | 5,264 | 5,264 | 5,264 |
| ***Total non-financial assets*** | ***516,396*** | ***525,195*** | ***508,122*** | ***476,151*** | ***442,579*** |
| **Total assets** | **667,555** | **675,895** | **659,022** | **627,051** | **593,479** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 30,181 | 30,181 | 30,181 | 30,181 | 30,181 |
| Grants | 587 | 587 | 587 | 587 | 587 |
| Other payables | 18,166 | 18,166 | 18,166 | 18,166 | 18,166 |
| ***Total payables*** | ***48,934*** | ***48,934*** | ***48,934*** | ***48,934*** | ***48,934*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 286,476 | 275,613 | 249,344 | 217,807 | 186,238 |
| ***Total interest bearing liabilities*** | ***286,476*** | ***275,613*** | ***249,344*** | ***217,807*** | ***186,238*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 134,662 | 134,662 | 134,662 | 134,662 | 134,662 |
| Other provisions | 3,040 | 3,040 | 3,040 | 3,040 | 3,040 |
| ***Total provisions*** | ***137,702*** | ***137,702*** | ***137,702*** | ***137,702*** | ***137,702*** |
| **Total liabilities** | **473,112** | **462,249** | **435,980** | **404,443** | **372,874** |
| **Net assets** | **194,443** | **213,646** | **223,042** | **222,608** | **220,605** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 604,851 | 660,817 | 706,998 | 742,094 | 775,621 |
| Reserves | 19,803 | 19,803 | 19,803 | 19,803 | 19,803 |
| Retained surplus (accumulated deficit) | (430,211) | (466,974) | (503,759) | (539,289) | (574,819) |
| ***Total parent entity interest*** | ***194,443*** | ***213,646*** | ***223,042*** | ***222,608*** | ***220,605*** |
| **Total equity** | **194,443** | **213,646** | **223,042** | **222,608** | **220,605** |

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 2021­22)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Retained | Asset | Other | Contributed | Total |
|  | earnings | revaluation | reserves | equity/ | equity |
|  |  | reserve |  | capital |  |
|  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Opening balance as**  **at 1 July 2021** |  |  |  |  |  |
| Balance carried forward from previous period | (430,211) | 19,803 | – | 604,851 | 194,443 |
| ***Adjusted opening balance*** | ***(430,211)*** | ***19,803*** | ***–*** | ***604,851*** | ***194,443*** |
| **Comprehensive income** |  |  |  |  |  |
| Surplus/(deficit) for the period | (36,763) | – | – | – | (36,763) |
| ***Total comprehensive income*** | ***(36,763)*** | **–** | **–** | **–** | ***(36,763)*** |
| of which: |  |  |  |  |  |
| Attributable to the Australian  Government | (36,763) | – | – | – | (36,763) |
| **Transactions with owners** |  |  |  |  |  |
| ***Contributions by owners*** |  |  |  |  |  |
| Equity injection – Appropriation | – | – | – | 28,534 | 28,534 |
| Departmental Capital Budget | – | – | – | 27,432 | 27,432 |
| ***Subtotal transactions with owners*** | **–** | **–** | ***–*** | **55,966** | ***55,966*** |
| **Estimated closing balance as**  **at 30 June 2022** | **(466,974)** | **19,803** | **–** | **660,817** | **213,646** |
| **Closing balance attributable to the Australian Government** | **(466,974)** | **19,803** | **–** | **660,817** | **213,646** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
| Estimated | Budget | Forward | Forward | Forward |
| actual |  | estimate | estimate | estimate |
| $'000 | $'000 | $'000 | $'000 | $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 697,900 | 682,492 | 637,128 | 573,083 | 540,582 |
| Sale of goods and rendering of services | 83,818 | 73,160 | 62,082 | 57,637 | 54,497 |
| Net GST received | 28,213 | 19,709 | 17,756 | 15,630 | 12,911 |
| Other | 12,206 | 5,786 | 5,979 | 5,311 | 5,311 |
| ***Total cash received*** | ***822,137*** | ***781,147*** | ***722,945*** | ***651,661*** | ***613,301*** |
| **Cash used** |  |  |  |  |  |
| Employees | 399,058 | 373,000 | 362,431 | 353,576 | 352,591 |
| Suppliers | 300,664 | 294,173 | 256,994 | 200,278 | 165,969 |
| Grants | 6,930 | 7,200 | 7,308 | 5,500 | 5,550 |
| s74 External Revenue transferred to the OPA | 83,818 | 73,160 | 62,082 | 57,637 | 54,497 |
| Interest payments on lease liability | 3,700 | 3,663 | 3,343 | 2,947 | 2,947 |
| Other | 140 | 140 | 140 | 140 | 140 |
| ***Total cash used*** | ***794,310*** | ***751,336*** | ***692,298*** | ***620,078*** | ***581,694*** |
| **Net cash from/(used by)**  **operating activities** | **27,827** | **29,811** | **30,647** | **31,583** | **31,607** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant,  equipment and intangibles | 48,381 | 56,685 | 46,181 | 35,096 | 33,527 |
| ***Total cash used*** | ***48,381*** | ***56,685*** | ***46,181*** | ***35,096*** | ***33,527*** |
| **Net cash from/(used by)**  **investing activities** | **(48,381)** | **(56,685)** | **(46,181)** | **(35,096)** | **(33,527)** |

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
| Estimated | Budget | Forward | Forward | Forward |
| actual |  | estimate | estimate | estimate |
| $'000 | $'000 | $'000 | $'000 | $'000 |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations – contributed equity | 45,464 | 56,685 | 46,181 | 35,096 | 33,527 |
| ***Total cash received*** | ***45,464*** | ***56,685*** | ***46,181*** | ***35,096*** | ***33,527*** |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 30,354 | 29,976 | 30,609 | 31,569 | 31,569 |
| ***Total cash used*** | ***30,354*** | ***29,976*** | ***30,609*** | ***31,569*** | ***31,569*** |
| **Net cash from/(used by)**  **financing activities** | **15,110** | **26,709** | **15,572** | **3,527** | **1,958** |
| **Net increase/(decrease)**  **in cash held** | **(5,444)** | **(165)** | **38** | **14** | **38** |
| Cash and cash equivalents at the beginning of the reporting period | 33,372 | 27,928 | 27,763 | 27,801 | 27,815 |
| **Cash and cash equivalents at the end of the reporting period** | **27,928** | **27,763** | **27,801** | **27,815** | **27,853** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
|  | Estimated | Budget | Forward | Forward | Forward |
|  | actual |  | estimate | estimate | estimate |
|  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Departmental capital budget – Appropriation Bill No. 1 | 29,119 | 27,432 | 30,287 | 28,072 | 28,181 |
| Equity injections – Appropriation Bill No. 2 | 14,884 | 28,534 | 15,894 | 7,024 | 5,346 |
| **Total new capital appropriations** | **44,003** | **55,966** | **46,181** | **35,096** | **33,527** |
| ***Provided for:*** |  |  |  |  |  |
| *Purchase of non-financial assets* | *44,003* | *55,966* | *46,181* | *35,096* | *33,527* |
| ***Total Items*** | ***44,003*** | ***55,966*** | ***46,181*** | ***35,096*** | ***33,527*** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriations (a) | 13,995 | 29,253 | 15,894 | 7,024 | 5,346 |
| Funded by capital appropriations – departmental capital budget (b) | 31,469 | 27,432 | 30,287 | 28,072 | 28,181 |
| Funded internally from departmental resources (c) | 2,917 | – | – | – | – |
| **TOTAL** | **48,381** | **56,685** | **46,181** | **35,096** | **33,527** |
| **RECONCILIATION OF CASH**  **USED TO ACQUIRE ASSETS**  **TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 48,509 | 75,798 | 50,521 | 35,128 | 33,527 |
| less: ROU Additions | 128 | 19,113 | 4,340 | 32 | – |
| **Total cash used to acquire assets** | **48,381** | **56,685** | **46,181** | **35,096** | **33,527** |

Prepared on Australian Accounting Standards basis.

1. Includes both current Appropriation Bill (No. 2) and prior Act 2/4/6 appropriations.
2. Includes purchases from current and previous years' Departmental Capital Budgets (DCBs).
3. Funded from s74 External Revenue.

Table 3.6: Statement of asset movements (Budget year 2021­22)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Buildings | Other | Computer | Total |
|  |  | property, | software |  |
|  |  | plant & | and |  |
|  |  | equipment | Intangibles |  |
|  | $'000 | $'000 | $'000 | $'000 |
| **As at 1 July 2021** |  |  |  |  |
| Gross book value | 113,680 | 76,031 | 184,585 | 374,296 |
| Gross book value - ROU assets | 341,725 | 3,515 | – | 345,240 |
| Accumulated depreciation/  amortisation and impairment | (7,533) | (30,094) | (107,523) | (145,150) |
| Accumulated depreciation/  amortisation and impairment - ROU assets | (63,798) | (1,635) | – | (65,433) |
| **Opening net book balance** | **384,074** | **47,817** | **77,062** | **508,953** |
| **CAPITAL ASSET ADDITIONS** |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |
| By purchase - appropriation equity (a) | 5,651 | 3,157 | 47,877 | 56,685 |
| By purchase - other - ROU assets | 19,113 | – | – | 19,113 |
| **Total additions** | **24,764** | **3,157** | **47,877** | **75,798** |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation  expense | (6,706) | (10,351) | (15,724) | (32,781) |
| Depreciation/amortisation on ROU assets | (33,397) | (821) | – | (34,218) |
| **Total other movements** | **(40,103)** | **(11,172)** | **(15,724)** | **(66,999)** |
| **As at 30 June 2022** |  |  |  |  |
| Gross book value | 119,331 | 79,188 | 232,462 | 430,981 |
| Gross book value - ROU assets | 360,838 | 3,515 | – | 364,353 |
| Accumulated depreciation/  amortisation and impairment | (14,239) | (40,445) | (123,247) | (177,931) |
| Accumulated depreciation/  amortisation and impairment - ROU assets | (97,195) | (2,456) | – | (99,651) |
| **Closing net book balance** | **368,735** | **39,802** | **109,215** | **517,752** |

Prepared on Australian Accounting Standards basis.

'Appropriation equity' refers to equity injections provided through Appropriation Bill (No. 2) 2021­22 and to funding provided through Appropriation Bill (No. 1) 2021­22 for the Departmental Capital Budget.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
|  | Estimated | Budget | Forward | Forward | Forward |
|  | actual |  | estimate | estimate | estimate |
|  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 7,160 | 7,788 | 7,784 | 7,823 | 7,975 |
| Suppliers | 289,718 | 512,754 | 262,490 | 207,377 | 187,502 |
| Fees | 40 | 40 | 40 | 40 | 40 |
| Subsidies | 20,187 | 227,187 | 218,308 | 183,813 | 148,436 |
| Finance costs | 657,658 | 504,079 | 266,959 | 262,438 | 194,913 |
| Grants | 719,159 | 1,500,646 | 1,517,057 | 1,363,507 | 616,204 |
| Depreciation and amortisation | 2,740 | 1,858 | 2,072 | 1,959 | 1,784 |
| Write-down and impairment of assets | 3,647 | 15,544 | 21,274 | 17,586 | 11,263 |
| Payments to corporate Commonwealth entities | 1,564,496 | 1,686,914 | 1,500,076 | 1,472,968 | 1,407,613 |
| Other expenses | 578,272 | – | – | – | – |
| **Total expenses administered on behalf of Government** | **3,843,077** | **4,456,810** | **3,796,060** | **3,517,511** | **2,575,730** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| **Taxation revenue** |  |  |  |  |  |
| Indirect tax | 550 | 550 | 550 | 550 | 550 |
| ***Total taxation revenue*** | ***550*** | ***550*** | ***550*** | ***550*** | ***550*** |
| **Non-taxation revenue** |  |  |  |  |  |
| Fees from regulatory services | 46,074 | 47,091 | 49,670 | 49,154 | 49,963 |
| Fees | 21,114 | 15,280 | 10,100 | 9,907 | 7,179 |
| Interest | 25,512 | 67,398 | 123,009 | 174,487 | 200,316 |
| Dividends | 122,677 | 192,598 | 195,000 | 243,000 | 296,000 |
| Royalties | 553,009 | 514,753 | 499,141 | 479,075 | 391,014 |
| Other non­taxation revenue | 1,197 | 2,854 | 11,680 | 1,151 | 1,168 |
| ***Total non-taxation revenue*** | ***769,583*** | ***839,974*** | ***888,600*** | ***956,774*** | ***945,640*** |

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
|  | Estimated | Budget | Forward | Forward | Forward |
|  | actual |  | estimate | estimate | estimate |
|  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Total own-source revenue administered on behalf of Government** | **770,133** | **840,524** | **889,150** | **957,324** | **946,190** |
| **Gains** |  |  |  |  |  |
| Other Gains | 125,000 | – | – | – | 53 |
| **Total gains administered on** |  |  |  |  |  |
| **behalf of government** | **125,000** | **–** | **–** | **–** | **53** |
| **Total income** | **895,133** | **840,524** | **889,150** | **957,324** | **946,243** |
| **Net (cost of)/ contribution by services** | **(2,947,944)** | **(3,616,286)** | **(2,906,910)** | **(2,560,187)** | **(1,629,487)** |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| **Total other comprehensive** |  |  |  |  |  |
| **income** | **–** | **–** | **–** | **–** | **–** |
| **Total comprehensive**  **income/(loss)** | **(2,947,944)** | **(3,616,286)** | **(2,906,910)** | **(2,560,187)** | **(1,629,487)** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
| Estimated | Budget | Forward | Forward | Forward |
| actual |  | estimate | estimate | estimate |
| $'000 | $'000 | $'000 | $'000 | $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash in special accounts | 6,057,481 | 5,770,195 | 5,457,633 | 5,331,276 | 5,235,742 |
| Receivables | 543,114 | 1,058,275 | 1,785,197 | 2,400,813 | 2,657,917 |
| Other investments | 19,567,975 | 20,289,128 | 20,852,868 | 21,207,139 | 21,566,315 |
| Accrued revenue | 48,495 | 42,971 | 41,595 | 39,923 | 32,585 |
| ***Total financial assets*** | ***26,217,065*** | ***27,160,569*** | ***28,137,293*** | ***28,979,151*** | ***29,492,559*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 3,156 | 7,104 | 5,631 | 4,231 | 2,933 |
| Property, plant and equipment | 188 | 113 | 600 | 412 | 226 |
| Intangibles | 3,875 | 5,092 | 5,698 | 6,327 | 6,777 |
| Inventories | 102,754 | 102,754 | 102,754 | 102,754 | 102,754 |
| Prepayments | 351 | 351 | 351 | 351 | 351 |
| ***Total non-financial assets*** | ***110,324*** | ***115,414*** | ***115,034*** | ***114,075*** | ***113,041*** |
| **Total assets administered on behalf of Government** | **26,327,389** | **27,275,983** | **28,252,327** | **29,093,226** | **29,605,600** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 25,951 | 25,951 | 25,951 | 25,951 | 25,951 |
| Grants | 31,613 | 40,376 | 30,113 | 30,113 | 30,113 |
| Other payables | 578,310 | 472,841 | 363,454 | 239,116 | 114,946 |
| ***Total payables*** | ***635,874*** | ***539,168*** | ***419,518*** | ***295,180*** | ***171,010*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 1,363 | 4,131 | 3,113 | 2,061 | 961 |
| ***Total interest bearing liabilities*** | ***1,363*** | ***4,131*** | ***3,113*** | ***2,061*** | ***961*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 2,133 | 2,133 | 2,133 | 2,133 | 2,133 |
| Loan commitment provision | 635,723 | 726,260 | 402,144 | 190,558 | 104,758 |
| ***Total provisions*** | ***637,856*** | ***728,393*** | ***404,277*** | ***192,691*** | ***106,891*** |
| **Total liabilities administered on behalf of Government** | **1,275,093** | **1,271,692** | **826,908** | **489,932** | **278,862** |
| **Net assets/(liabilities)** | **25,052,296** | **26,004,291** | **27,425,419** | **28,603,294** | **29,326,738** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
| Estimated | Budget | Forward | Forward | Forward |
| actual |  | estimate | estimate | estimate |
| $'000 | $'000 | $'000 | $'000 | $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Interest | 1,728 | 6,970 | 8,402 | 44,263 | 87,784 |
| Dividends | 122,677 | 192,598 | 195,000 | 243,000 | 296,000 |
| Fees | 18,804 | 12,960 | 7,780 | 7,587 | 4,842 |
| Royalties | 542,158 | 520,277 | 500,517 | 480,747 | 398,352 |
| Net GST received | 100,907 | 175,203 | 150,406 | 116,367 | 58,922 |
| Other | 18,807 | 18,493 | 20,288 | 20,022 | 20,056 |
| Levy receipts | 34,191 | 34,572 | 33,669 | 33,153 | 33,962 |
| ***Total cash received*** | ***839,272*** | ***961,073*** | ***916,062*** | ***945,139*** | ***899,918*** |
| **Cash used** |  |  |  |  |  |
| Suppliers | 322,305 | 566,899 | 285,124 | 219,573 | 199,752 |
| Grants | 792,240 | 1,613,231 | 1,644,869 | 1,467,718 | 662,916 |
| Employees | 7,160 | 7,788 | 7,784 | 7,823 | 7,975 |
| Subsidies paid | 32,277 | 227,187 | 218,308 | 183,813 | 148,436 |
| Payments to corporate entities | 1,564,496 | 1,686,914 | 1,500,076 | 1,472,968 | 1,407,613 |
| Interest payments on lease liability | 19 | 37 | 30 | 25 | 20 |
| Other | 8,835 | 110,500 | 113,499 | 127,500 | 126,250 |
| ***Total cash used*** | ***2,727,332*** | ***4,212,556*** | ***3,769,690*** | ***3,479,420*** | ***2,552,962*** |
| **Net cash from/(used by) operating activities** | **(1,888,060)** | **(3,251,483)** | **(2,853,628)** | **(2,534,281)** | **(1,653,044)** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Repayments of loans and advances | – | 36,265 | 13,268 | 16,120 | 153,743 |
| Interest | 2,216 | 1,434 | 1,138 | 833 | 491 |
| Other (a) | 640,000 | 500,000 | 300,000 | 650,000 | 300,000 |
| ***Total cash received*** | ***642,216*** | ***537,699*** | ***314,406*** | ***666,953*** | ***454,234*** |
| **Cash used** |  |  |  |  |  |
| Advances and loans made | 233,683 | 916,450 | 1,234,928 | 990,768 | 588,629 |
| Investments | 793,444 | 400,000 | 250,000 | 150,000 | 100,000 |
| Purchase of property, plant, equipment and intangibles | 105,783 | 3,195 | 1,692 | 1,000 | 750 |
| Investments in Corporate Commonwealth Entities | 576,895 | 866,830 | 648,672 | 916,269 | 524,389 |
| ***Total cash used*** | ***1,709,805*** | ***2,186,475*** | ***2,135,292*** | ***2,058,037*** | ***1,213,768*** |
| **Net cash from/(used**  **by) investing activities** | **(1,067,589)** | **(1,648,776)** | **(1,820,886)** | **(1,391,084)** | **(759,534)** |

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
| Estimated | Budget | Forward | Forward | Forward |
| actual |  | estimate | estimate | estimate |
| $'000 | $'000 | $'000 | $'000 | $'000 |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 955 | 985 | 1,018 | 1,052 | 1,100 |
| ***Total cash used*** | **955** | **985** | **1,018** | **1,052** | **1,100** |
| **Net cash from/(used by) financing activities** | **(955)** | **(985)** | **(1,018)** | **(1,052)** | **(1,100)** |
| ***Net increase/ (decrease) in cash held*** | ***(2,956,604)*** | ***(4,901,244)*** | ***(4,675,532)*** | ***(3,926,417)*** | ***(2,413,678)*** |
| Cash and cash equivalents at beginning of reporting period | 5,966,292 | 6,057,481 | 5,770,195 | 5,457,633 | 5,331,276 |
| Cash from Official Public Account for: |  |  |  |  |  |
| Appropriations | 2,829,990 | 4,796,818 | 4,825,242 | 4,310,702 | 3,040,513 |
| Appropriation - Administered assets and liabilities | 902,327 | 582,795 | 265,000 | 265,000 | 230,000 |
| Equity appropriation - corporate entities | 36,895 | 41,830 | 33,672 | 51,269 | 24,389 |
| GST appropriations | 100,907 | 175,203 | 150,406 | 116,367 | 58,922 |
| ***Total cash from Office Public Account*** | **3,870,119** | **5,596,646** | **5,274,320** | **4,743,338** | **3,353,824** |
| Cash to Official Public Account for: |  |  |  |  |  |
| Appropriations | (721,419) | (807,485) | (760,944) | (826,911) | (976,758) |
| GST appropriations | (100,907) | (175,203) | (150,406) | (116,367) | (58,922) |
| ***Total cash to Official Public Account*** | **(822,326)** | **(982,688)** | **(911,350)** | **(943,278)** | **(1,035,680)** |
| **Cash and cash equivalents at end of reporting period** | **6,057,481** | **5,770,195** | **5,457,633** | **5,331,276** | **5,235,742** |

Prepared on Australian Accounting Standards basis.

1. Return of funds to the Clean Energy Finance Corporation Special Account.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 | 2021­22 | 2022­23 | 2023­24 | 2024­25 |
|  | Estimated | Budget | Forward | Forward | Forward |
|  | actual |  | estimate | estimate | estimate |
|  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Administered Assets and Liabilities – Act 2 and Bill 4 | 896,754 | 432,795 | 150,000 | 50,000 | – |
| **Total new capital appropriations** | **896,754** | **432,795** | **150,000** | **50,000** | **–** |
| ***Provided for:*** |  |  |  |  |  |
| *Purchase of non-financial assets* (a) | *104,666* | *795* | *–* | *–* | *–* |
| *Other Items* | *792,088* | *432,000* | *150,000* | *50,000* | *–* |
| ***Total Items*** | ***896,754*** | ***432,795*** | ***150,000*** | ***50,000*** | ***–*** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriations | 104,383 | 795 | – | – | – |
| Funded by special accounts | 1,400 | 2,400 | 1,692 | 1,000 | 750 |
| **TOTAL** | **105,783** | **3,195** | **1,692** | **1,000** | **750** |
| **RECONCILIATION OF CASH**  **USED TO ACQUIRE ASSETS**  **TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 105,783 | 6,948 | 1,692 | 1,000 | 750 |
| less ROU additions | – | 3,753 | – | – | – |
| **Total cash used to acquire assets** | **105,783** | **3,195** | **1,692** | **1,000** | **750** |

Prepared on Australian Accounting Standards basis.

1. Purchase of non-financial assets includes purchase of inventory.

Table 3.11: Statement of administered asset movements (2021­22 Budget year)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Land | Buildings | Other | Computer | Total |
|  |  |  | property, | software |  |
|  |  |  | plant & | and |  |
|  |  |  | equipment | Intangibles |  |
|  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **As at 1 July 2021** |  |  |  |  |  |
| Gross book value | 1,260 | 1,196 | 1,090 | 14,039 | 17,585 |
| Gross book value - ROU assets | – | 3,216 | – | – | 3,216 |
| Accumulated depreciation/amortisation and impairment | – | (636) | (902) | (10,164) | (11,702) |
| Accumulated depreciation/amortisation and impairment - ROU assets | – | (1,880) | – | – | (1,880) |
| **Opening net book balance** | **1,260** | **1,896** | **188** | **3,875** | **7,219** |
| **CAPITAL ASSET ADDITIONS** |  |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |  |
| By purchase – appropriation equity (a) | – | – | – | 795 | 795 |
| By purchase – other - special account | – | 1,400 | – | 1,000 | 2,400 |
| By purchase – other - ROU assets | – | 3,753 | – | – | 3,753 |
| **Total additions** | **–** | **5,153** | **–** | **1,795** | **6,948** |
| **Other movements** |  |  |  |  |  |
| Depreciation/amortisation expense | – | (265) | (75) | (578) | (918) |
| Depreciation/amortisation on ROU assets | – | (940) | – | – | (940) |
| **Total other movements** | **–** | **(1,205)** | **(75)** | **(578)** | **(1,858)** |
| **As at 30 June 2022** |  |  |  |  |  |
| Gross book value | 1,260 | 2,596 | 1,090 | 15,834 | 20,780 |
| Gross book value - ROU | – | 6,969 | – | – | 6,969 |
| Accumulated depreciation/amortisation and impairment | – | (901) | (977) | (10,742) | (12,620) |
| Accumulated depreciation/amortisation and impairment - ROU assets | – | (2,820) | – | – | (2,820) |
| **Closing net book balance** | **1,260** | **5,844** | **113** | **5,092** | **12,309** |

Prepared on Australian Accounting Standards basis.

1. 'Appropriation equity' refers to Administered Assets and Liabilities appropriations provided through Appropriation Bill (No.2) 2021-22.

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Australian Institute of Marine Science

Entity resources and planned performance

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# Australian Institute of Marine Science

## **Section 1****: Entity overview and resources**

### 1.1 Strategic direction statement

The Australian Institute of Marine Science (AIMS) is a Corporate Commonwealth entity established by the *Australian Institute of Marine Science Act 1972* (AIMS Act).

The mission of AIMS is to provide the research and knowledge of Australia’s tropical marine estate required to support growth in its sustainable use, effective environmental management and protection of its unique ecosystems.

In pursuing its mission, AIMS deploys its core research capabilities and infrastructure, and establishes strategic collaborative partnerships with government, industry, research and traditional owner stakeholders to deliver 3 key long-term impacts for the nation:

* Improved health and resilience of marine and coastal ecosystems across northern Australia.
* Economic, social and environmental net benefits for marine industries and coastal communities.
* Protection of coral reefs and other tropical marine environments from the effects of climate change.

In 2021-22, AIMS will focus on delivering 9 research outcomes:

* Baseline, status and trend data that are the trusted information base for stakeholder decisions.
* More information for stakeholders produced through autonomous and automated technologies and processes.
* Science that underpins conservation and management of threatened and endangered marine species.
* Models of environmental condition and function that are used to manage tropical marine ecosystems.
* Improved tropical marine ecosystem health via AIMS’ solutions that mitigate local, regional and cumulative pressures.
* Future coral reef condition forecasts based on knowledge of recovery, acclimatisation and adaptation.
* Restoration science and scalable technologies that help coral reefs resist, adapt to, and recover from climate change impacts.
* Advanced data analysis workflows and knowledge delivery systems that improve stakeholder use of AIMS information.
* Decision support tools that are used by stakeholders for management decisions and policies.

In addition, AIMS will:

* Act as the managing entity and undertake research, in conjunction with consortium partners, to progress the Reef Restoration and Adaptation Program (RRAP), which is focused on developing and deploying options for coral reef recovery, restoration and adaptation technologies for coral reefs threatened by climate change and will inform future approaches and investment in reef restoration and adaptation.
* Expand a growing body of publicly available data and information.
* Establish and maintain national and international research collaborations with government, industry, research and traditional owner partners to leverage investment, ensure uptake of research, and promote outcomes enhancing Australia’s role in supporting regional blue economies and the sustainable use, management and protection of marine ecosystems.
* Optimise the use of its world-class research infrastructure (vessels, aquaria, ocean monitoring equipment and laboratories) to support research conducted by AIMS and research collaborators.

These activities will help Australia achieve:

* A healthy, resilient Great Barrier Reef.
* Sustainable coastal ecosystems and industries across tropical Australia.
* Environmentally sustainable offshore oil and gas development.

### 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: AIMS resource statement – Budget estimates for 2021­22 as at Budget May 2021

|  |  |  |
| --- | --- | --- |
|  | *2020­21 Estimated actual*  *$'000* | 2021­22 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | *40,228* | 32,844 |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (a) (b) |  |  |
| Outcome 1 | *45,218* | 45,548 |
| Total annual appropriations | *45,218* | *45,548* |
| **Total funds from Government** | ***45,218*** | **45,548** |
| **Funds from other sources** |  |  |
| Interest | *595* | 611 |
| Sale of goods and services | *18,587* | 31,230 |
| Other | *232* | 176 |
| **Total funds from other sources** | ***19,414*** | **32,017** |
| **Total net resourcing for AIMS** | ***104,860*** | **110,409** |
|  |  |  |
|  | *2020­21* | 2021­22 |
| **Average staffing level (number)** | 240 | 300 |

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

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

1. Appropriation Bill (No. 1) 2021­22.
2. AIMS is not directly appropriated as it is a Corporate Commonwealth entity. Appropriations are made to the Department of Industry, Science, Energy and Resources and are then paid to AIMS and are considered departmental for all purposes.

### 1.3 Budget measures

There are no new Budget measures relating to AIMS detailed in Budget Paper No. 2; therefore Table 1.2 is not presented.

## **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 AIMS can be found at:

https://www.aims.gov.au/publications.html

The most recent annual performance statement can be found at:

https://www.aims.gov.au/docs/publications/annual-reports.html

### 2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Growth of knowledge to support protection and sustainable development of Australia’s marine resources through innovative marine science and technology |

#### Linked programs

| **Department of Industry, Science, Energy and Resources** |
| --- |
| **Program**   * Program 1.1 – Investing in science, technology and commercialisation |
| **Contribution to Outcome 1 made by linked programs**  The Department of Industry, Science, Energy and Resources contributes to Outcome 1 through its policies and programs supporting science and commercialisation. |
| **Department of Education, Skills and Employment** |
| **Program**   * Program 2.6 – Research Capacity |
| **Contribution to Outcome 1 made by linked programs**  The Department of Education, Skills and Employment contributes to Outcome 1 through its policies and programs to invest in Australia’s research capacity, including the National Collaborative Research Infrastructure Strategy. |
| **Department of the Agriculture, Water and the Environment** |
| **Program**   * Program 1.1 – Sustainable Management of Natural Resources and the  Environment |
| **Contribution to Outcome 1 made by linked programs**  The Department of Agriculture, Water and the Environment, Great Barrier Reef Marine Park Authority and AIMS are partners in the implementation of the Reef 2050 Plan to protect and conserve the Great Barrier Reef. |

##### **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**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Outcome 1:** Growth of knowledge to support protection and sustainable development of Australia's marine resources through innovative marine science and technology | | | | | |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **Program 1: Marine Research** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 45,218 | 45,548 | 46,046 | 46,512 | 46,984 |
| Expenses not requiring  appropriation in the budget year (a) | 9,801 | 8,474 | 9,542 | 8,950 | 6,366 |
| Revenues from other independent  sources | 25,002 | 32,996 | 34,971 | 40,837 | 42,255 |
| **Total expenses for Program 1** | **80,021** | **87,018** | **90,559** | **96,299** | **95,605** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 45,218 | 45,548 | 46,046 | 46,512 | 46,984 |
| Expenses not requiring  appropriation in the budget year (a) | 9,801 | 8,474 | 9,542 | 8,950 | 6,366 |
| Revenues from other independent  sources | 25,002 | 32,996 | 34,971 | 40,837 | 42,255 |
| **Total expenses for Outcome 1** | **80,021** | **87,018** | **90,559** | **96,299** | **95,605** |
|  |  |  |  |  |  |
|  | 2020­21 | 2021­22 |  |  |  |
| **Average staffing level (number)** | 240 | 300 |  |  |  |

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

1. Expenses not requiring appropriation in the Budget year are made up depreciation / amortisation expenses and other expenses funded from cash reserves.

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 2021­22 Budget measures have created new programs or materially changed existing programs.

|  |  |  |
| --- | --- | --- |
| Outcome 1 – Growth of knowledge to support protection and sustainable development of Australia’s marine resources through innovative marine science and technology | | |
| **Program 1** – **Marine Research**  This program contributes to the outcome by providing research services focused on supporting the sustainable development of Australia’s marine estate by industry, while ensuring the protection of high value marine and coastal ecosystems through effective environmental management. The program delivers knowledge to a broad range of stakeholders including relevant Australian Government and state/territory government ministers, departments and agencies, marine industries particularly within the oil and gas, port and tourism sectors, domestic and international science communities, traditional owners and the public. | | |
| **Delivery** | AIMS delivers Program 1 by providing:   * Baseline, status and trend data that are the trusted information base for stakeholder decisions. * More information for stakeholders produced through autonomous and automated technologies and processes. * Science that underpins conservation and management of threatened and endangered marine species. * Models of environmental condition and function that are used to manage tropical marine ecosystems. * Improved tropical marine ecosystem health via AIMS’ solutions that mitigate local, regional and cumulative pressures. * Future coral reef condition forecasts based on knowledge of recovery, acclimatisation and adaptation. * Restoration science and scalable technologies that help coral reefs resist, adapt to, and recover from climate change impacts. * Advanced data analysis workflows and knowledge delivery systems that improve stakeholder use of AIMS information. * Decision support tools that are used by stakeholders for management decisions and policies. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Actual Achievement/Targets** |
| 2020­21 | AIMS research creates a positive triple bottom line contribution (impact value) to Australia. | On track |
| Deliver strategic and applied research and monitoring that addresses national research priorities and stakeholder needs. | On track |
| Maintain or increase current standings for scientific excellence, innovation and impact. | On track |
| Deliver research advice and scientific products that are critical for stakeholders to assess the impacts of natural and human pressures on sensitive marine ecosystems. | On track |
| Increase research capability, capacity, impact and science diplomacy through participation in key advisory panels and committees, formal national and international collaborations, joint ventures, partnerships and strategic alliances. | On track |
| Improve research outcomes and impact through increased traditional owner partnerships in the planning and delivery of coastal research and development. | On track |
| Reduce AIMS’ environmental footprint. | On track |
| Optimise use of research infrastructure assets. | At risk. Operational constraints due to COVID-19 reduced utilisation of the research vessels. This impact was partially offset by mitigating measures, including isolation and COVID testing for vessel and scientific crew prior to selected field trips. |
| 2021­22 | AIMS research creates a positive triple bottom line contribution (impact value) to Australia. | Minimum 2 case studies. |
| Deliver strategic and applied research and monitoring that addresses national research priorities and stakeholder needs. | Maintain or increase the amount of research commissioned by stakeholders. |
| Maintain or increase current standings for scientific excellence, innovation and impact. | Maintain acknowledged domestic and global high standing in relevant fields of research, and confidence of key stakeholders in research outputs. |
| Deliver research advice and scientific products that are critical for stakeholders to assess the impacts of natural and human pressures on sensitive marine ecosystems. | Maintain or increase the number of peer-reviewed publications and other knowledge products and make datasets or data products publicly available. |
| Increase research capability, capacity, impact and science diplomacy through participation in key advisory panels and committees, formal national and international collaborations, joint ventures, partnerships and strategic alliances. | Maintain or increase number and scale of domestic and international research partnerships, collaborations, joint ventures and strategic alliances. Maintain or increase participation by AIMS on advisory panels and committees. |
| Improve research outcomes and impact through increased traditional owner partnerships in the planning and delivery of coastal research and development. | Increase the percentage of projects with indigenous engagement in the planning and delivery phases. |
| Reduce AIMS’ environmental footprint. | 20% reduction in AIMS’ carbon emissions compared with  2017-18.  15% reduction in AIMS’ waste to landfill compared with 2018-19. |
| Optimise use of research infrastructure assets. | Maintain or increase use of research infrastructure. |

|  |  |  |
| --- | --- | --- |
| 2022­23 and beyond | As per 2021­22 | As per 2021­22 |
| **Purposes** | To provide the research and knowledge of Australia’s tropical marine estate required to support growth in its use, effective environmental management and protection of its unique ecosystems. | |
| **Material changes to Program 1 resulting from the following measures:** Nil | | |

## **Section 3****: Budgeted financial statements**

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021­22 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

There are no material differences between the entity resources table and the financial statements.

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

AIMS’ budget statements have been prepared on an accrual accounting basis, having regard to the Statement of Accounting concepts, and in accordance with:

* Finance Reporting Rules (FRR)
* Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB).

**Budgeted Departmental Income Statement**

The income statement shows the estimated net cost of services for AIMS.

AIMS is projecting a loss of $8.4 million in 2021-22. The losses include unfunded depreciation expenses relating to assets for which capital was previously provided by the Government plus additional operational costs relating to strategic projects and increased suppliers and wages costs.

Sales of goods and rendering of services represent co-investments and fees for services contracts with external organisations and companies. The figures provided for sales of goods and services are estimates based on thorough market analysis; however, these may vary with changes to economic conditions including impacts of COVID-19.

**Budgeted Departmental Balance Sheet**

This statement shows the estimated financial position for AIMS at the end of each financial year.

Equity is expected to decrease across the remainder of the forward estimates, reflecting the change in the accumulated deficits in relation to the approved operating losses.

**Budgeted Departmental Statement of Cash Flows**

The budgeted statement of cash flows provides information on the extent and nature of cash flows by categorising them into expected cash flows from operating activities, investing activities and financing activities.

AIMS’ level of cash flow over the years is declining in line with the losses in the income statement.

**Budgeted Departmental Capital Expenditure Statement**

The budgeted internal funded capital expenditure relates to expenditure occurring in construction of new buildings, infrastructure, and purchase of plant and equipment, including information technology related assets.

### 3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 35,765 | 38,220 | 38,760 | 39,210 | 37,951 |
| Suppliers | 31,330 | 35,484 | 38,267 | 43,367 | 43,201 |
| Depreciation and amortisation | 12,817 | 13,208 | 13,450 | 13,593 | 14,326 |
| Finance costs | 19 | 18 | 17 | 16 | 15 |
| Losses from asset sales | 90 | 88 | 65 | 113 | 112 |
| **Total expenses** | **80,021** | **87,018** | **90,559** | **96,299** | **95,605** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of services | 23,802 | 31,946 | 33,921 | 39,787 | 41,205 |
| Interest | 650 | 650 | 650 | 650 | 650 |
| Other | 550 | 400 | 400 | 400 | 400 |
| **Total own-source revenue** | **25,002** | **32,996** | **34,971** | **40,837** | **42,255** |
| **Gains** |  |  |  |  |  |
| Sale of assets | 90 | 88 | **65** | **113** | **112** |
| **Total gains** | **90** | **88** | **65** | **113** | **112** |
| **Total own-source income** | **25,092** | **33,084** | **35,036** | **40,950** | **42,367** |
| **Net (cost of)/contribution by**  **services** | **(54,929)** | **(53,934)** | **(55,523)** | **(55,349)** | **(53,238)** |
| Revenue from Government | 45,218 | 45,548 | 46,046 | 46,512 | 46,984 |
| **Surplus/(deficit) attributable to the**  **Australian Government** | **(9,711)** | **(8,386)** | **(9,477)** | **(8,837)** | **(6,254)** |
| **Total comprehensive income/(loss)** | **(9,711)** | **(8,386)** | **(9,477)** | **(8,837)** | **(6,254)** |
| **Total comprehensive income/(loss)**  **attributable to the Australian**  **Government** | **(9,711)** | **(8,386)** | **(9,477)** | **(8,837)** | **(6,254)** |
|  |  |  |  |  |  |
| **Note: Impact of net cash appropriation arrangements** | | |  |  |  |
| **Total comprehensive income/(loss)**  **less depreciation/amortisation**  **expenses previously funded**  **through revenue appropriations** | **(9,623)** | **(8,298)** | **(9,387)** | **(8,745)** | **(6,163)** |
| plus: depreciation/amortisation  expenses for ROU (a) | 51 | **51** | 51 | 51 | 51 |
| less: principal repayments on leased  assets (a) | (37) | (37) | (39) | (41) | (40) |
| **Total comprehensive income/(loss)**  **- as per the Statement of**  **comprehensive income** | **(9,711)** | **(8,386)** | **(9,477)** | **(8,837)** | **(6,254)** |

Prepared on Australian Accounting Standards basis.

1. Applies leases under AASB 16 Leases.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 250 | 250 | 250 | 250 | 50 |
| Trade and other receivables | 4,591 | 6,143 | 6,562 | 7,677 | 7,857 |
| Other investments | 32,594 | 30,125 | 23,153 | 18,937 | 23 |
| Other financial assets | 3,100 | 4,161 | 4,418 | 5,182 | 5,289 |
| ***Total financial assets*** | ***40,535*** | ***40,679*** | ***34,383*** | ***32,046*** | ***13,219*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 92,600 | 89,524 | 91,071 | 90,805 | 95,299 |
| Property, plant and equipment | 46,938 | 45,135 | 42,579 | 39,440 | 43,201 |
| Intangibles | 3,882 | 3,462 | 3,106 | 2,894 | 2,561 |
| Inventories | 244 | 277 | 299 | 340 | 367 |
| Other non-financial assets | 3,635 | 3,694 | 3,694 | 3,792 | 3,817 |
| ***Total non-financial assets*** | ***147,299*** | ***142,092*** | ***140,749*** | ***137,271*** | ***145,245*** |
| **Total assets** | **187,834** | **182,771** | **175,132** | **169,317** | **158,464** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 5,444 | 6,188 | 6,681 | 7,587 | 5,470 |
| Other payables | 4,519 | 6,065 | 6,440 | 7,554 | 7,710 |
| ***Total payables*** | ***9,963*** | ***12,253*** | ***13,121*** | ***15,141*** | ***13,180*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases (a) | 819 | 782 | 743 | 702 | 662 |
| ***Total interest bearing liabilities*** | ***819*** | ***782*** | ***743*** | ***702*** | ***662*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 14,383 | 15,419 | 16,421 | 17,457 | 14,849 |
| Other provisions | 481 | 515 | 522 | 529 | 539 |
| ***Total provisions*** | ***14,864*** | ***15,934*** | ***16,943*** | ***17,986*** | ***15,388*** |
| **Total liabilities** | **25,646** | ***28,969*** | **30,807** | **33,829** | **29,230** |
| **Net assets** | **162,188** | **153,802** | **144,325** | **135,488** | **129,234** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 88,357 | 88,357 | 88,357 | 88,357 | 88,357 |
| Reserves | 97,227 | 97,227 | 97,227 | 97,227 | 97,227 |
| Retained surplus (accumulated  deficit) | (23,396) | **(31,782)** | (41,259) | (50,096) | (56,350) |
| ***Total parent entity interest*** | ***162,188*** | ***153,802*** | ***144,325*** | ***135,488*** | ***129,234*** |
| **Total equity** | **162,188** | **153,802** | **144,325** | **135,488** | **129,234** |

Prepared on Australian Accounting Standards basis.

1. Applies leases under AASB 16 Leases.

\*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 2021­22)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained  earnings  $'000 | Asset  revaluation  reserve  $'000 | Contributed  equity/  capital  $'000 | Total  equity  $'000 |
| **Opening balance as at 1 July 2021** |  |  |  |  |
| Balance carried forward from  previous period | (23,396) | 97,227 | 88,357 | 162,188 |
| ***Adjusted opening balance*** | ***(23,396)*** | ***97,227*** | ***88,357*** | ***162,188*** |
| **Comprehensive income** |  |  |  |  |
| Surplus/(deficit) for the period | (8,386) |  |  | (8,386) |
| ***Total comprehensive income*** | ***(8,386)*** | ***-*** | ***-*** | ***(8,386)*** |
| of which: |  |  |  |  |
| Attributable to the Australian  Government | (8,386) | - | - | (8,386) |
| **Estimated closing balance as at**  **30 June 2022** | **(31,782)** | **97,227** | **88,357** | **153,802** |
| **Closing balance attributable to**  **the Australian Government** | **(31,782)** | **97,227** | **88,357** | **153,802** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 45,218 | 45,548 | 46,046 | 46,512 | 46,984 |
| Sale of goods and rendering of  services | 18,941 | 31,979 | 33,929 | 39,812 | 41,207 |
| Interest | 595 | 611 | 598 | 624 | 624 |
| Net GST received | 142 | - | - | - | - |
| Other | 550 | 400 | 400 | 400 | 400 |
| ***Total cash received*** | ***65,446*** | ***78,538*** | ***80,973*** | ***87,348*** | ***89,215*** |
| **Cash used** |  |  |  |  |  |
| Employees | 34,026 | 37,150 | 37,751 | 38,167 | 40,549 |
| Suppliers | 28,379 | 34,832 | 37,796 | 42,600 | 45,370 |
| Interest payments on lease liability | 19 | 18 | 17 | 16 | 15 |
| ***Total cash used*** | ***62,424*** | ***72,000*** | ***75,564*** | ***80,783*** | ***85,934*** |
| **Net cash from/(used by)**  **operating activities** | **3,022** | **6,538** | **5,409** | **6,565** | **3,281** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Transfer from Investments | - | 1,422 | 6,702 | 3,483 | 18,839 |
| ***Total cash received*** | ***-*** | ***1,422*** | ***6,702*** | ***3,483*** | ***18,839*** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and  equipment and intangibles | 9,697 | 7,997 | 12,150 | 10,089 | 22,360 |
| Transfer to investments | 7,240 | - | - | - | - |
| ***Total cash used*** | ***16,937*** | ***7,997*** | ***12,150*** | ***10,089*** | ***22,360*** |
| **Net cash from/(used by)**  **investing activities** | **(16,937)** | **(6,575)** | **(5,448)** | **(6,606)** | **(3,521)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 37 | 37 | 39 | 41 | 40 |
| ***Total cash received*** | ***37*** | ***37*** | ***39*** | ***41*** | ***40*** |
| **Net cash from/(used by)**  **financing activities** | **37** | **37** | **39** | **41** | **40** |
| **Net increase/(decrease) in cash**  **held** | **(13,878)** | **-** | **-** | **-** | **(200)** |
| Cash and cash equivalents at the  beginning of the reporting period | 14,128 | 250 | 250 | 250 | 250 |
| **Cash and cash equivalents at**  **the end of the reporting period** | 250 | 250 | 250 | 250 | 50 |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **PURCHASE OF NON-FINANCIAL**  **ASSETS** |  |  |  |  |  |
| Funded internally from departmental  resources (a) | 9,697 | 7,997 | 12,150 | 10,089 | 22,360 |
| **TOTAL** | **9,697** | **7,997** | **12,150** | **10,089** | **22,360** |
| **RECONCILIATION OF CASH USED**  **TO ACQUIRE ASSETS TO ASSET**  **MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 9,697 | 7,997 | 12,150 | 10,089 | 22,360 |
| **Total cash used to acquire assets** | **9,697** | **7,997** | **12,150** | **10,089** | **22,360** |

Prepared on Australian Accounting Standards basis.

1. Includes the following sources of funding:

* Current Bill 1 and prior Act 1/3/5 appropriations.
* Internally developed assets.
* Proceeds from the sale of assets.

Table 3.6: Statement of asset movements (Budget year 2021­22)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Buildings  $'000 | Other  property,  plant and  equipment  $'000 | Computer  software and  intangibles  $'000 | Total  $'000 |
| **As at 1 July 2021** |  |  |  |  |
| Gross book value | 106,654 | 69,828 | 7,736 | 184,218 |
| Gross book value - ROU assets | 890 | - | - | 890 |
| Accumulated depreciation/  amortisation and impairment | (14,842) | (22,890) | (3,854) | (41,586) |
| Accumulated depreciation/amortisation and  impairment - ROU assets | (102) | - | - | (102) |
| **Opening net book balance** | **92,600** | **46,938** | **3,882** | **143,420** |
| **Capital asset additions** |  |  |  |  |
| **Estimated expenditure on new**  **or replacement assets** |  |  |  |  |
| By purchase - other | 1,843 | 5,918 | 236 | 7,997 |
| **Total additions** | **1,843** | **5,918** | **236** | **7,997** |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation expense | (4,868) | (7,633) | (656) | (13,157) |
| Depreciation/amortisation on  ROU assets | (51) | - | - | (51) |
| Disposals | - | 88 | - | 88 |
| **Total other movements** | **(4,919)** | **(7,545)** | **(656)** | **(13,120)** |
| **As at 30 June 2022** |  |  |  |  |
| Gross book value | 108,497 | 74,886 | 7,972 | 191,355 |
| Gross book value - ROU assets | 890 | - | - | 890 |
| Accumulated depreciation/  amortisation and impairment | (19,710) | (29,751) | (4,510) | (53,971) |
| Accumulated depreciation/amortisation and  impairment - ROU assets | (153) | - | - | (153) |
| **Closing net book balance** | **89,524** | **45,135** | **3,462** | **138,121** |

Prepared on Australian Accounting Standards basis.

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

AIMS has no budgeted income and expenses administered on behalf of Government; therefore Table 3.7 is not presented.

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

AIMS has no budgeted assets and liabilities administered on behalf of Government; therefore Table 3.8 is not presented.

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

AIMS has no budgeted administered cash flows; therefore Table 3.9 is not presented.

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

AIMS has no administered capital budget; therefore Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2021­22)

AIMS has no administered asset movements; therefore Table 3.11 is not presented.

Department o

Australian Nuclear Science and Technology Organisation

Entity resources and planned performance

Australian Nuclear Science and Technology Organisation

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# Australian Nuclear Science and Technology Organisation

## **Section 1****: Entity overview and resources**

### Strategic direction statement

The Australian Nuclear Science and Technology Organisation (ANSTO) is a Corporate Commonwealth entity within the Industry, Science, Energy and Resources Portfolio. The organisation’s primary functions are set out in the *Australian Nuclear Science and Technology Organisation Act 1987*.

ANSTO is Australia’s national nuclear research and development organisation, and the centre of Australian nuclear expertise. ANSTO operates a large proportion of Australia’s landmark research infrastructure, including the OPAL multipurpose reactor, the Australian Synchrotron, the Australian Centre for Neutron Scattering (ACNS), and the Centre for Accelerator Science (CAS). Thousands of researchers from across Australia and around the world partner with ANSTO to tackle complex problems that improve human health, save lives, build Australian industries and protect the environment.

In 2021-22, ANSTO will continue to prioritise activities and research to support Australia’s response to the unprecedented challenges the nation is facing. This includes: ANSTO scientists and its collaborators utilising the Australian Synchrotron to better understand the structure of the COVID-19 virus to assist in the development of vaccines and treatments; understanding climate change (including contributions to Australia’s critical Antarctic research program) and its impact on Australia and its neighbours; research into Australian bushfires to assist with planning, mitigation and response to extreme bushfire events; and prioritising water research and partnering with communities to provide a scientific base for managing and sustaining Australia’s precious groundwater resources.

The Australian Synchrotron continues its partner-funded $95 million BR-GHT beamline expansion program, with up to nine new beamlines to be constructed. This will nearly double the Synchrotron’s capacity and allow for broader engagement for researchers and industry in a range of applications from high-tech manufacturing, including aerospace and transport to health, including drug development and medical implants. This investment supports the $520 million of operational funding provided by the Australian Government.

ANSTO manufactures 80% of Australia’s nuclear medicines. Nuclear medicines play an important role in the diagnosis and treatment of disease for approximately 600,000 of Australia’s most unwell patients, both adults and children, each year. ANSTO is also growing its commercial services and engagement with industry. ANSTO’s silicon irradiation business continues to capture market share and is a world leader in silicon irradiation services for use by electronics manufacturers in high-end switching devices for high-speed trains, wind turbines and the automotive industry. *nandin*, ANSTO’s innovation centre, which was founded in 2018, continues to connect ANSTO with industry, entrepreneurs and students to challenge, co-create and innovate. *nandin* has grown to house 22 businesses, many innovating in fields such as cyber security, artificial intelligence and space. ANSTO is looking forward to opening a new and significantly expanded *nandin* innovation centre in 2021.

Through this Budget, the Government has provided additional funding of $56.9 million for the maintenance and upkeep of ANSTO’s extensive asset base.

The Budget also provides a further $59.8 million to support the interim storage of intermediate level solid radioactive waste. This waste is generated as a by-product of ANSTO providing Australia’s vital sovereign nuclear medicine manufacturing and production capability, as well as research and commercial activities at ANSTO.

More information on ANSTO, its strategic objectives and major activities can be found in ANSTO’s Corporate Plan and website www.ansto.gov.au.

### 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: ANSTO resource statement – Budget estimates for 2021­22 as at Budget May 2021

|  |  |  |
| --- | --- | --- |
|  | *2020­21 Estimated actual*  *$'000* | 2021­22 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | ***11,688*** | **4,526** |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (a)(c) |  |  |
| Outcome 1 | *278,819* | 277,453 |
| Annual appropriations - other services (b)(c) |  |  |
| Equity injection | *20,465* | 37,830 |
| Total annual appropriations | *299,284* | *315,283* |
| **Total funds from Government** | ***299,284*** | **315,283** |
| **Funds from other sources** |  |  |
| Interest | *1,260* | 1,819 |
| Sale of goods and services | *79,914* | 94,541 |
| Other | *32,399* | 27,912 |
| **Total funds from other sources** | ***113,573*** | **124,272** |
| **Total net resourcing for ANSTO** | ***412,857*** | **439,555** |
|  |  |  |
|  | *2020­21* | 2021­22 |
| **Average staffing level (number)** | *1,358* | 1,360 |

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

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

1. Appropriation Bill (No. 1) 2021­22.
2. Appropriation Bill (No. 2) 2021­22.
3. ANSTO is not directly appropriated as it is a Corporate Commonwealth entity. Appropriations are made to the Department of Industry, Science, Energy and Resources and then paid to ANSTO and are considered departmental for all purposes.

### 1.3 Budget measures

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

Table 1.2: ANSTO 2021­22 budget measures  
Measures announced after the 2020­21 Mid-Year Economic and Fiscal Outlook (MYEFO)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Program | 2021­22  $'000 | 2022­23  $'000 | 2023­24  $'000 | 2024­25  $'000 |
| **Payment measures** |  |  |  |  |  |
| Australian Nuclear Science and Technology  Organisation - ongoing sustainability | 1 |  |  |  |  |
| Departmental payment |  | 19,393 | 29,672 | 47,269 | 20,389 |
| **Total** |  | **19,393** | **29,672** | **47,269** | **20,389** |
| **Total payment measures** |  |  |  |  |  |
| Departmental |  | 19,393 | 29,672 | 47,269 | 20,389 |
| **Total** |  | **19,393** | **29,672** | **47,269** | **20,389** |

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 ANSTO can be found at:

https://www.ansto.gov.au/corporate-plan

The most recent annual performance statement can be found at:

https://www.ansto.gov.au/annual-report

### 2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Improved knowledge, innovative capacity and healthcare through nuclear-based facilities, research, training, products, services and advice to Government, industry, the education sector and the Australian population |

#### Linked programs

| **Department of Industry, Science, Energy and Resources** |
| --- |
| **Programs**   * Program 1.1 – Investing in science, technology and commercialisation |
| **Contribution to Outcome 1 made by linked programs**  The Department of Industry, Science, Energy and Resources contributes to Outcome 1 through its policies and programs supporting science and commercialisation and through the operation of the Office of the Chief Scientist and the Office of Innovation and Science Australia. |
| **Department of Education, Skills and Employment** |
| **Programs**   * Program 2.6 – Research Capacity |
| **Contribution to Outcome 1 made by linked programs**  The Department of Education, Skills and Employment contributes to Outcome 1 through its policies and programs to invest in Australia’s research capacity, including the National Collaborative Research Infrastructure Strategy. |

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

This table shows how much ANSTO 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**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Outcome 1:** Improved knowledge, innovative capacity and healthcare through nuclear-based facilities, research, training, products, services and advice to Government, industry, the education sector and the Australian population | | | | | |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **Program 1: Science and Technology Solutions** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 278,819 | 277,453 | 268,440 | 273,570 | 268,885 |
| Expenses not requiring  appropriation in the budget year (a) | (17,582) | (30,340) | 12,805 | 38,715 | 26,374 |
| Revenues from other independent  sources | 127,529 | 151,303 | 123,101 | 96,036 | 120,179 |
| **Total expenses for Program 1** | **388,766** | **398,416** | **404,346** | **408,321** | **415,438** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 278,819 | 277,453 | 268,440 | 273,570 | 268,885 |
| Expenses not requiring  appropriation in the budget year (a) | (17,582) | (30,340) | 12,805 | 38,715 | 26,374 |
| Revenues from other independent  sources | 127,529 | 151,303 | 123,101 | 96,036 | 120,179 |
| **Total expenses for Outcome 1** | **388,766** | **398,416** | **404,346** | **408,321** | **415,438** |
|  |  |  |  |  |  |
|  | 2020­21 | 2021­22 |  |  |  |
| **Average staffing level (number)** | 1,358 | 1,360 |  |  |  |

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

1. Expenses not requiring appropriation in the budget year reflects approved operating losses due to the accounting treatment of non-cash items including ANSTO's ongoing decommissioning program, and depreciation costs for new facilities and asset revaluations.

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 2021­22 Budget measures have created new programs or materially changed existing programs.

|  |  |  |
| --- | --- | --- |
| **Outcome 1** – **Improved knowledge, innovative capacity and healthcare through nuclear-based facilities, research, training, products, services and advice to Government, industry, the education sector and the Australian population** | | |
| **Program 1** – **Science and Technology Solutions**  Contributes to the outcome through the operation and strategic management of landmark and national research infrastructure. ANSTO provides nuclear products and services, and applies its unique expertise for nuclear research, specialised advice, and education and training. | | |
| **Delivery** | ANSTO delivers Program 1 by:   * Engaging in innovative research, through strategic partnerships and collaborations, that have scientific and commercial impact and align with Australia’s Science and Research Priorities. * Managing landmark and national research infrastructure for the benefit of industry, and the Australian and international research communities. * Providing products and services, including radiopharmaceuticals, to the health sector and industry that benefit the broader community. * Providing expert trusted science and technology based advice and services to government, the education and academic communities, and the Australian public. | |
| **Performance information** (a) | | |
| **Year** | **Performance criteria** | **Actual Achievement/Targets** |
| 2020­21 | Full utilisation of landmark infrastructure.  Continue to achieve a high standard of operational efficiency and effectiveness for ANSTO’s landmark and national research infrastructure. | OPAL Research Reactor: days at power.  Target: 280 days (b)  Actual: 254 days (b)  Australian Synchrotron: percentage of availability.  Target: 95%  Actual: 84% (c)  Neutron beam instruments: percentage of availability.  Target: 85%  Actual: 58% (c)  Accelerators: percentage of availability.  Target: 65%  Actual: 60% (c) |
| Human health products.  Supply vital medicines and diagnostics that enhance human health. | Radiopharmaceutical doses: potential doses.  Target: 2,765,179  Actual: 1,625,273 (d) |
| Safe work environment.  ANSTO will strengthen its commitment to providing a safe work environment for its staff. | Target: Demonstrated increase in the ratio of reported. Opportunities for Improvement (OFI) to Incidents in ANSTO’s Governance Risk and Compliance (GRC) Reporting System.  Forecast actual: target met |
| Impactful research outcomes.  Delivery of research outcomes that have scientific and industry impact, with a focus on health, the environment and the nuclear fuel cycle. | Target: Eight case studies per annum.  Forecast actual: target met – to be published in 2020-21 Annual Report.  Target: 90% of publications undertaken with national and international collaborators.  Forecast actual: 97% |
| 2021­22 | Full utilisation of landmark infrastructure. | OPAL Research Reactor: days at power  Target: 290 days  Australian Synchrotron: percentage of availability.  Target: 95%  Neutron beam instruments: percentage of availability.  Target: 85%  Accelerators: percentage of availability.  Target: 65% |
| Human health products. | Radiopharmaceutical doses: potential doses.  Target: 2,384,734 |
| Safe work environment. | As per 2020-21 |
| Impactful research outcomes. |
| 2022­23 | Full utilisation of landmark infrastructure. | OPAL Research Reactor: days at power.  Target: 300  Australian Synchrotron: percentage of availability.  Target: 95%  Neutron beam instruments: percentage of availability.  Target: 85%  Accelerators: percentage of availability.  Target: 65% |
| Human health products. | Radiopharmaceutical doses: potential doses.  Target: 2,510,602 |
| Safe work environment. | As per 2020-21 |
| Impactful research outcomes. |
| 2023­24 | Full utilisation of landmark infrastructure. | OPAL Research Reactor: days at power.  Target: 220 (e)  Australian Synchrotron: percentage of availability.  Target: 95%  Neutron beam instruments: percentage of availability.  Target: 85%  Accelerators: percentage of availability.  Target: 65% |
| Human health products. | Radiopharmaceutical doses: potential doses.  Target: 2,510,602 |
| Safe work environment. | As per 2020-21 |
| Impactful research outcomes. |
| 2024­25 | Full utilisation of landmark infrastructure. | OPAL Research Reactor: days at power.  Target: 300  Australian Synchrotron: percentage of availability.  Target: 95%  Neutron beam instruments: percentage of availability.  Target: 85%  Accelerators: percentage of availability.  Target: 65% |
| Human health products. | Radiopharmaceutical doses: potential doses.  Target: 2,510,602 |
| Safe work environment. | As per 2020-21 |
| Impactful research outcomes. |

|  |  |
| --- | --- |
| **Purposes** | ANSTO’s purpose is set by the following core functions, as provided in the Australian Nuclear Science and Technology Organisation Act 1987.  Knowledge Creation, Application and Impact:   * Conduct research and development in relation to nuclear science and technology. * Encourage and facilitate the application and use of the results from research and development and expertise for research in nuclear science and technology. * Publish scientific and technical reports, periodicals and papers, and provide public information and advice. * Facilitate education and training in nuclear science and technology, including through granting scientific research studentships and fellowships, in cooperation with universities, professional bodies and other education and research institutions. * Provide advice to government and undertake international liaison in nuclear-related matters.   Knowledge Translation and Value Add:   * Produce and use radioisotopes, isotopic techniques and nuclear radiation for medicine, science, industry, commerce and agriculture. * Manage radioactive materials and waste arising from various prescribed activities. * Provide goods and services related to core activities. * Make available (on a commercial basis where appropriate) facilities, equipment and expertise for research in nuclear science and technology. |
| **Material changes to Program 1 resulting from the following measures:** Nil | |

1. Further details and a full list of ANSTO’s performance criteria can be found in ANSTO’s Corporate Plan.
2. OPAL did not meet its ‘days at power’ target due to unexpected maintenance shutdown periods in this financial year. The target has previously been reduced from 300 to 280 to take into account planned extended maintenance shutdowns, which could not take place due to the need to ensure the continuity of nuclear medicine supply during the COVID-19 pandemic.
3. Targets for ANSTO’s research platforms were not achieved due largely to the impact of COVID-19 (including restrictions to user access and travel and delays in receiving research samples) and unplanned maintenance on some platforms. The neutron beam instruments’ availability was also impacted by the unexpected maintenance shutdowns of OPAL.
4. Target not achieved due to production restrictions reducing export capability, intermittent production disruptions and impacts on export demand, production, and export capability as a result of COVID-19.
5. A major shutdown of the OPAL Reactor to replace the cold neutron source is due to take place in   
   2023-24.

## **Section 3****: Budgeted financial statements**

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021­22 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

There are no material differences between the entity resourcing table and the financial statements.

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

ANSTO’s budgeted financial statements are presented on a consolidated basis in accordance with AASB 10 (Consolidated Financial Statements). The consolidated financial statements incorporate the assets and liabilities and the results of all entities controlled by ANSTO as defined in AASB 10.

In accordance with whole-of-government reporting for public non-financial corporation (PNFC) entities, these financial statements do not include financials for ANSTO Nuclear Medicine Pty Ltd (ANM).

**Budgeted Departmental Income Statement**

The statement shows the estimated net cost of services for the organisation. Total expenses in 2021-22 are estimated at $398.4 million compared to the estimate for   
2020-21 of $388.8 million. Total revenue in 2021-22 is estimated to be $428.8 million (including appropriation) compared to the estimate of $406.3 million for 2020-21, an increase of $22.5 million.

**Budgeted Departmental Balance Sheet**

This statement shows the estimated end of year financial position of ANSTO.

Financial assets decreased from $270.5 million in 2020-21 to $265.1 million in 2021-22. The ANSTO Nuclear Medicine project is reflected in other investments.

**Budgeted Departmental Statement of Cash Flows**

Budgeted cash flows, as reflected in the statement of cash flows, provides information on the extent and nature of cash flows by categorising them into expected cash flows from operating, investing and financing activities.

The movements in cash flow are consistent with movements in the Income Statement and the Balance Sheet.

### 3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 160,647 | 164,210 | 169,324 | 168,998 | 169,315 |
| Suppliers | 135,814 | 136,051 | 132,013 | 132,016 | 132,007 |
| Grants | 1,604 | 3,158 | 3,267 | 3,267 | 3,267 |
| Depreciation and amortisation | 81,469 | 86,472 | 91,131 | 95,326 | 102,135 |
| Finance costs | 9,232 | 8,525 | 8,611 | 8,714 | 8,714 |
| **Total expenses** | **388,766** | **398,416** | **404,346** | **408,321** | **415,438** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of  services | 82,496 | 87,346 | 88,459 | 68,459 | 92,602 |
| Interest | 1,260 | 1,819 | 2,335 | 2,335 | 2,335 |
| Rental income | 6,663 | 7,195 | 7,195 | 7,195 | 7,195 |
| Royalties | 1,724 | 3,847 | 4,069 | 4,069 | 4,069 |
| Other | 35,386 | 51,096 | 21,043 | 13,978 | 13,978 |
| **Total own-source revenue** | **127,529** | **151,303** | **123,101** | **96,036** | **120,179** |
| **Total own-source income** | **127,529** | **151,303** | **123,101** | **96,036** | **120,179** |
| **Net (cost of)/contribution by**  **services** | **(261,237)** | **(247,113)** | **(281,245)** | **(312,285)** | **(295,259)** |
| Revenue from Government | 278,819 | 277,453 | 268,440 | 273,570 | 268,885 |
| **Surplus/(deficit) attributable to the**  **Australian Government** | **17,582** | **30,340** | **(12,805)** | **(38,715)** | **(26,374)** |
| **Total comprehensive income/(loss)** | **17,582** | **30,340** | **(12,805)** | **(38,715)** | **(26,374)** |
| **Total comprehensive income/(loss)**  **attributable to the Australian**  **Government** | **17,582** | **30,340** | **(12,805)** | **(38,715)** | **(26,374)** |
|  |  |  |  |  |  |
| **Note: Impact of net cash appropriation arrangements** |  |  |  |  |  |
| **Total comprehensive income/(loss)**  **less depreciation/amortisation**  **expenses previously funded**  **through revenue appropriations** | **17,561** | **30,319** | **(12,826)** | **(38,746)** | **(26,404)** |
| plus: depreciation/amortisation  expenses for ROU (a) | 143 | 145 | 147 | 159 | 151 |
| less: principal repayments on leased  assets (a) | 122 | 124 | 126 | 128 | 121 |
| **Total comprehensive income/(loss)**  **- as per the Statement of**  **comprehensive income** | **17,582** | **30,340** | **(12,805)** | **(38,715)** | **(26,374)** |

Prepared on Australian Accounting Standards basis.

1. Applies leases under AASB 16 Leases.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 4,526 | 4,527 | 4,659 | 9,349 | 9,349 |
| Trade and other receivables | 46,153 | 64,032 | 64,032 | 64,696 | 65,360 |
| Other investments | 219,158 | 195,860 | 178,059 | 153,244 | 93,195 |
| Other financial assets | 704 | 704 | 704 | 704 | 704 |
| ***Total financial assets*** | ***270,541*** | ***265,123*** | ***247,454*** | ***227,993*** | ***168,608*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 287,541 | 312,288 | 341,012 | 388,264 | 409,028 |
| Property, plant and equipment | 855,735 | 894,324 | 918,206 | 930,829 | 899,997 |
| Intangibles | 51,066 | 50,232 | 45,750 | 45,971 | 48,593 |
| Inventories | 40,760 | 40,760 | 40,760 | 40,760 | 40,760 |
| Tax assets | 792 | 792 | 792 | 792 | 792 |
| Other non-financial assets | 3,129 | 3,129 | 3,129 | 3,129 | 3,129 |
| ***Total non-financial assets*** | ***1,239,023*** | ***1,301,525*** | ***1,349,649*** | ***1,409,745*** | ***1,402,299*** |
| **Total assets** | **1,509,564** | ***1,566,648*** | **1,597,103** | **1,637,738** | **1,570,907** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 7,952 | 7,952 | 7,952 | 7,952 | 7,952 |
| Other payables | 36,666 | 13,100 | 13,100 | 13,100 | 13,100 |
| ***Total payables*** | ***44,618*** | ***21,052*** | ***21,052*** | ***21,052*** | ***21,052*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 532 | 543 | 554 | 565 | 444 |
| ***Total interest bearing liabilities*** | ***532*** | ***543*** | ***554*** | ***565*** | ***444*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 50,293 | 50,293 | 50,293 | 50,293 | 50,293 |
| Other provisions | 715,087 | 727,556 | 741,133 | 773,203 | 712,478 |
| ***Total provisions*** | ***765,380*** | ***777,849*** | ***791,426*** | ***823,496*** | ***762,771*** |
| **Total liabilities** | **810,530** | **799,444** | **813,032** | **845,113** | **784,267** |
| **Net assets** | **699,034** | **767,204** | **784,071** | **792,625** | **786,640** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 921,334 | 959,164 | 988,836 | 1,036,105 | 1,056,494 |
| Reserves | 396,479 | 396,479 | 396,479 | 396,479 | 396,479 |
| Retained surplus (accumulated  deficit) | (618,779) | (588,439) | (601,244) | (639,959) | (666,333) |
| ***Total parent entity interest*** | ***699,034*** | ***767,204*** | ***784,071*** | ***792,625*** | ***786,640*** |
| **Total equity** | **699,034** | **767,204** | **784,071** | **792,625** | **786,640** |

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 2021­22)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Retained  earnings  $'000 | Asset  revaluation  reserve  $'000 | Other  reserves  $'000 | Contributed  equity/  capital  $'000 | Total  equity  $'000 |
| **Opening balance as at 1 July 2021** |  |  |  |  |  |
| Balance carried forward from  previous period | (618,779) | 386,468 | 10,011 | 921,334 | 699,034 |
| ***Adjusted opening balance*** | ***(618,779)*** | ***386,468*** | ***10,011*** | ***921,334*** | ***699,034*** |
| **Comprehensive income** |  |  |  |  |  |
| Surplus/(deficit) for the period | 30,340 | - | - | - | 30,340 |
| ***Total comprehensive income*** | ***30,340*** | ***-*** | ***-*** | ***-*** | ***30,340*** |
| of which: |  |  |  |  |  |
| Attributable to the Australian  Government | 30,340 | - | - | - | 30,340 |
| **Transactions with owners** |  |  |  |  |  |
| ***Contributions by owners*** |  |  |  |  |  |
| Equity injection - Appropriation | - | - | - | 37,830 | 37,830 |
| ***Sub-total transactions with***  ***owners*** | ***-*** | ***-*** | ***-*** | ***37,830*** | ***37,830*** |
| **Estimated closing balance as at**  **30 June 2022** | **(588,439)** | **386,468** | **10,011** | **959,164** | **767,204** |
| **Closing balance attributable to**  **the Australian Government** | **(588,439)** | **386,468** | **10,011** | **959,164** | **767,204** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Receipts from Government | 278,819 | 277,453 | 268,440 | 273,570 | 268,885 |
| Sale of goods and rendering of  services | 79,914 | 94,541 | 95,654 | 75,654 | 99,797 |
| Interest | 1,260 | 1,819 | 2,335 | 2,335 | 2,335 |
| Other | 32,399 | 27,912 | 25,112 | 18,047 | 18,047 |
| ***Total cash received*** | ***392,392*** | ***401,725*** | ***391,541*** | ***369,606*** | ***389,064*** |
| **Cash used** |  |  |  |  |  |
| Employees | 164,923 | 164,210 | 169,324 | 168,998 | 169,315 |
| Suppliers | 127,078 | 136,051 | 132,013 | 132,016 | 132,007 |
| Interest payments on lease liability | 13 | 13 | 13 | 13 | 13 |
| Other | 11,474 | 7,006 | 7,335 | 7,336 | 7,336 |
| ***Total cash used*** | ***303,488*** | ***307,280*** | ***308,685*** | ***308,363*** | ***308,671*** |
| **Net cash from/(used by)**  **operating activities** | **88,904** | **94,445** | **82,856** | **61,243** | **80,393** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Proceeds from sales of financial  instruments | 168,432 | 136,343 | 136,343 | 123,453 | 130,000 |
| ***Total cash received*** | ***168,432*** | ***136,343*** | ***136,343*** | ***123,453*** | ***130,000*** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and  equipment and intangibles | 117,097 | 141,034 | 130,071 | 127,845 | 160,046 |
| Purchase of financial instruments | 159,375 | 113,045 | 118,542 | 98,638 | 69,951 |
| Other | 8,369 | 14,414 | - | 664 | 664 |
| ***Total cash used*** | ***284,841*** | ***268,493*** | ***248,613*** | ***227,147*** | ***230,661*** |
| **Net cash from/(used by)**  **investing activities** | **(116,409)** | **(132,150)** | **(112,270)** | **(103,694)** | **(100,661)** |

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 20,465 | 37,830 | 29,672 | 47,269 | 20,389 |
| ***Total cash received*** | ***20,465*** | ***37,830*** | ***29,672*** | ***47,269*** | ***20,389*** |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 122 | 124 | 126 | 128 | 121 |
| ***Total cash used*** | ***122*** | ***124*** | ***126*** | ***128*** | ***121*** |
| **Net cash from/(used by)**  **financing activities** | **20,343** | **37,706** | **29,546** | **47,141** | **20,268** |
| **Net increase/(decrease) in cash**  **held** | **(7,162)** | **1** | **132** | **4,690** | **-** |
| Cash and cash equivalents at the  beginning of the reporting period | 11,688 | 4,526 | 4,527 | 4,659 | 9,349 |
| **Cash and cash equivalents at**  **the end of the reporting period** | **4,526** | **4,527** | **4,659** | **9,349** | **9,349** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Equity injections - Bill 2 | 20,465 | 37,830 | 29,672 | 47,269 | 20,389 |
| **Total new capital appropriations** | **20,465** | **37,830** | **29,672** | **47,269** | **20,389** |
| ***Provided for:*** |  |  |  |  |  |
| *Purchase of non-financial assets* | *20,465* | *37,830* | *29,672* | *47,269* | *20,389* |
| ***Total items*** | ***20,465*** | ***37,830*** | ***29,672*** | ***47,269*** | ***20,389*** |
| **PURCHASE OF NON-FINANCIAL**  **ASSETS** |  |  |  |  |  |
| Funded by capital appropriations (a) | 20,465 | *37,830* | 29,672 | 47,269 | 20,389 |
| Funded internally from departmental  resources (b) | 100,213 | 111,009 | 109,446 | 108,014 | 74,300 |
| **TOTAL** | **120,678** | **148,839** | **139,118** | **155,283** | **94,689** |
| **RECONCILIATION OF CASH USED**  **TO ACQUIRE ASSETS TO ASSET**  **MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 120,678 | 148,839 | 139,118 | 155,283 | 94,689 |
| **Total cash used to acquire assets** | **120,678** | **148,839** | **139,118** | **155,283** | **94,689** |

Prepared on Australian Accounting Standards basis.

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

* Current Bill 1 and prior year Act 1/3/5 appropriations.
* Donations and contributions.
* Gifts.
* Internally developed assets.
* Own-source revenue.
* Proceeds from the sale of assets.

Table 3.6: Statement of asset movements (Budget year 2021­22)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Land  $'000 | Buildings  $'000 | Other  property,  plant and  equipment  $'000 | Computer  software and  intangibles  $'000 | Total  $'000 |
| **As at 1 July 2021** |  |  |  |  |  |
| Gross book value | 115,688 | 257,828 | 1,269,092 | 100,852 | 1,743,460 |
| Gross book value - ROU assets | - | 801 | - | - | 801 |
| Accumulated depreciation/  amortisation and impairment | - | (86,490) | (413,357) | (49,786) | (549,633) |
| Accumulated depreciation/amortisation  and impairment - ROU assets | - | (286) | - | - | (286) |
| **Opening net book balance** | **115,688** | **171,853** | **855,735** | **51,066** | **1,194,342** |
| **Capital asset additions** |  |  |  |  |  |
| **Estimated expenditure on new**  **or replacement assets** |  |  |  |  |  |
| By purchase - appropriation equity (a) | - | 34,393 | 109,446 | 5,000 | 148,839 |
| By purchase = appropriation equity -  ROU assets | - | 135 | - | - | 135 |
| **Total additions** | **-** | **34,528** | **109,446** | **5,000** | **148,974** |
| **Other movements** |  |  |  |  |  |
| Depreciation/amortisation expense | - | (9,636) | (70,857) | (5,834) | (86,327) |
| Depreciation/amortisation on  ROU assets | - | (145) | - | - | (145) |
| **Total other movements** | **-** | **(9,781)** | **(70,857)** | **(5,834)** | **(86,472)** |
| **As at 30 June 2022** |  |  |  |  |  |
| Gross book value | 115,688 | 292,221 | 1,378,538 | 105,852 | 1,892,299 |
| Gross book value - ROU assets | - | 936 | - | - | 936 |
| Accumulated depreciation/  amortisation and impairment | - | (96,126) | (484,214) | (55,620) | (635,960) |
| Accumulated depreciation/amortisation  and impairment - ROU assets | - | (431) | - | - | (431) |
| **Closing net book balance** | **115,688** | **196,600** | **894,324** | **50,232** | **1,256,844** |

Prepared on Australian Accounting Standards basis.

1. 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill   
   (No. 2) 2021­22.

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

ANSTO has no budgeted income and expenses administered on behalf of Government; therefore Table 3.7 is not presented.

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

ANSTO has no budgeted assets and liabilities administered on behalf of Government; therefore Table 3.8 is not presented.

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

ANSTO has no budgeted administered cash flows; therefore Table 3.9 is not presented.

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

ANSTO has no administered capital budget; therefore Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2021­22)

ANSTO has no administered asset movements; therefore Table 3.11 is not presented.

Department o

Australian Renewable Energy Agency

Entity resources and planned performance

Australian Renewable Energy Agency

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# Australian Renewable Energy Agency

## **Section 1****: Entity overview and resources**

### Strategic direction statement

The Australian Renewable Energy Agency (ARENA) is a Corporate Commonwealth entity. ARENA’s purpose is to improve the competitiveness of renewable energy technologies and increase the supply of renewable energy through innovation that benefits Australian consumers and businesses.

Consistent with the functions set out in the *Australian Renewable Energy Agency Act 2011* (ARENA Act) and the priorities set out in the General Funding Strategy, ARENA provides financial assistance for:

* The research, development, demonstration, deployment and commercialisation of renewable energy and related technologies
* The storage and sharing of knowledge and information about renewable energy technologies.

ARENA also collects, analyses, interprets and disseminates information and knowledge relating to renewable energy and related technologies and provides advice to the Minister for Energy and Emissions Reduction about these technologies and the renewable energy industry.

ARENA, with the Clean Energy Finance Corporation, jointly manages the Clean Energy Innovation Fund.

ARENA is working with other government agencies and industry bodies with a concerted focus on the next generation of energy technologies to accelerate the transition to a lower emissions economy. ARENA’s investments are expected to make a significant contribution to achieving the goals in the Australian Government’s Low Emissions Technology Investment Roadmap.

### 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: ARENA resource statement – Budget estimates for 2021­22 as at Budget May 2021

|  |  |  |
| --- | --- | --- |
|  | *2020­21 Estimated actual*  *$'000* | 2021­22 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | *87,832* | 110,778 |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (a) (b) |  |  |
| Outcome 1 | *17,625* | 54,338 |
| Total annual appropriations | *17,625* | 54,338 |
| Amounts received from related entities |  |  |
| Amounts from portfolio department (c) | *209,910* | 304,836 |
| Total amounts received from related entities | *209,910* | 304,836 |
| **Total funds from Government** | ***227,535*** | **359,174** |
| **Funds from other sources** |  |  |
| Interest | *800* | 600 |
| Other | *9,500* | 100 |
| **Total funds from other sources** | ***10,300*** | **700** |
| **Total net resourcing for ARENA** | ***325,667*** | **470,652** |
|  |  |  |
|  | *2020­21* | 2021­22 |
| **Average staffing level (number) (d)** | *2* | 2 |

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

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

1. Appropriation Bill (No. 1) 2020-21.
2. ARENA is not directly appropriated as it is a Corporate Commonwealth entity. Appropriations are made to the Department of Industry, Science, Energy and Resources and then paid to ARENA and are considered departmental for all purposes.
3. ARENA receives funding through a special appropriation which is administered through the Department of Industry, Science, Energy and Resources.
4. The agency has only two employees, the Chief Executive Officer and Chief Financial Officer. Under section 62 of the ARENA Act all other staff necessary to assist the Agency must be persons employed under the *Public Services Act 1999* who are employed by the Department and made available to the Agency by the Secretary of the Department.

### 1.3 Budget measures

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

Table 1.2: ARENA 2021­22 budget measures  
Measures announced after the 2020­21 Mid-Year Economic and Fiscal Outlook (MYEFO)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Program | 2021­22  $'000 | 2022­23  $'000 | 2023­24  $'000 | 2024­25  $'000 |
| **Payment measures** |  |  |  |  |  |
| Emissions Reduction and New Investments under  the Technology Investment Roadmap (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.

1. This measure has nil impact on the Government’s Underlying Cash. The measure allows ARENA to use up to $50.0 million of its existing funding to support the commercialisation of emerging clean energy technologies using new financial tools.

## **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 and annual performance statement for   
Australian Renewable Energy Agency can be found at:

<https://arena.gov.au/about/publications/>

### 2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Support improvements in the competitiveness of renewable energy and related technologies and the supply of renewable energy by administering financial assistance, developing analysis and advice about, and sharing information and knowledge with regard to, renewable energy and related technologies |

#### Linked programs

|  |
| --- |
| **Department of the Industry, Science, Energy and Resources** |
| **Programs**   * Program 2.1 – Reducing Australia’s greenhouse gas emissions * Program 2.2 – Developing clean energy technology * Program 3.1 – Supporting reliable, secure and affordable energy |
| **Contribution to Outcome 1 made by linked programs**  The Department of Industry, Science, Energy and Resources contributes to Outcome 1 by developing policies for the research, development, demonstration, deployment and commercialisation of renewable energy technologies. ARENA implements these policies. |
| **Clean Energy Finance Corporation** |
| **Program**   * Program 1.1 – Clean Energy Finance Corporation |
| **Contribution to Outcome 1 made by linked programs**  The Clean Energy Innovation Fund is jointly managed by the Agency and the Clean Energy Finance Corporation, drawing on their complementary experience and expertise. The Clean Energy Innovation Fund has up to $200 million available for debt and equity investments in emerging clean energy projects and businesses, targeting projects at the later end of the innovation chain while delivering a financial return to taxpayers, in addition to the public good return of improving competitiveness of renewable energy and related technologies. |

##### **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**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Outcome 1:** Support improvements in the competitiveness of renewable energy and related technologies and the supply of renewable energy by administering financial assistance, developing analysis and advice about, and sharing information and knowledge with regards to, renewable energy and related technologies | | | | | |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **Program 1.1: Australian Renewable Energy Agency** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Payment from related entities | 204,656 | 280,112 | 179,261 | 198,486 | 208,874 |
| Expenses not requiring  appropriation in the budget year (a) | 1,478 | 1,453 | 1,167 | 1,167 | 1,167 |
| Revenues from other independent  sources | 10,300 | 700 | 220 | 110 | 250 |
| **Total expenses for Program 1** | **216,434** | **282,265** | **180,648** | **199,763** | **210,291** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Payment from related entities | 204,656 | 280,112 | 179,261 | 198,486 | 208,874 |
| Expenses not requiring  appropriation in the budget year (a) | 1,478 | 1,453 | 1,167 | 1,167 | 1,167 |
| Revenues from other independent sources | 10,300 | 700 | 220 | 110 | 250 |
| **Total expenses for Outcome 1** | **216,434** | **282,265** | **180,648** | **199,763** | **210,291** |
|  |  |  |  |  |  |
|  | 2020­21 | 2021­22 |  |  |  |
| **Average staffing level (number)** (b) | 2 | 2 |  |  |  |

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

1. Expenses not requiring appropriation in the Budget year are non-cash charges in relation to concessional loans, write-down and impairment of assets, depreciation and amortisation and a share of net loss from associates accounted for under the equity method.
2. The Agency has only two employees, the Chief Executive Officer and Chief Financial Officer. Under section 62 of the ARENA Act all other staff necessary to assist the Agency must be persons employed under the *Public Services Act 1999* who are employed by the Department of Industry, Science, Energy and Resources (DISER) and made available to the agency by the Secretary of the Department.

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 2021­22 Budget measures have created new programs or materially changed existing programs.

|  |  |  |
| --- | --- | --- |
| Outcome 1 – Support improvements in the competitiveness of renewable energy and related technologies and the supply of renewable energy by administering financial assistance, developing analysis and advice about, and sharing information and knowledge with regard to, renewable energy and related technologies | | |
| **Program 1.1** – **Australian Renewable Energy Agency**  To provide financial assistance to Australian scientists, innovators and businesses for projects that have the potential to lead to the commercialisation of new renewable energy products or services; and to support collaboration and knowledge sharing to make information and data available to a diverse audience and help increase the spread of ideas. | | |
| **Delivery** | To deliver this outcome, the Agency:   * Provides financial assistance for the research, development, demonstration, deployment and commercialisation of renewable energy and related technologies. * Provides financial assistance for, and undertakes, the collection, storage, analysis and sharing of knowledge and information about renewable energy and related technologies. * Provides advice to the Minister for Energy and Emissions Reduction about renewable energy and related technologies and the renewable energy industry. * Jointly administers the Clean Energy Innovation Fund with the Clean Energy Finance Corporation. * Administers the King Review Technology Co-Investment Fund including the Industrial Engineering Grant Fund and Freight Energy Productivity Fund, the Future Fuels Fund and the expansion of the Regional and Remote Communities Reliability Fund.   The Agency’s financial assistance goes primarily to activities that are expected to advance renewable energy technologies towards commercial readiness, improve business models, or reduce overall industry costs. Organisations developing, testing or deploying innovative renewable energy solutions are the immediate beneficiaries of much of the Agency’s activity. In the long term, Australian energy users will benefit from the availability of more competitive renewable energy, and Australians generally will benefit through more options to reduce emissions and grow the economy. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Actual Achievement/Targets** |
| 2020­21 | Financial assistance: ARENA-funded projects increase supply of renewable energy. | Total energy production from ARENA-funded demonstration and deployment projects is at least 80% of that intended at time of commitment. |
| Knowledge sharing and collaboration:  ARENA shares knowledge to enhance the competitiveness of renewable energy technologies. | At least 75% of stakeholders surveyed report that knowledge shared by ARENA has informed part of their decision-making processes.  On track |
| 2021­22 | Financial assistance: ARENA-funded projects increase supply of renewable energy. | Total energy production from ARENA-funded demonstration and deployment projects is at least 80% of that intended at time of commitment. |
| Knowledge sharing and collaboration:  ARENA shares knowledge to enhance the competitiveness of renewable energy technologies. | At least 75% of stakeholders surveyed report that knowledge shared by ARENA has informed part of their decision making processes. |
| 2022­23 and beyond | As per 2021­22 | As per 2021­22 |
| **Purposes** | To improve the competitiveness of renewable energy technologies and increase the supply of renewable energy through innovation that benefits Australian consumers and businesses. | |
| **Material changes to Program 1.1 resulting from the following measures:** Nil | | |

## **Section 3****: Budgeted financial statements**

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021­22 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

There are no material differences between the entity resourcing table and the financial statements.

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

ARENA’s existing legislated funding is scheduled to continue through to 2021-22. While the legislated funds are expected to be fully committed to eligible projects in the current year, grant payments are forecast to go beyond the end of 2021-22.

Grant expenditure beyond 2021-22 will be met by funds that have been drawn down or funds returned to the Agency from grant projects in previous years and retained and invested by the Agency. Consequently, ARENA has budgeted for a deficit in those years.

### 3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 1,165 | **1,207** | 1,237 | 1,268 | 1,273 |
| Suppliers | 27,658 | **32,027** | 27,222 | 27,109 | 26,948 |
| Grants | 186,115 | **247,566** | 151,010 | 170,207 | 180,891 |
| Depreciation and amortisation | 1,478 | **1,453** | 1,167 | 1,167 | 1,167 |
| Finance costs | 18 | **12** | 12 | 12 | 12 |
| **Total expenses** | **216,434** | **282,265** | **180,648** | **199,763** | **210,291** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Interest | 800 | **600** | 150 | 150 | 150 |
| Other | 9,500 | **100** | 100 | 100 | 100 |
| **Total own-source revenue** | **10,300** | **700** | **250** | **250** | **250** |
| **Gains** |  |  |  |  |  |
| Other | 4,980 | **5,193** | 5,560 | 5,587 | 4,624 |
| **Total gains** | **4,980** | **5,193** | **5,560** | **5,587** | **4,624** |
| **Total own-source income** | **15,280** | **5,893** | **5,810** | **5,837** | **4,874** |
| **Net (cost of)/contribution by**  **services** | **(201,154)** | **(276,372)** | **(174,838)** | **(193,926)** | **(205,417)** |
| Revenue from Government | 227,535 | **359,174** | 170,109 | 148,662 | 179,001 |
| **Surplus/(deficit) attributable to the**  **Australian Government** | **26,381** | **82,802** | **(4,729)** | **(45,264)** | **(26,416)** |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| Changes in asset revaluation surplus | (988) | **(2,157)** | (1,000) | (1,000) | - |
| **Total other comprehensive income** | **(988)** | **(2,157)** | **(1,000)** | **(1,000)** | **-** |
| **Total comprehensive income/(loss)** | **25,393** | **80,645** | **(5,729)** | **(46,264)** | **(26,416)** |
| **Total comprehensive income/(loss)**  **attributable to the Australian**  **Government** | **25,393** | **80,645** | **(5,729)** | **(46,264)** | **(26,416)** |
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|  |  |  |  |  |  |
| **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** | | | | | |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **Total comprehensive income/(loss)**  **less depreciation/amortisation**  **expenses previously funded**  **through revenue appropriations** | **26,420** | **81,653** | **(4,691)** | **(45,226)** | **(25,378)** |
| plus: depreciation/amortisation  expenses for ROU (a) | 1,045 | 1,020 | 1,050 | 1,050 | 1,050 |
| less: principal repayments on leased  assets (a) | 18 | 12 | 12 | 12 | 12 |
| **Total comprehensive income/(loss)**  **- as per the Statement of**  **comprehensive income** | **25,393** | **80,645** | **(5,729)** | **(46,264)** | **(26,416)** |

Prepared on Australian Accounting Standards basis.

1. Applies leases under AASB 16 Leases.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 110,778 | 185,738 | 179,238 | 131,261 | 104,057 |
| Trade and other receivables | 2,391 | 1,291 | 266 | 166 | 1,121 |
| Other investments | 33,306 | 39,215 | 41,215 | 43,215 | 43,215 |
| ***Total financial assets*** | ***146,475*** | ***226,244*** | ***220,719*** | ***174,642*** | ***148,393*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 1,020 | 5,000 | 4,000 | 3,000 | 2,000 |
| Property, plant and equipment | 624 | 191 | 524 | 357 | 190 |
| Other non-financial assets | 179 | 141 | 41 | 41 | 41 |
| ***Total non-financial assets*** | ***1,823*** | ***5,332*** | ***4,565*** | ***3,398*** | ***2,231*** |
| **Total assets** | **148,298** | **231,576** | **225,284** | **178,040** | **150,624** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 1,373 | 623 | 650 | 650 | 650 |
| Grants | 500 | 500 | 500 | 500 | 500 |
| Other payables | 61 | 61 | 61 | 61 | 61 |
| ***Total payables*** | ***1,934*** | ***1,184*** | ***1,211*** | ***1,211*** | ***1,211*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 1,092 | 5,000 | 4,000 | 3,000 | 2,000 |
| ***Total interest bearing liabilities*** | ***1,092*** | ***5,000*** | ***4,000*** | ***3,000*** | ***2,000*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 259 | 159 | 179 | 199 | 199 |
| Other provisions | 439 | 14 | 404 | 404 | 404 |
| ***Total provisions*** | ***698*** | ***173*** | ***583*** | ***603*** | ***603*** |
| **Total liabilities** | **3,724** | **6,357** | **5,794** | **4,814** | **3,814** |
| **Net assets** | **144,574** | **225,219** | **219,490** | **173,226** | **146,810** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Reserves | 238 | 238 | 238 | 238 | 238 |
| Retained surplus / (accumulated  deficit) | 144,336 | 224,981 | 219,252 | 172,988 | 146,572 |
| ***Total parent entity interest*** | ***144,574*** | ***225,219*** | ***219,490*** | ***173,226*** | ***146,810*** |
| **Total Equity** | **144,574** | **225,219** | **219,490** | **173,226** | **146,810** |

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 2021­22)

|  |  |  |  |
| --- | --- | --- | --- |
|  | Retained  earnings  $'000 | Asset  revaluation  reserve  $'000 | Total  equity  $'000 |
| **Opening balance as at 1 July 2021** |  |  |  |
| Balance carried forward from  previous period | 144,336 | 238 | 144,574 |
| ***Adjusted opening balance*** | ***144,336*** | ***238*** | ***144,574*** |
| **Comprehensive income** |  |  |  |
| Surplus/(deficit) for the period | 80,645 | - | 80,645 |
| ***Total comprehensive income*** | ***80,645*** | ***-*** | ***80,645*** |
| of which: |  |  |  |
| Attributable to the Australian  Government | 224,981 | 238 | 225,219 |
| **Closing balance attributable to**  **the Australian Government** | **224,981** | **238** | **225,219** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Receipts from Government | 227,535 | 359,174 | 170,109 | 148,662 | 179,001 |
| Interest | 950 | 700 | 245 | 35 | 98 |
| Net GST received | 21,618 | 25,299 | 17,800 | 16,075 | 18,587 |
| Other | 9,705 | 100 | 100 | 100 | 100 |
| ***Total cash received*** | ***259,808*** | ***385,273*** | ***188,254*** | ***164,872*** | ***197,786*** |
| **Cash used** |  |  |  |  |  |
| Employees | 1,145 | 1,307 | 1,217 | 1,248 | 1,273 |
| Suppliers | 22,726 | 26,916 | 20,457 | 20,321 | 21,088 |
| Grants | 186,115 | 247,566 | 151,010 | 170,207 | 180,891 |
| Net GST paid | 21,434 | 25,443 | 16,597 | 15,660 | 19,490 |
| Interest payments on lease liability | 18 | 12 | 12 | 12 | 12 |
| ***Total cash used*** | ***231,438*** | ***301,244*** | ***189,293*** | ***207,448*** | ***222,754*** |
| **Net cash from/(used by)**  **operating activities** | **28,370** | **84,029** | **(1,039)** | **(42,576)** | **(24,968)** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant, and  equipment and intangibles | - | - | 500 | - | - |
| Investments | 4,481 | 8,066 | 3,000 | 3,000 | - |
| ***Total cash used*** | ***4,481*** | ***8,066*** | ***3,500*** | ***3,000*** | ***-*** |
| **Net cash from/(used by)**  **investing activities** | **(4,481)** | **(8,066)** | **(3,500)** | **(3,000)** | **-** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 943 | 1,003 | 1,050 | 1,050 | 989 |
| ***Total cash used*** | ***943*** | ***1,003*** | ***1,050*** | ***1,050*** | ***989*** |
| **Net cash from/(used by)**  **financing activities** | **(943)** | **(1,003)** | **(1,050)** | **(1,050)** | **(989)** |
| **Net increase/(decrease) in cash**  **held** | **22,946** | **74,960** | **(5,589)** | **(46,626)** | **(25,957)** |
| Cash and cash equivalents at the  beginning of the reporting period | 87,832 | 110,778 | 184,827 | 177,887 | 130,014 |
| **Cash and cash equivalents at**  **the end of the reporting period** | **110,778** | **185,738** | **179,238** | **131,261** | **104,057** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **PURCHASE OF NON-FINANCIAL**  **ASSETS** |  |  |  |  |  |
| Funded internally from departmental  resources (a) | - | - | 500 | - | - |
| **TOTAL** | **-** | **-** | **500** | **-** | **-** |
| **RECONCILIATION OF CASH USED**  **TO ACQUIRE ASSETS TO ASSET**  **MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | - | - | 500 | - | - |
| **Total cash used to acquire assets** | **-** | **-** | **500** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

1. Includes the following sources of funding:

* Funding provided by the portfolio department reflecting the Agency’s Special Appropriation under section 64 of the *Australian Renewable Energy Agency Act 2011*, including rollover of unspent funds.
* Internally developed assets.

Table 3.6: Statement of asset movements (Budget year 2021­22)

|  |  |  |  |
| --- | --- | --- | --- |
|  | Buildings  $'000 | Other  property,  plant and  equipment  $'000 | Total  $'000 |
| **As at 1 July 2021** |  |  |  |
| Gross book value | - | 2,405 | 2,405 |
| Gross book value - ROU assets | 3,098 | - | - |
| Accumulated depreciation/amortisation and  impairment - ROU assets | (2,078) | (1,781) | (3,859) |
| **Opening net book balance** | **1,020** | **624** | **(1,454)** |
| **Other movements** |  |  |  |
| Depreciation/amortisation on  ROU assets | (1,020) | (433) | (1,453) |
| Other - ROU assets | 5,000 | - | 5,000 |
| **Total other movements** | **3,980** | **(433)** | **3,547** |
| **As at 30 June 2022** |  |  |  |
| Gross book value | - | 2,405 | 2,405 |
| Gross book value - ROU assets | 8,098 | - | 8,098 |
| Accumulated depreciation/amortisation and  impairment - ROU assets | (3,098) | (2,214) | (5,312) |
| **Closing net book balance** | **5,000** | **191** | **5,191** |

Prepared on Australian Accounting Standards basis.

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

ARENA has no budgeted income and expenses administered on behalf of government; therefore Table 3.7 is not presented.

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

ARENA has no budgeted assets and liabilities administered on behalf of government; therefore Table 3.8 is not presented.

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

ARENA has no budgeted administered cash flows; therefore Table 3.9 is not presented.

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

ARENA has no administered capital budget; therefore Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2020­-21)

ARENA has no administered asset movements; therefore Table 3.11 is not presented.

Department o

Clean Energy Finance Corporation

Entity resources and planned performance

Clean Energy Finance Corporation

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# Clean Energy Finance Corporation

## **Section 1****: Entity overview and resources**

### 1.1 Strategic direction statement

The Clean Energy Finance Corporation (CEFC or Corporation) was established to facilitate increased flows of finance into the clean energy sector. The Corporation invests in accordance with its legislation, the *Clean Energy Finance Corporation Act 2012* (the CEFC Act); and the Clean Energy Finance Corporation Investment Mandate Direction 2020 (Investment Mandate Direction 2020), as made by the Minister for Energy and Emissions Reduction and the Minister for Finance (which took effect on   
2 May 2020).

The Corporation is an independent statutory authority, defined as a Corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013,* and is governed by an independent Board. The Board reports to Parliament through its responsible ministers.

The Corporation’s investment objectives are to catalyse and leverage an increased flow of funds for the commercialisation and deployment of renewable energy, energy efficiency and low emissions technologies. The CEFC invests with commercial rigour in a diverse portfolio across the spectrum of clean energy technologies that are solely or mainly Australian based — either directly or indirectly through industry and the banking sector — that, in aggregate, have an acceptable but not excessive level of risk relative to the sector. The CEFC is required to liaise with relevant persons and bodies, including the Australian Renewable Energy Agency, the Clean Energy Regulator, the Australian Energy Market Operator, other Australian Government entities, and state and territory governments, for the purposes of facilitating its investment function.

In the Investment Mandate Direction 2020, the responsible ministers have also directed the CEFC Board to prioritise investments that support reliability and security of electricity supply and make available (from the existing CEFC Special Account) up to:

* $1.0 billion of investment finance over 10 years for the Reef Funding Program.
* $1.0 billion of investment finance over 10 years for a Sustainable Cities Investment Program.
* $200 million for debt and equity investment through the Clean Energy Innovation Fund.
* $100 million for debt and equity investment through an Australian Recycling Investment Fund to support recycling or recycled content projects utilising clean energy technologies, with a particular focus on waste plastics, paper, glass and tyres.
* $300 million for concessional debt and equity investments through the Advancing Hydrogen Fund to support the growth of a clean, innovative, safe and competitive Australian hydrogen industry.

The Clean Energy Finance Corporation Amendment (Grid Reliability Fund) Bill 2020, currently before the Parliament will make available up to $1.0 billion additional capital to the CEFC to support investment in grid reliability.

The ways in which the Corporation addresses financial barriers include:

* Attracting finance to the Australian market to improve the flow and diversification of funds for investment in the sector.
* Assisting project proponents as an arranger, helping to develop the business case and introduce the proponents to other financiers to seek transaction close.
* Building knowledge and capacity within the finance sector by participating in transactions to de-risk the investment, familiarising financiers with new asset types or through reducing the size of their exposure.
* Supporting the fledgling innovation ecosystem surrounding clean energy technologies through direct investment in early-stage technologies and through the Clean Energy Innovation Fund.
* Working with the finance sector to develop new financial products and deliver them to the market, tailored to the needs, attributes and emerging delivery models for new technologies, which in turn enables small and mid-sized businesses to access finance for energy productivity enhancing capital investment.
* Building knowledge and capacity within industry through demonstration and case studies to promote successful models and opportunities in energy productivity and clean energy investment.
* Providing loans at commercial and concessional rates. Where it is necessary and justified, the Corporation may choose to deploy concessional finance to assist in overcoming financial impediments and facilitate realisation of the project.

The annual rate of new CEFC investments in 2019–20 slowed compared with previous years, reflecting challenges in the renewable energy sector, including marginal loss factors, grid constraints and connection delays. The CEFC is working with investors, project proponents and regulators to address these structural issues where possible. This reflects a wider trend toward higher levels of privately financed investment in the renewable energy sector, and the success of the CEFC with renewable energy where private sector finance is increasingly available.

*Coronavirus (COVID-19) impact*

COVID-19 was declared a world-wide pandemic by the World Health Organisation in March 2020. COVID-19, as well as measures to slow the spread of the virus, have since had a significant impact on global economies and equity, debt and commodity markets. In addition to the macro-level impacts there is variability in impact across industry sectors ranging from the catastrophic (e.g. international tourism) to positive (e.g. telecommunications), with unclear visibility as to how long these impacts will continue.

The CEFC has considered the impact of COVID-19 and other market volatility in preparing its forecast. Given the dynamic and evolving nature of COVID-19, limited recent experience of the economic and financial impacts of such a pandemic, the preparation of these forecasts, changes to the estimates and outcomes that have been applied in the measurement of the entity’s assets and liabilities may arise in the future.

### 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: CEFC resource statement – Budget estimates for 2021­22 as at Budget May 2021

|  |  |  |
| --- | --- | --- |
|  | *2020­21 Estimated actual*  *$'000* | 2021­22 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July (a) (b)** | *848,179* | 371,391 |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (c) |  |  |
| Outcome 1 (d) | *4,270* | 4,532 |
| Total annual appropriations | *4,270* | *4,532* |
| **Total funds from Government** | ***4,270*** | **4,532** |
| **Funds from other sources** |  |  |
| Interest and dividends | *171,541* | 152,253 |
| **Total funds from other sources** | ***171,541*** | **152,253** |
| **Total net resourcing for CEFC** | ***1,023,990*** | **528,176** |
|  |  |  |
|  | *2020­21* | 2021­22 |
| **Average staffing level (number)** | *126* | 146 |

All figures shown above are GST exclusive – these may not match figures in the cash flow statement. Prepared on a resourcing (i.e. appropriations available) basis.

1. The Corporation is not directly appropriated as it is a Corporate Commonwealth entity as defined under the *Public Governance, Performance and Accountability Act 2013*.
2. The Corporation does not hold the special account itself and therefore does not have a balance carried forward from earlier years. Under the CEFC Act, the CEFC is able to draw on the cumulative funds available in the Special Account, which was $5.4 billion at 1 July 2020.
3. Appropriation Bill (No. 1) 2021-22.
4. Amounts relate to funding for estimated expenses associated with the Grid Reliability Fund.

### 1.3 Budget measures

There are no new Budget measures relating to CEFC detailed in Budget Paper No. 2; therefore Table 1.2 is not presented.

## **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 CEFC can be found at:

https://www.cefc.com.au/who-we-are/how-we-operate/corporate-plan/

The most recent annual performance statement can be found at:

https://www.cefc.com.au/annual-report-2020/performance/

### 2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Facilitate increased flows of finance into Australia’s clean energy sector, applying commercial rigour to investing in renewable energy, low emissions and energy efficiency technologies, building industry capacity, and disseminating information to industry stakeholders |

#### Linked programs

|  |
| --- |
| **Department of Industry, Science, Energy and Resources** |
| **Programs**   * Program 2.1 – Reducing Australia’s greenhouse gas emissions * Program 2.2 – Developing clean energy technology * Program 3.1 – Supporting reliable, secure and affordable energy |
| **Contribution to Outcome 1 made by linked programs**  The Department of Industry, Science, Energy and Resources has responsibility for policies that reduce Australia’s greenhouse gas emissions, contribute to effective global action on climate change, and support technological innovation in clean and renewable energy, through developing and implementing a national response to climate change.  They also support the affordable, reliable, secure and competitive operation of energy markets for the long-term benefit of the Australian community through improving Australia’s energy supply, efficiency, quality, performance and productivity.  The Clean Energy Finance Corporation contributes to these programs by facilitating increased flows of finance into the clean energy sector. |
| **Department of Agriculture, Water and the Environment** |
| **Programs**   * Program 1.1 – Sustainable Management of Natural Resources and the Environment * Program 1.6 – Management of Hazardous Wastes, Substances and Pollutants |
| **Contribution to Outcome 1 made by linked programs**  The Clean Energy Finance Corporation contributes to policies that reduce waste and increase domestic recycling capacity. CEFC makes available funding to the Clean Energy Innovation Fund and Reef Funding Program. Through the Australian Recycling Investment Fund, CEFC provides flows of finance into clean energy technologies that support the recycling of waste, in particular wastes that are — or by 1 July 2024 will be — banned for export. |

|  |
| --- |
| **Australian Renewable Energy Agency** |
| **Program**   * Program 1.1 – Australian Renewable Energy Agency |
| **Contribution to Outcome 1 made by linked programs**  The Clean Energy Innovation Fund is jointly managed by the Corporation and the Australian Renewable Energy Agency, drawing on their complementary experience and expertise. The Clean Energy Innovation Fund has up to  $200 million available for debt and equity investments in emerging clean energy projects and businesses, targeting projects at the later end of the innovation chain while delivering a financial return to taxpayers, in addition to the public good return of improving the competitiveness of renewable energy and related technologies. |
| **Great Barrier Reef Marine Park Authority** |
| **Programs**   * Program 1.1 – Great Barrier Reef Marine Park Authority |
| **Contribution to Outcome 1 made by linked programs**  The Clean Energy Finance Corporation is making available up to $1 billion of investment finance over 10 years for the Reef Funding Program. The Program invests in clean energy projects delivered in the Great Barrier Reef catchment region. In targeting the financing of clean energy projects and businesses in the region, the Reef Funding Program supports delivery of the Australian and Queensland governments’ *Reef 2050 Plan*. |

##### **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**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Outcome 1:** Facilitate increased flows of finance into Australia's clean energy sector, applying commercial rigour to investing in renewable energy, low emissions and energy efficiency technologies, building industry capacity, and disseminating information to industry stakeholders | | | | | |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **Program 1: Clean Energy Finance Corporation** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) (a) | 4,270 | 4,532 | 4,263 | 4,379 | 4,379 |
| Expenses not requiring appropriation in the  budget year (b) | 92,694 | 84,191 | 94,294 | 90,374 | 90,777 |
| Revenues from other independent sources | 42,203 | 52,277 | 56,443 | 58,948 | 61,244 |
| **Total expenses for Program 1** | **139,167** | **141,000** | **155,000** | **153,701** | **156,400** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) (a) | 4,270 | 4,532 | 4,263 | 4,379 | 4,379 |
| Expenses not requiring appropriation in the  budget year (b) | 92,694 | 84,191 | 94,294 | 90,374 | 90,777 |
| Revenues from other independent sources | 42,203 | 52,277 | 56,443 | 58,948 | 61,244 |
| **Total expenses for Outcome 1** | **139,167** | **141,000** | **155,000** | **153,701** | **156,400** |
|  |  |  |  |  |  |
|  | 2020­21 | 2021­22 |  |  |  |
| **Average staffing level (number)** | 126 | 146 |  |  |  |

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

1. Amounts relate to funding for estimated incremental operating expenses associated with the Grid Reliability Fund.
2. Expenses not requiring appropriation in the budget year are non-cash charges in relation to concessional loans, write-down and impairment of assets, depreciation and amortisation and share of net loss from associates accounted for under the equity method.

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 2021­22 Budget measures have created new programs or materially changed existing programs.

|  |  |  |
| --- | --- | --- |
| Outcome 1 – Facilitate increased flows of finance into Australia’s clean energy sector, applying commercial rigour to investing in renewable energy, low emissions and energy efficiency technologies, building industry capacity, and disseminating information to industry stakeholders | | |
| **Program 1.1** – **Clean Energy Finance Corporation**  The Clean Energy Finance Corporation’s mission is: “To accelerate Australia’s transformation towards a more competitive economy in a carbon constrained world, by acting as a catalyst to increase investment in emissions reduction” through:   * Investing directly and indirectly, while also attracting private sector investment into clean energy technologies and projects. * Applying commercial rigour and using financial products and structures to address the barriers inhibiting private sector investment in the sector. | | |
| **Delivery** | The Corporation helps mobilise investment in renewable energy, low emissions and energy efficiency projects and technologies in Australia, as well as into businesses and services that produce the required inputs. It uses financial products and structures to address the barriers inhibiting investment at the demonstration, commercialisation and deployment stages of innovation.  The Corporation works with private sector financiers and project sponsors to facilitate and leverage increased flows of finance into the clean energy sector. In undertaking its investment activities, the Corporation must consider the potential effect on other market participants and the efficient operation of the Australian financial and energy markets.  The Corporation shares knowledge and expertise with project sponsors, lenders and the broader industry, helping build capacity within the private sector.  The Corporation is being directed to focus particular attention on investing debt and equity in:   * Emerging clean energy projects and businesses that involve technologies that have passed beyond the research and development stages but are not yet established or of sufficient maturity, size or otherwise commercially ready to attract sufficient private sector investment. * Renewable energy, low emissions and energy efficiency projects and businesses that improve liveability, accessibility and productivity of cities * Clean energy technology projects and businesses that support the delivery of the Government’s Reef 2050 Plan. * Supporting emerging and innovative renewable technologies and energy efficiency, such as large scale solar, storage associated with large and small-scale solar, offshore wind technologies, and energy efficiency technologies for the built environment. * Investments that support reliability and security of electricity supply.   The Corporation can also provide up to $300m per annum of concessionality in relation to loans issued at below market interest rates and has a limited scope to provide guarantees where appropriate and unavoidable. The Corporation must ensure the total value of guarantees at any time does not exceed 5% of the total amount that has been credited to the Special Account under section 46 of the Act.  The Corporation is not a grant making organisation. It seeks to generate positive financial returns and this is expressed in the Investment Mandate as a target portfolio benchmark rate of return. The Corporation therefore makes investments with a commercial approach, based on careful risk assessment and appropriate terms, with an expectation that such investments will be repaid. The Corporation undertakes its investment activity responsibly and manages risk to minimise the likelihood of losses. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Actual Achievement/Targets** |
| 2020­21 | Be financially sustainable and maintain an investment portfolio that, over the longer term, facilitates emissions reductions, generates positive financial returns within risk appetite.   * Free Cash Flows from Operations (FCFO) after implied costs of government funding – ‘paying our way’. * Total Operating Result adjusted for: (1) GRF and Innovation Fund revaluations, (2) concessionality charges and unwinds, (3) bond revaluations. | > $20m  > $90m |
| Increase investment in clean energy technologies and infrastructure.   * Commitments to renewable energy, energy efficiency and low emission technology transactions. * Invest in the grid’s transition to a lower emissions energy market.   Carbon emission reduction from FY2021 new investments. | Funds contracted during the  year > $0.8b  Evidence of supporting the grid’s transition to a lower emissions energy market.  0.45MtCO2e p.a. |
| Increase private sector capital flowing to the Australian clean energy sector and attract new investor classes into the sector.   * The degree to which CEFC leverages and influences third party capital invested to pursue increased emission reductions. * Unlock new private sector finance (including Super). | 2:1  Evidence of CEFC attracting investors into transactions. |
| 2021­22 | Be financially sustainable and maintain an investment portfolio that, over the longer term, facilitates emissions reductions, generates positive financial returns within risk appetite.   * Free Cash Flows from Operations (FCFO) after implied costs of government funding – ‘paying our way’. * Total Operating Result adjusted for: (1) GRF and Innovation Fund revaluations, (2) concessionality charges and unwinds, (3) bond revaluations. | > $0m  > $80m |
| Increase investment in clean energy technologies and infrastructure.  Commitments to renewable energy, energy efficiency and low emission technology transactions (including grid, Investment Mandate areas of focus and the Technology Roadmap). | $0.8b - $1.0b |

|  |  |  |
| --- | --- | --- |
|  | Carbon emission reduction from FY2022 new investments. | > 0.45MtCO2e p.a. |
| Increase private sector capital flowing to the Australian clean energy sector and attract new investor classes into the sector. | > 2:1 |
| *Expected to be updated if the Grid Reliability Fund is legislated and to reflect consequential investment mandate directions anticipated to be received during 2020-21.* |  |
| 2022­23 and beyond | Currently as per 2021­22.  *Expected to be updated if the Grid Reliability Fund is legislated and to reflect consequential investment mandate directions anticipated to be received during 2020-21.* |  |
| **Purposes** | The CEFC's purpose is to overcome financing barriers to facilitate increased flows of finance into Australia's clean energy sector and in turn to achieve emissions reductions. | |
| **Material changes to Program 1.1 resulting from the following measures:** Nil | | |

## **Section 3****: Budgeted financial statements**

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021-22 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 Corporation incurs significant non-cash expenses and income which give rise to a significant difference between the financial information presented in the budgeted financial statements and the underlying cash impact of its operations.

Table 3.1 Comprehensive income statement (showing net cost of services) includes a reconciliation of the impact of non-cash concessionality income and charges and write down and impairment of assets. Table 3.4 Budgeted departmental statement of cash flows also shows the net cash from operating activities which is significantly higher than the surplus shown in Table 3.1 Comprehensive Income Statement.

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

The financial statements, included in Tables 3.1 to 3.6 have been prepared in accordance with the requirements of the *Public Governance, Performance and Accountability Act 2013*, the Public Governance, Performance and Accountability (Financial Reporting) Rule 2015, Australian Accounting Standards issued by the Australian Accounting Standards Board and the Department of Finance guidance for the preparation of financial statements (noting additional disclosure of the reconciliation of the impact of the significant non-cash income and charges is not required by Australian Accounting Standards).

Forward estimates are prepared on the basis of accounting standards currently in force. Adoption of new accounting standards may impact the measurement and classification of certain assets, liabilities and expenses in future periods.

The financial report has been prepared on an accrual basis and is prepared in accordance with the historical cost convention.

**Notes to the budgeted financial statements**

The budget statements and estimated forward years should be read taking into account the following matters:

*Interest rates*

The Corporation is in the business of making loans and is therefore impacted significantly by movements in market interest rates. Market rates of interest have dropped significantly over the last few years, and this has resulted in (a) a number of CEFC financed projects being refinanced at lower market-based rates of interest, some of which have been refinanced by the private sector (particularly those that have been de-risked through completion of construction) and some of which the CEFC has refinanced, and (b) lower rates of return (income) in new investments (both debt and equity). This has had a significant impact on the budget and forward estimates of both interest income and cash flows received from operations.

*Concession loan discount*

Some of the loans which the Corporation makes may be at a discount to the prevailing market equivalent rates or terms (or, in the absence of equivalent market rates or terms, an estimate of these). For each debt investment, the Corporation attempts to maximise its return and provide only the level of discount from market rates/terms that is required to ensure the project proceeds. This may involve the Corporation taking a position that is not generally offered by other market participants (for example, longer term fixed rate debt or subordinated debt) at rates that may be below those that an equivalent market participant would demand if it were to participate in this market.

The Corporation is required to record a non-cash charge referred to as a concessional loan discount in relation to any such loans and it is a matter of judgment as to the market equivalent rate used to ascertain the extent of the implicit discount attached to the loan.

Concessionality is made available on an individual transaction basis through longer tenor or lower cost of finance or by absorbing additional risk. The Corporation sets terms on a case-by-case basis, lending at the rate that is commercially reasonable and on the least generous terms possible for the project to proceed (that is, as close to market terms as possible).

*Impairment*

1. Loans

The Corporation is required to ascertain the extent to which its portfolio of loans is likely to be recoverable. Given the Corporation is in the business of lending and earning a margin it takes credit risk and it is appropriate to provision for expected credit losses. As the Corporation’s portfolio is mainly senior, secured debt and secured project finance facilities, and there have been limited specific impairments identified to date, a statistical probability of default must be used in accordance with AASB9 to determine the level of appropriate provisioning. The forecast impairment charge is a provision determined as reasonable and appropriate when looking at the risks within the Corporation’s current loans and, in particular, the current environment faced by the borrowers.

1. Equity Investments

The Corporation carries its equity investments at fair value. Since the adoption of AASB9 – Financial Instruments effective 1 July 2018, any reduction in these fair values is required to be recorded as a charge to the income statement. The Corporation is, among other things, in the business of investing equity in early-stage clean energy technology entities under the Clean Energy Innovation Fund. The performance of the Innovation Fund portfolio will reflect the nature, status and lifecycle of the underlying investments and the Corporation expects that a number of these investments will become impaired over the period covered by these financial statements. This is consistent with the design of the Clean Energy Innovation Fund as essentially a venture capital-style offering, where perhaps 40 per cent of investments are expected to fail, 40 per cent expected to yield average returns and the remaining 20 per cent expected to outperform. It is envisaged that the outperforming investments in the Clean Energy Innovation Fund will therefore cover, and ideally exceed, any investment losses – enabling the Fund to meet or exceed its performance benchmark return of the 5-year government bond rate +1 per cent per annum.

The Corporation is also in the business of investing in equity in more mature companies, businesses and projects. In some situations it may be necessary for the Corporation to take a lower rate of return than the risk of the project would indicate is appropriate for a commercial investor. For example, this may be a subordinated return or a period of lower returns in the early years of a project. The Corporation does this in limited situations, and only when it is necessary to ensure the project proceeds, as this will trigger a write-down in the fair value of the Corporation’s equity investment.

*Variability in forecasts*

The responsible Ministers give guidance to the Board in relation to the performance of the Corporation’s investment function in the form of an Investment Mandate issued under subsection 64(1) of the CEFC Act. The current Investment Mandate, the Investment Mandate Direction 2020, became effective on 2 May 2020 and was issued by the Hon Angus Taylor MP, Minister for Energy and Emissions Reduction, and Senator the Hon Mathias Cormann, the then Minister for Finance. This Investment Mandate includes specific areas of focus. These areas of focus have direct implication on the likely rate of return that is achievable in the portfolio, the amount of risk that the Corporation will be incurring across its portfolio and the variability of earnings from period to period.

For example, the Clean Energy Innovation Fund will likely result in a greater proportion of equity investments than the Corporation’s core portfolio. Similarly, the focus of both the Innovation Fund and Advancing Hydrogen Fund on emerging clean energy projects and businesses that involve technologies that have passed beyond the research and development stages, but are not yet established or of sufficient maturity, size or otherwise commercially ready to attract sufficient private sector investment, will expose the Corporation to a greater risk of loss on individual investments and is likely to result in a greater variability in returns between reporting periods. The Australian Government is conscious of the risks inherent in investing in earlier stage technologies and acknowledges that in practice this will involve some short-term volatility in the Corporation’s returns, including the possibility of losses in some years. See also the discussion on the Clean Energy Innovation Fund in the section on “Impairments” above.

Investments in the Grid Reliability Fund (once established) will also likely require considerable concession or a subordination of returns which will result in either impairment or a write-down in the fair value of the investment at inception. As these projects will be large and infrequent, the precise timing of when they will trigger a concessional charge or write-down in their fair value is not possible to predict with any degree of certainty and are likely to result in significant fluctuations between periods.

### 3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 34,091 | 40,155 | 42,616 | 44,868 | 46,667 |
| Suppliers | 12,357 | 16,644 | 18,069 | 18,443 | 18,946 |
| Depreciation and amortisation | 3,694 | 4,191 | 5,044 | 4,874 | 4,777 |
| Concessional loan discount | 42,000 | 35,000 | 40,000 | 32,000 | 32,000 |
| Other financing costs | 25 | 10 | 21 | 16 | 10 |
| Write-down and impairment of assets | 47,000 | 45,000 | 49,250 | 53,500 | 54,000 |
| **Total expenses** | **139,167** | **141,000** | **155,000** | **153,701** | **156,400** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Unwind of concessional loan discount | 6,800 | 7,400 | 8,200 | 10,400 | 12,000 |
| Interest | 154,170 | 132,404 | 130,815 | 133,961 | 136,621 |
| Dividends | 16,260 | 21,464 | 25,322 | 28,461 | 29,800 |
| **Total own-source revenue** | **177,230** | **161,268** | **164,337** | **172,822** | **178,421** |
| **Gains** |  |  |  |  |  |
| Profit on Sale of Financial Assets | 30,151 | 6,500 | **5,000** | **4,000** | **2,000** |
| Foreign exchange gains | 16 | - | **-** | **-** | **-** |
| **Total gains** | **30,167** | **6,500** | **5,000** | **4,000** | **2,000** |
| **Total own-source income** | **207,397** | **167,768** | **169,337** | **176,822** | **180,421** |
| **Net (cost of)/contribution by**  **services** | **68,230** | **26,768** | **14,337** | **23,121** | **24,021** |
| Revenue from Government | 4,270 | 4,532 | 4,263 | 4,379 | 4,379 |
| **Surplus/(deficit) attributable to the**  **Australian Government** | **72,500** | **31,300** | **18,600** | **27,500** | **28,400** |
| **Total comprehensive income/(loss)**  **attributable to the Australian**  **Government** | **72,500** | **31,300** | **18,600** | **27,500** | **28,400** |

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** | | | | | |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **Total comprehensive income/(loss)**  **excluding depreciation/**  **amortisation expenses previously**  **funded through revenue**  **appropriations, depreciation on**  **ROU, principal repayments on**  **leased assets** | **72,725** | **31,391** | **18,392** | **27,532** | **28,502** |
| less: Depreciation/amortisation  expenses on ROU assets (a) | 1,721 | 1,990 | 2,543 | 2,365 | 2,359 |
| add: Principal repayments on  leased assets (a) | (1,946) | (2,081) | (2,335) | (2,397) | (2,461) |
| **Total comprehensive income/(loss)**  **- as per the Statement of**  **comprehensive income** | **72,500** | **31,300** | **18,600** | **27,500** | **28,400** |
|  |  |  |  |  |  |
| **Reconciliation of the impact of significant non-cash concessionality income and charges and fair value adjustments** | | | | | |
| **Total comprehensive income/(loss)**  **attributable to the Australian**  **Government** | **72,500** | **31,300** | **18,600** | **27,500** | **28,400** |
| **Add** concessional loan discount | 42,000 | 35,000 | 40,000 | 32,000 | 32,000 |
| **Less** unwind of concessional loan  discount | (6,800) | (7,400) | (8,200) | (10,400) | (12,000) |
| Net non-cash concessionality impact | 35,200 | 27,600 | 31,800 | 21,600 | 20,000 |
| **Add** Write-down and impairment  of assets | 47,000 | 45,000 | 49,250 | 53,500 | 54,000 |
| Net adjustments to investment carrying  values | 47,000 | 45,000 | 49,250 | 53,500 | 54,000 |
| **Total comprehensive income**  **attributable to the Australian Government after eliminating significant non-cash**  **adjustments** | **154,700** | **103,900** | **99,650** | **102,600** | **102,400** |

Prepared on Australian Accounting Standards basis.

1. Applies leases under AASB 16 Leases.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 371,391 | 411,436 | 330,225 | 293,719 | 266,154 |
| Advances and loans | 2,451,191 | 2,553,244 | 2,732,809 | 3,009,289 | 3,462,562 |
| Investment in shares | 837,235 | 1,102,599 | 1,208,846 | 1,361,719 | 1,531,983 |
| Investments in other interest  bearing securities | 1,304,097 | 1,200,070 | 1,288,710 | 1,135,782 | 771,641 |
| Investment in derivative  financial instruments | 5,607 | 5,607 | 5,607 | 5,607 | 5,607 |
| Trade and other receivables | 15,165 | 15,225 | 14,784 | 14,784 | 14,784 |
| Investments accounted for  under the equity method | 271,259 | 324,719 | 363,231 | 365,452 | 361,709 |
| ***Total financial assets*** | ***5,255,945*** | ***5,612,900*** | ***5,944,212*** | ***6,186,352*** | ***6,414,440*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 6,427 | 4,437 | 7,894 | 5,529 | 3,170 |
| Property, plant and equipment | 2,928 | 2,564 | 2,571 | 2,342 | 2,019 |
| Intangibles | 267 | 435 | 427 | 397 | 502 |
| Other non-financial assets | 535 | 535 | 535 | 535 | 535 |
| ***Total non-financial assets*** | ***10,157*** | ***7,971*** | ***11,427*** | ***8,803*** | ***6,226*** |
| **Total assets** | **5,266,102** | **5,620,871** | **5,955,639** | **6,195,155** | **6,420,666** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 5,787 | 5,787 | 5,787 | 5,787 | 5,787 |
| Personal benefits | 6,985 | 8,816 | 9,275 | 9,767 | 10,213 |
| Other payables | 39,785 | 38,230 | 35,143 | 33,907 | 33,001 |
| ***Total payables*** | ***52,557*** | ***52,833*** | ***50,205*** | ***49,461*** | ***49,001*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 6,655 | 4,574 | 8,239 | 5,842 | 3,381 |
| ***Total interest bearing liabilities*** | ***6,655*** | ***4,574*** | ***8,239*** | ***5,842*** | ***3,381*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 3,644 | 3,918 | 4,049 | 4,206 | 4,238 |
| Other provisions | 3,443 | 3,443 | 3,443 | 3,443 | 3,443 |
| ***Total provisions*** | ***7,087*** | ***7,361*** | ***7,492*** | ***7,649*** | ***7,681*** |
| **Total liabilities** | **66,299** | **64,768** | **65,936** | **62,952** | **60,063** |
| **Net assets** | **5,199,803** | **5,556,103** | **5,889,703** | **6,132,203** | **6,360,603** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 4,568,363 | 4,893,363 | 5,208,363 | 5,423,363 | 5,623,363 |
| Reserves | (6,455) | (6,455) | (6,455) | (6,455) | (6,455) |
| Retained surplus / (accumulated  deficit) | 637,895 | 669,195 | 687,795 | 715,295 | 743,695 |
| ***Total parent entity interest*** | ***5,199,803*** | ***5,556,103*** | ***5,889,703*** | ***6,132,203*** | ***6,360,603*** |
| **Total Equity** | ***5,199,803*** | ***5,556,103*** | ***5,889,703*** | ***6,132,203*** | ***6,360,603*** |

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 2021­22)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Retained  earnings  $'000 | Asset  revaluation  reserve  $'000 | Other  reserves  $'000 | Contributed  equity/  capital  $'000 | Total  equity  $'000 |
| **Opening balance as at 1 July 2021** |  |  |  |  |  |
| Balance carried forward from  previous period | 637,895 | (6,455) | - | 4,568,363 | 5,199,803 |
| ***Adjusted opening balance*** | ***637,895*** | ***(6,455)*** | ***-*** | ***4,568,363*** | ***5,199,803*** |
| **Comprehensive income** |  |  |  |  |  |
| Surplus/(deficit) for the period | 31,300 | - | - | - | 31,300 |
| ***Total comprehensive income*** | ***31,300*** | ***-*** | ***-*** | ***-*** | ***31,300*** |
| of which: |  |  |  |  |  |
| Attributable to the Australian  Government | 31,300 | - | - | - | 31,300 |
| **Transactions with owners** |  |  |  |  |  |
| ***Distribution to owners*** |  |  |  |  |  |
| Return to CEFC Special Account  held by portfolio department | - | - | - | (500,000) | (500,000) |
| ***Contributions by owners*** |  |  |  |  |  |
| Equity Injection  from CEFC Special Account | - | - |  | 740,000 | 740,000 |
| Equity Injection  from GRF Special Account (a) | - | - | - | 85,000 | 85,000 |
| ***Sub-total transactions with***  ***owners*** | ***-*** | ***-*** | ***-*** | ***325,000*** | ***325,000*** |
| **Estimated closing balance as at**  **30 June 2022** | **669,195** | **(6,455)** | **-** | **4,893,363** | **5,556,103** |
| **Closing balance attributable to**  **the Australian Government** | **669,195** | **(6,455)** | **-** | **4,893,363** | **5,556,103** |

Prepared on Australian Accounting Standards basis.

1. Budgeted drawings from the Grid Reliability Fund Special Account to be established upon passing of the Grid Reliability Fund Legislation.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Receipts from Government | 4,270 | 4,532 | 4,263 | 4,379 | 4,379 |
| Interest | 171,441 | 125,560 | 132,243 | 133,737 | 137,144 |
| Dividends | 16,705 | 21,464 | 25,322 | 28,461 | 29,800 |
| ***Total cash received*** | ***192,416*** | ***151,556*** | ***161,828*** | ***166,577*** | ***171,323*** |
| **Cash used** |  |  |  |  |  |
| Employees | 34,322 | 38,050 | 42,026 | 44,219 | 46,189 |
| Suppliers | 12,084 | 16,644 | 18,069 | 18,443 | 18,946 |
| Lease liability - Interest payments | 25 | 10 | 21 | 16 | 10 |
| ***Total cash used*** | ***46,431*** | ***54,704*** | ***60,116*** | ***62,678*** | ***65,145*** |
| **Net cash from/(used by)**  **operating activities** | **145,985** | **96,852** | **101,712** | **103,899** | **106,178** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Repayments of loans and  advances | 391,299 | 401,048 | 325,103 | 445,503 | 424,153 |
| Other investing cash receipts  for policy purposes | 514,002 | 502,104 | 209,159 | 448,690 | 673,377 |
| ***Total cash received*** | ***905,301*** | ***903,152*** | ***534,262*** | ***894,193*** | ***1,097,530*** |
| **Cash used** |  |  |  |  |  |
| Purchase of property plant, and  equipment and intangibles | 3,902 | 2,005 | 2,500 | 2,250 | 2,200 |
| Advances and loans made | 643,667 | 544,774 | 550,880 | 758,037 | 912,949 |
| Other investing cash payments  for policy purposes | 778,559 | 736,099 | 476,470 | 486,914 | 513,663 |
| ***Total cash used*** | ***1,426,128*** | ***1,282,878*** | ***1,029,850*** | ***1,247,201*** | ***1,428,812*** |
| **Net cash from/(used by)**  **investing activities** | **(520,827)** | **(379,726)** | **(495,588)** | **(353,008)** | **(331,282)** |

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity |  |  |  |  |  |
| from CEFC Special Account | 540,000 | 740,000 | 530,000 | 645,000 | 280,000 |
| from GRF Special Account | - | 85,000 | 85,000 | 220,000 | 220,000 |
| ***Total cash received*** | ***540,000*** | ***825,000*** | ***615,000*** | ***865,000*** | ***500,000*** |
| **Cash used** |  |  |  |  |  |
| Lease liability - principal Payments | 1,946 | 2,081 | 2,335 | 2,397 | 2,461 |
| Return to CEFC Special Account  held by portfolio department | 640,000 | 500,000 | 300,000 | 650,000 | 300,000 |
| ***Total cash used*** | ***641,946*** | ***502,081*** | ***302,335*** | ***652,397*** | ***302,461*** |
| **Net cash from/(used by)**  **financing activities** | **(101,946)** | **322,919** | **312,665** | **212,603** | **197,539** |
| **Net increase/(decrease) in cash**  **held** | **(476,788)** | **40,045** | **(81,211)** | **(36,506)** | **(27,565)** |
| Cash and cash equivalents at the  beginning of the reporting period | 848,179 | 371,391 | 411,436 | 330,225 | 293,719 |
| **Cash and cash equivalents at**  **the end of the reporting period** | **371,391** | **411,436** | **330,225** | **293,719** | **266,154** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **PURCHASE OF NON-FINANCIAL**  **ASSETS** |  |  |  |  |  |
| Funded internally from departmental  resources | 3,902 | 2,005 | 2,500 | 2,250 | 2,200 |
| **TOTAL** | **3,902** | **2,005** | **2,500** | **2,250** | **2,200** |
| **RECONCILIATION OF CASH USED**  **TO ACQUIRE ASSETS TO ASSET**  **MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 3,902 | 2,005 | 2,500 | 2,250 | 2,200 |
| **Total cash used to acquire assets** | **3,902** | **2,005** | **2,500** | **2,250** | **2,200** |

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2021­22)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Buildings  $'000 | Other  property,  plant and  equipment  $'000 | Computer  software and  intangibles  $'000 | Total  $'000 |
| **As at 1 July 2021** |  |  |  |  |
| Gross book value | - | 5,739 | 2,520 | 8,259 |
| Gross book value - ROU assets | 9,743 | - | - | 9,743 |
| Accumulated depreciation/  amortisation and impairment | - | (2,811) | (2,253) | (5,064) |
| Accumulated depreciation/amortisation  and impairment - ROU assets | (3,316) | - | - | (3,316) |
| **Opening net book balance** | **6,427** | **2,928** | **267** | **9,622** |
| **Capital asset additions** |  |  |  |  |
| **Estimated expenditure on new**  **or replacement assets** |  |  |  |  |
| By purchase - other | - | 555 | 1,450 | 2,005 |
| **Total additions** | **-** | **555** | **1,450** | **2,005** |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation expense | - | (919) | (1,282) | (2,201) |
| Depreciation/amortisation on  ROU | (1,990) | - | - | (1,990) |
| **Total other movements** | **(1,990)** | **(919)** | **(1,282)** | **(4,191)** |
| **As at 30 June 2022** |  |  |  |  |
| Gross book value | - | 6,294 | 3,970 | 10,264 |
| Gross book value - ROU | 9,743 | - | - | 9,743 |
| Accumulated depreciation/  amortisation and impairment | - | (3,730) | (3,535) | (7,265) |
| Accumulated depreciation/amortisation  and impairment - ROU | (5,306) | - | - | (5,306) |
| **Closing net book balance** | **4,437** | **2,564** | **435** | **7,436** |

Prepared on Australian Accounting Standards basis.

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

CEFC has no budgeted income and expenses administered on behalf of Government, therefore Table 3.7 is not presented.

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

CEFC has no budgeted assets and liabilities administered on behalf of Government, therefore Table 3.8 is not presented.

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

CEFC has no budgeted administered cash flows, therefore Table 3.9 is not presented.

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

CEFC has no administered capital budget statement; therefore Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2021­22)

CEFC has no administered asset movements; therefore Table 3.11 is not presented.

Department o

Clean Energy Regulator

Entity resources and planned performance

Clean Energy Regulator

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# Clean Energy Regulator

## **Section 1****: Entity overview and resources**

### 1.1 Strategic direction statement

The Clean Energy Regulator (CER) is a Non-corporate Commonwealth entity and statutory agency established under the *Clean Energy Regulator Act 2011*. The CER is responsible for the Outcome:

Contribute to a reduction in Australia's net greenhouse gas emissions, including through the administration of market based mechanisms that incentivise reduction in emissions and the promotion of additional renewable electricity generation.

The following schemes administered by CER work together to provide economic incentives, backed by robust data, to reduce greenhouse gas emissions and increase the use of renewable energy to achieve the agency’s purpose of ‘accelerating carbon abatement for Australia.’ In administering its schemes, CER is actively supporting the Australian Government’s commitment to addressing climate change while maintaining energy security and affordability.

The Emissions Reduction Fund, established under the *Carbon Credits (Carbon Farming Initiative) Act 2011*, provides incentives for a range of organisations and individuals to adopt new practices and technologies to reduce their emissions. Together with the reporting obligations under the *National Greenhouse and Energy Reporting Act 2007*, the safeguard mechanism complements the Emissions Reduction Fund through providing a framework for Australia’s largest emitters to measure, report and manage their emissions.

* The National Greenhouse and Energy Reporting Scheme, established by the *National Greenhouse and Energy Reporting Act 2007*, is a single national framework for reporting and disseminating company information about greenhouse gas emissions, energy production, energy consumption and other information specified under the legislation.
* The Renewable Energy Target, established by the *Renewable Energy (Electricity)   
  Act 2000*, encourages the additional generation of electricity from renewable sources, reduces emissions of greenhouse gases in the electricity sector and ensures that renewable energy sources are ecologically sustainable.
* The Australian National Registry of Emissions Units, established by the *Australian National Registry of Emissions Units Act 2011*, is a secure electronic registry system that tracks the location and ownership of units issued under the Kyoto Protocol and the Emissions Reduction Fund.

CER’s strategies for delivering this outcome and achieving its purpose are to:

* Invest in knowing CER’s clients and communicating with them in a way which meets their needs. Use client education and guidance materials to help potential clients understand how to participate in and comply with CER’s schemes. Set clear and consistent expectations with clients. Further develop tools that assist CER’s clients to self-select in only if they have adequate capacity and capability to meet the requirements and achieve the anticipated results. Manage non-compliance and influence client behaviour by communicating the regulatory responses and actions we take to address non-compliance, including the use of targeted enforcements to act as a deterrent.
* Use risk-based and continuous improvement approaches to deploy agency resources to best effect. Maintain and enhance the skills and expertise of CER’s people and encourage innovation to benefit CER and its clients.
* Build and sustain CER’s reputation and impact through sound stakeholder and client relationships and partnerships with other relevant institutions and regulatory bodies. Promote the value of CER’s assets, the quality of its results and the strength of its capabilities. Place a strong emphasis on using the data we hold to generate insights and make lawful, consistent, transparent and robust decisions. Share the data CER holds for the public good, in line with the secrecy and privacy provisions of CER’s legislation.
* Ensure CER’s infrastructure is reliable, resilient and flexible enough to be reused in response to policy or operational change. Protect the integrity and utility of the core elements of CER’s schemes, including greenhouse and energy data, contracts, units and certificates.

The carbon market is evolving, including through deeper voluntary action. The CER is implementing several Government initiatives to support this development including the Corporate Emissions Reduction Transparency report and acceleration of the emergence of an exchange traded market.

Further information on CER’s purpose, objectives, planning priorities and key performance indicators is detailed in the Clean Energy Regulator Corporate Plan on the Regulator’s website at www.cleanenergyregulator.gov.au.

### 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: Clean Energy Regulator resource statement – Budget estimates for 2021­22 as at Budget May 2021

|  |  |  |
| --- | --- | --- |
|  | *2020­21 Estimated actual*  *$'000* | 2021­22 Estimate  $'000 |
| **Departmental** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Prior year appropriations available | *19,689* | 19,449 |
| Departmental appropriation (b) | *76,511* | 86,503 |
| Departmental capital budget (c) | *1,148* | 1,143 |
| Annual appropriations - other services - non-operating (d) |  |  |
| Equity injection | *2,950* | 6,681 |
| Total departmental annual appropriations | *100,298* | 113,776 |
| ***Total departmental resourcing*** | ***100,298*** | ***113,776*** |
| **Administered** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Prior year appropriations available | *92,258* | 92,258 |
| Outcome 1 | *245,940* | 295,387 |
| *Total administered annual appropriations* | *338,198* | 387,645 |
| *Total administered special appropriations* | *68,146* | 482 |
| Special accounts (e) |  |  |
| Opening balance | *82* | 82 |
| Non-appropriation receipts | *3,500* | 3,500 |
| Total special account receipts | 3,582 | 3,582 |
| ***Total administered resourcing*** | ***409,926*** | **391,709** |
| **Total resourcing for CER** | ***510,224*** | **505,485** |
|  |  |  |
|  | *2020­21* | 2021­22 |
| **Average staffing level (number)** | *325* | 332 |

All figures shown above are GST exclusive – these may not match figures in the cash flow statement. Prepared on a resourcing (i.e. appropriations available) basis.

1. Appropriation Bill (No. 1) 2021­22.
2. Excludes departmental capital budget (DCB).
3. Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
4. Appropriation Bill (No. 2) 2021-22.
5. For further information on special accounts, please refer to Budget Paper No. 4 - Agency Resourcing.

### 1.3 Budget measures

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

Table 1.2: CER 2021­22 budget measures  
Measures announced after the 2020­21 Mid-Year Economic and Fiscal Outlook (MYEFO)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Program | 2021­22  $'000 | 2022­23  $'000 | 2023­24  $'000 | 2024­25  $'000 |
| **Payment measures** |  |  |  |  |  |
| Commonwealth’s Deregulation Agenda (a) | 1.1 |  |  |  |  |
| Departmental payment |  | 2,429 | 6,400 | 2,215 | 463 |
| **Total** |  | **2,429** | **6,400** | **2,215** | **463** |
| Emissions Reduction and New  Investments under the Technology  Investment Roadmap | 1.1 |  |  |  |  |
| Administered payment |  | - | 10,040 | 20,080 | 30,116 |
| Departmental payment |  | 2,818 | 4,908 | 7,013 | 4,241 |
| **Total** |  | **2,818** | **14,948** | **27,093** | **34,357** |
| Improving Energy Affordability and  Reliability | 1.1 |  |  |  |  |
| Administered payment |  | - | - | - | - |
| Departmental payment |  | 5,734 | 7,316 | 2,551 | 1,710 |
| **Total** |  | **5,734** | **7,316** | **2,551** | **1,710** |
| **Total payment measures** |  |  |  |  |  |
| Administered |  | - | 10,040 | 20,080 | 30,116 |
| Departmental |  | 10,981 | 18,624 | 11,779 | 6,414 |
| **Total** |  | **10,981** | **28,664** | **31,859** | **36,530** |

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

1. The lead entity for this measure is the Department of Prime Minister and Cabinet. The full measure 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 CER can be found at:

http://www.cleanenergyregulator.gov.au/About/Accountability-and-reporting/Corporate-plans

The most recent annual performance statement can be found at:

http://www.cleanenergyregulator.gov.au/About/Accountability-and-reporting/Annual-Reports

### 2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Contribute to a reduction in Australia's net greenhouse gas emissions, including through the administration of market based mechanisms that incentivise reduction in emissions and the promotion of additional renewable electricity generation |

#### Linked programs

|  |
| --- |
| **Department of Industry, Science, Energy and Resources** |
| **Programs**   * Program 2.1 – Reducing Australia’s greenhouse gas emissions * Program 3.1 – Supporting reliable, secure and affordable energy |
| **Contribution to Outcome 1 made by linked programs**  The Department of Industry, Science, Energy and Resources has policy responsibility for the Emissions Reduction Fund, the Renewable Energy Target, the National Greenhouse and Energy Reporting Scheme and the Australian National Registry of Emissions Units. The Clean Energy Regulator works collaboratively with the Department as the delivery agency and regulator for these schemes. The Department is responsible for energy policy and the Clean Energy Regulator works collaboratively with the Department to understand the impacts of its regulatory activity on the market. |

##### **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**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Outcome 1:** Contribute to a reduction in Australia's net greenhouse gas emissions, including through the administration of market based mechanisms that incentivise reduction in emissions and the promotion of additional renewable electricity generation | | | | | |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **Program 1: Clean Energy Regulator** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 245,940 | 295,387 | 293,079 | 365,843 | 394,995 |
| Special appropriations |  |  |  |  |  |
| *Renewable Energy (Electricity) Act 2000* | 412,215 | 482 | 523 | 509 | 509 |
| **Administered total** | 658,155 | 295,869 | 293,602 | 366,352 | 395,504 |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 76,493 | 86,542 | 90,988 | 85,057 | 82,401 |
| Expenses not requiring appropriation  in the budget year (a) | 2,794 | 3,162 | 2,361 | 2,299 | 4,122 |
| **Departmental total** | 79,287 | 89,704 | 93,349 | 87,356 | 86,523 |
| **Total expenses for Program 1** | **737,442** | **385,573** | **386,951** | **453,708** | **482,027** |
| **Outcome 1 totals by resource type** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 245,940 | 295,387 | 293,079 | 365,843 | 394,995 |
| Special appropriations |  |  |  |  |  |
| *Renewable Energy (Electricity) Act 2000* | 412,215 | 482 | 523 | 509 | 509 |
| **Administered total** | 658,155 | 295,869 | 293,602 | 366,352 | 395,504 |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 76,493 | 86,542 | 90,988 | 85,057 | 82,401 |
| Expenses not requiring appropriation  in the budget year (a) | 2,794 | 3,162 | 2,361 | 2,299 | 4,122 |
| **Departmental total** | 79,287 | 89,704 | 93,349 | 87,356 | 86,523 |
| **Total expenses for Outcome1** | **737,442** | **385,573** | **386,951** | **453,708** | **482,027** |
|  |  |  |  |  |  |
|  | 2020­21 | 2021­22 |  |  |  |
| **Average staffing level (number)** | 325 | 332 |  |  |  |

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

1. Expenses not requiring appropriation in the budget year are non-cash charges in relation to concessional loans, write-down and impairment of assets, depreciation and amortisation and a share of net loss from associates accounted for under the equity method.

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 2021­22 Budget measures have created new programs or materially changed existing programs.

|  |  |  |
| --- | --- | --- |
| Outcome 1 – Contribute to a reduction in Australia's net greenhouse gas emissions, including through the administration of market based mechanisms that incentivise reduction in emissions and the promotion of additional renewable electricity generation | | |
| **Program 1.1 –** Effective and efficient regulation of greenhouse and energy reporting and market based schemes that contribute to a reduction in Australia’s net greenhouse gas emissions and promote investment in renewable energy. | | |
| **Delivery** | The Clean Energy Regulator delivers Program 1.1 by:   * Collecting, analysing, assessing, providing and publishing emissions and energy data, to inform government policy and the Australian public, to meet international reporting obligations and to support Australia’s emissions and energy data needs. * Operating the Australian National Registry of Emissions Units and the Renewable Energy Certificate Registry for market participants. * Monitoring, facilitating and enforcing compliance by its clients for the schemes it administers. * Issuing Australian carbon credit units to organisations and individuals for approved projects that reduce greenhouse gas emissions. * Conducting auctions and managing contracts. * Accrediting greenhouse and energy auditors to undertake audit activities under its schemes. * Working with other Commonwealth, state and territory law enforcement and regulatory bodies. * Providing education and information to current and potential scheme participants on the schemes it administers and how they work. | |
| **Performance information** | | |
| **Year** | **Performance criteria** (a) | **Actual Achievements/Targets** |
| 2020­21 | Proportion of contracted carbon abatement delivered. | On track.  Against a target of: 90% of contracted carbon abatement with fixed delivery contracts is delivered on time. |
| Compliance levels by regulated and liable entities. | On track.  Against a target of: ≥ 95% of regulated and liable entities are materially compliant with their statutory obligations. |
|  | Development of new methods for the Emissions Reduction Fund. | On track.  Against a target of: Methods are to be developed within 12 months. |

|  |  |  |
| --- | --- | --- |
| 2021­22 | Proportion of contracted carbon abatement delivered. | 90% of contracted carbon abatement with fixed delivery contracts is delivered on time |
| Compliance levels by regulated and liable entities. | ≥ 95% of regulated and liable entities are materially compliant with their statutory obligations. |
| Development of new methods for the Emissions Reduction Fund. | Methods are to be developed within 12 months. |
| 2022­23 and beyond | As for 2021­22 | As for 2021­22 |
| **Purposes** | Accelerating carbon abatement for Australia. | |
| **Material changes to Program 1.1 resulting from the following measures:** Nil | | |

1. Performance criteria for Outcome 1 are derived from the key performance indicators identified in the Clean Energy Regulator Corporate Plan 2021-25.

## **Section 3****: Budgeted financial statements**

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021­22 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 in 2021-22. For departmental items, 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 each year and excludes appropriation shown in the Departmental Capital Budget Statement   
(Table 3.5).

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

**Budgeted Departmental Comprehensive Income Statement**

CER is budgeting to a break-even position excluding non-appropriated expenses relating to depreciation and amortisation.

The budgeted Net Cost of Services to CER for delivering its programs in 2021-22 is $89.3 million (2020-21: $78.9 million).

Budgeted Revenue from Government in 2021-22 is estimated at $86.5 million (2020-21: $76.5 million).

**Budgeted Departmental Balance Sheet**

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

The net assets position in 2021-22 is estimated to increase by $5.0 million to   
$20.5 million. Total net assets and equity continue to increase over the forward years as a result of the increase in contributed equity received for the budget measures outlined in table 1.2.

In addition, in 2021-22 CER will be entering into a new lease arrangement for office accommodation. The increase in both non-financial assets – land and buildings, and interest bearing liabilities – leases, reflects the recognition of the $35.4 million right of use asset and lease liability for the office accommodation.

**Budgeted Departmental Capital Budget Statement**

The departmental capital budget statement shows the expected capital works program for the current and forward years. Total capital expenditure in 2021-22 is estimated to be $9.8 million, including $2.0 million for the fitout of the new office accommodation that will be funded internally from departmental resources.

**Schedule of Budgeted Income and Expenses administered on behalf of government**

The schedule shows the estimated income and expenses for programs administered by the CER on behalf of the Australian Government.

Estimated administered expenses for 2021-22 and the budget and forward years reflect the increase in funds due to the budget measure: Emissions Reduction and New Investments under the Technology Investment Roadmap (refer 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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 40,315 | 41,732 | 42,281 | 42,287 | 41,792 |
| Suppliers | 32,920 | 41,088 | 45,434 | 39,523 | 37,389 |
| Depreciation and amortisation (a) | 5,867 | 6,795 | 5,338 | 5,276 | 7,099 |
| Finance costs | 45 | 89 | 296 | 270 | 243 |
| Losses from asset sales | 140 | - | - | - | - |
| **Total expenses** | **79,287** | **89,704** | **93,349** | **87,356** | **86,523** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Gains** |  |  |  |  |  |
| Other | 425 | 425 | 425 | 425 | 425 |
| **Total gains** | **425** | **425** | **425** | **425** | **425** |
| **Total own-source income** | **425** | **425** | **425** | **425** | **425** |
| **Net (cost of)/contribution by**  **services** | **(78,862)** | **(89,279)** | **(92,924)** | **(86,931)** | **(86,098)** |
| Revenue from Government | 76,511 | 86,503 | 90,545 | 84,746 | 82,226 |
| **Surplus/(deficit) attributable to the**  **Australian Government** | **(2,351)** | **(2,776)** | **(2,379)** | **(2,185)** | **(3,872)** |
| **Total comprehensive income/(loss)** | **(2,351)** | **(2,776)** | **(2,379)** | **(2,185)** | **(3,872)** |
| **Total comprehensive income/(loss)**  **attributable to the Australian**  **Government** | **(2,351)** | **(2,776)** | **(2,379)** | **(2,185)** | **(3,872)** |

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** | | |  |  |  |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'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) | 2,369 | 2,737 | 1,936 | 1,874 | 3,697 |
| less: depreciation/amortisation  expenses for ROU (b) | 3,498 | 4,058 | 3,402 | 3,402 | 3,402 |
| add: principal repayments on  leased assets (b) | 3,516 | 4,019 | 2,959 | 3,091 | 3,227 |
| **Total comprehensive income/(loss)**  **- as per the statement of**  **comprehensive income** | **(2,351)** | **(2,776)** | **(2,379)** | **(2,185)** | **(3,872)** |

Prepared on Australian Accounting Standards basis.

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

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 391 | 391 | 391 | 391 | 391 |
| Trade and other receivables | 19,360 | 17,360 | 17,360 | 17,360 | 17,360 |
| ***Total financial assets*** | ***19,751*** | ***17,751*** | ***17,751*** | ***17,751*** | ***17,751*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 4,237 | 37,543 | 33,853 | 30,163 | 26,473 |
| Property, plant and equipment | 848 | 1,797 | 1,701 | 1,605 | 1,509 |
| Intangibles | 8,363 | 14,577 | 21,846 | 26,964 | 25,008 |
| Other non-financial assets | 642 | 642 | 642 | 642 | 642 |
| ***Total non-financial assets*** | ***14,090*** | ***54,559*** | ***58,042*** | ***59,374*** | ***53,632*** |
| **Total assets** | **33,841** | **72,310** | **75,793** | **77,125** | **71,383** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 2,366 | 2,366 | 2,366 | 2,366 | 2,366 |
| Other payables | 653 | 653 | 653 | 653 | 653 |
| ***Total payables*** | ***3,019*** | ***3,019*** | ***3,019*** | ***3,019*** | ***3,019*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 3,040 | 36,461 | 33,502 | 30,411 | 27,184 |
| ***Total interest bearing liabilities*** | ***3,040*** | ***36,461*** | ***33,502*** | ***30,411*** | ***27,184*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 12,368 | 12,368 | 12,368 | 12,368 | 12,368 |
| ***Total provisions*** | ***12,368*** | ***12,368*** | ***12,368*** | ***12,368*** | ***12,368*** |
| **Total liabilities** | **18,427** | **51,848** | **48,889** | **45,798** | **42,571** |
| **Net assets** | **15,414** | **20,462** | **26,904** | **31,327** | **28,812** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 88,514 | 96,338 | 105,159 | 111,767 | 113,124 |
| Reserves | 9,598 | 9,598 | 9,598 | 9,598 | 9,598 |
| Retained surplus / (accumulated  deficit) | (82,698) | (85,474) | (87,853) | (90,038) | 93,910 |
| **Total parent entity interest** | **15,414** | **20,462** | **26,904** | **31,327** | **28,812** |
| **Total Equity** | **15,414** | **20,462** | **26,904** | **31,327** | **28,812** |

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 2021­22)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained  earnings  $'000 | Asset  revaluation  reserve  $'000 | Contributed  equity/  capital  $'000 | Total  equity  $'000 |
| **Opening balance as at 1 July 2021** |  |  |  |  |
| Balance carried forward from  previous period | (82,698) | 9,598 | 88,514 | 15,414 |
| ***Adjusted opening balance*** | ***(82,698)*** | ***9,598*** | ***88,514*** | ***15,414*** |
| **Comprehensive income** |  |  |  |  |
| Surplus/(deficit) for the period | (2,776) | - | - | (2,776) |
| ***Total comprehensive income*** | ***(2,776)*** | ***-*** | ***-*** | ***(2,776)*** |
| **Transactions with owners** |  |  |  |  |
| ***Contributions by owners*** |  |  |  |  |
| Equity injection - Appropriation | - | - | 6,681 | 6,681 |
| Departmental Capital Budget (DCB) | - | - | 1,143 | 1,143 |
| ***Sub-total transactions with***  ***owners*** | ***-*** | ***-*** | ***7,824*** | ***7,824*** |
| **Estimated closing balance as at**  **30 June 2022** | **(85,474)** | **9,598** | **96,338** | **20,462** |
| **Closing balance attributable to**  **the Australian Government** | **(85,474)** | **9,598** | **96,338** | **20,462** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 76,751 | 88,503 | 90,545 | 84,746 | 82,226 |
| Net GST received | 2,778 | 2,662 | 2,629 | 2,679 | - |
| ***Total cash received*** | ***79,529*** | ***91,165*** | ***93,174*** | ***87,425*** | ***82,226*** |
| **Cash used** |  |  |  |  |  |
| Employees | 40,315 | 41,732 | 42,281 | 42,287 | 41,792 |
| Suppliers | 35,273 | 43,325 | 47,638 | 41,777 | 36,964 |
| Interest payments on lease liability | 45 | 89 | 296 | 270 | 243 |
| ***Total cash used*** | ***75,633*** | ***85,146*** | ***90,215*** | ***84,334*** | ***78,999*** |
| **Net cash from/(used by)**  **operating activities** | **3,896** | **6,019** | **2,959** | **3,091** | **3,227** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and  equipment and intangibles | 4,478 | 9,824 | 8,821 | 6,608 | 1,357 |
| ***Total cash used*** | ***4,478*** | ***9,824*** | ***8,821*** | ***6,608*** | ***1,357*** |
| **Net cash from/(used by)**  **investing activities** | **(4,478)** | **(9,824)** | **(8,821)** | **(6,608)** | **(1,357)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 4,098 | 7,824 | 8,821 | 6,608 | 1,357 |
| ***Total cash received*** | ***4,098*** | ***7,824*** | ***8,821*** | ***6,608*** | ***1,357*** |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability |  |  |  |  |  |
| Other | 3,516 | 4,019 | 2,959 | 3,091 | 3,227 |
| ***Total cash used*** | ***3,516*** | ***4,019*** | ***2,959*** | ***3,091*** | ***3,227*** |
| **Net cash from/(used by)**  **financing activities** | **582** | **3,805** | **5,862** | **3,517** | **(1,870)** |
| Cash and cash equivalents at the  beginning of the reporting period | 391 | 391 | 391 | 391 | 391 |
| **Cash and cash equivalents at**  **the end of the reporting period** | **391** | **391** | **391** | **391** | **391** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital budget - Bill 1 (DCB) | 1,148 | 1,143 | 1,149 | 1,153 | 1,158 |
| Equity injections - Bill 2 | 2,950 | 6,681 | 7,672 | 5,455 | 199 |
| **Total new capital appropriations** | **4,098** | **7,824** | **8,821** | **6,608** | **1,357** |
| ***Provided for:*** |  |  |  |  |  |
| *Purchase of non-financial assets* | *4,098* | *7,824* | *8,821* | *6,608* | *1,357* |
| ***Total Items*** | ***4,098*** | ***7,824*** | ***8,821*** | ***6,608*** | ***1,357*** |
| **PURCHASE OF NON-FINANCIAL**  **ASSETS** |  |  |  |  |  |
| Funded by capital appropriations (a) | 3,330 | 6,681 | 7,672 | 5,455 | 199 |
| Funded by capital appropriation -  DCB (b) | 1,148 | 1,143 | 1,149 | 1,153 | 1,158 |
| Funded internally from departmental  resources (c) | - | 2,000 | - | - | - |
| **TOTAL** | **4,478** | **9,824** | **8,821** | **6,608** | **1,357** |
| **RECONCILIATION OF CASH USED**  **TO ACQUIRE ASSETS TO ASSET**  **MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 4,478 | 47,264 | 8,821 | 6,608 | 1,357 |
| less: ROU Additions | - | 35,440 | - | - | - |
| less: gifted assets / lease incentives | - | 2,000 | - | - | - |
| **Total cash used to acquire assets** | **4,478** | **9,824** | **8,821** | **6,608** | **1,357** |

Prepared on Australian Accounting Standards basis.

1. Includes both current Bill 2 and prior Act 2/4/6 appropriations and special capital appropriations.
2. Includes purchases from current and previous years' Departmental Capital Budgets (DCBs).
3. Includes purchases from current and prior year cash reserves.

Table 3.6: Statement of asset movements (Budget year 2021­22)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Buildings  $'000 | Other  property,  plant and  equipment  $'000 | Computer  software and  intangibles  $'000 | Total  $'000 |
| **As at 1 July 2021** |  |  |  |  |
| Gross book value | 5,514 | 2,295 | 67,353 | 75,162 |
| Gross book value - ROU assets | 10,203 | - | - | 10,203 |
| Accumulated depreciation/  amortisation and impairment | (4,484) | (1,447) | (58,990) | (64,921) |
| Accumulated depreciation/amortisation and  impairment - ROU assets | (6,996) | - | - | (6,996) |
| **Opening net book balance** | **4,237** | **848** | **8,363** | **13,448** |
| **Capital asset additions** |  |  |  |  |
| **Estimated expenditure on new**  **or replacement assets** |  |  |  |  |
| By purchase - appropriation equity (a) | - | - | 7,824 | 7,824 |
| By purchase - appropriation  ordinary annual services (b) | 2,000 | - | - | 2,000 |
| By purchase - appropriation ordinary  annual services - ROU assets (b) | 35,440 | - | - | 35,440 |
| Assets received as gifts/donations/lease incentives | 1,000 | 1,000 | - | 2,000 |
| **Total additions** | **38,440** | **1,000** | **7,824** | **47,264** |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation expense | (1,076) | (51) | (1,610) | (2,737) |
| Depreciation/amortisation on  ROU | (4,058) | - | - | (4,058) |
| **Total other movements** | **(5,134)** | **(51)** | **(1,610)** | **(6,795)** |
| **As at 30 June 2022** |  |  |  |  |
| Gross book value | 3,000 | 3,295 | 75,177 | 81,472 |
| Gross book value - ROU assets | 35,440 | - | - | 35,440 |
| Accumulated depreciation/  amortisation and impairment | (46) | (1,498) | (60,600) | (62,144) |
| Accumulated depreciation/amortisation and  impairment - ROU assets | (851) | - | - | (851) |
| **Closing net book balance** | **37,543** | **1,797** | **14,577** | **53,917** |

Prepared on Australian Accounting Standards basis.

1. 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2021­22.
2. 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2021­22 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)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **EXPENSES** |  |  |  |  |  |
| Suppliers | 416,032 | 4,299 | 4,340 | 4,326 | 4,326 |
| Other expenses | 242,123 | 291,570 | 289,262 | 362,026 | 391,178 |
| **Total expenses administered on**  **behalf of Government** | **658,155** | **295,869** | **293,602** | **366,352** | **395,504** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| **Taxation revenue** |  |  |  |  |  |
| Other taxes | 413,253 | 1,234 | 1,220 | 1,220 | 1,220 |
| ***Total taxation revenue*** | ***413,253*** | ***1,234*** | ***1,220*** | ***1,220*** | ***1,220*** |
| **Non-taxation revenue** |  |  |  |  |  |
| Sale of goods and rendering of  services | 30,973 | 28,632 | 26,930 | 24,418 | 23,000 |
| ***Total non-taxation revenue*** | ***30,973*** | ***28,632*** | ***26,930*** | ***24,418*** | ***23,000*** |
| **Total own-source revenue**  **administered on behalf of**  **Government** | **444,226** | **29,866** | **28,150** | **25,638** | **24,220** |
| **Net (cost of)/contribution by**  **services** | **(213,929)** | **(266,003)** | **(265,452)** | **(340,714)** | **(371,284)** |
| **Total comprehensive income/(loss)** | **(213,929)** | **(266,003)** | **(265,452)** | **(340,714)** | **(371,284)** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 167 | 167 | 167 | 167 | 167 |
| Taxation receivables | 394 | 394 | 394 | 394 | 394 |
| Trade and other receivables | 114 | 114 | 114 | 114 | 114 |
| ***Total financial assets*** | ***675*** | ***675*** | ***675*** | ***675*** | ***675*** |
| **Total assets administered on behalf of Government** | **675** | **675** | **675** | **675** | **675** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 781 | 781 | 781 | 781 | 781 |
| Other payables | 91,553 | 91,553 | 91,553 | 91,553 | 91,553 |
| ***Total payables*** | ***92,334*** | ***92,334*** | ***92,334*** | ***92,334*** | ***92,334*** |
| **Provisions** |  |  |  |  |  |
| Other provisions | 1,044,038 | 1,044,038 | 1,044,038 | 1,044,038 | 1,044,038 |
| ***Total provisions*** | ***1,044,038*** | ***1,044,038*** | ***1,044,038*** | ***1,044,038*** | ***1,044,038*** |
| **Total liabilities administered on**  **behalf of Government** | **1,136,372** | **1,136,372** | **1,136,372** | **1,136,372** | **1,136,372** |
| **Net assets/(liabilities)** | **(1,135,697)** | **(1,135,697)** | **(1,135,697)** | **(1,135,697)** | **(1,135,697)** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Sales of goods and rendering  of services | 30,973 | 28,632 | 26,930 | 24,418 | 23,000 |
| Taxes | 413,253 | 1,234 | 1,220 | 1,220 | 1,220 |
| Net GST received | 382 | 382 | 382 | 382 | 382 |
| ***Total cash received*** | ***444,608*** | ***30,248*** | ***28,532*** | ***26,020*** | ***24,602*** |
| **Cash used** |  |  |  |  |  |
| Suppliers | 4,259 | 4,299 | 4,340 | 4,326 | 4,326 |
| Net GST paid | 382 | 382 | 382 | 382 | 382 |
| Other | 309,827 | 291,570 | 289,262 | 362,026 | 391,178 |
| ***Total cash used*** | ***314,468*** | ***296,251*** | ***293,984*** | ***366,734*** | ***395,886*** |
| **Net cash from / (used by)**  **operating activities** | **130,140** | **(266,003)** | **(265,452)** | **(340,714)** | **(371,284)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Special Account | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 |
| ***Total cash received*** | ***3,500*** | ***3,500*** | ***3,500*** | ***3,500*** | ***3,500*** |
| **Cash used** |  |  |  |  |  |
| Special Account | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 |
| ***Total cash used*** | ***3,500*** | ***3,500*** | ***3,500*** | ***3,500*** | ***3,500*** |
| ***Net increase/(decrease) in***  ***cash held*** | ***130,140*** | ***(266,003)*** | ***(265,452)*** | ***(340,714)*** | ***(371,284)*** |
| Cash and cash equivalents at  beginning of reporting period | 167 | 167 | 167 | 167 | 167 |
| Cash from Official Public Account for: |  |  |  |  |  |
| - Appropriations | 314,086 | 295,869 | 293,602 | 366,352 | 395,504 |
| *Total cash from Official Public Account* | *314,086* | *295,869* | *293,602* | *366,352* | *395,504* |
| Cash to Official Public Account for: |  |  |  |  |  |
| - Appropriations | (443,844) | (29,484) | (27,768) | (25,256) | (23,838) |
| - GST Appropriation | (382) | (382) | (382) | (382) | (382) |
| *Total cash to Official Public Account* | (444,226) | (29,866) | (28,150) | (25,638) | (24,220) |
| **Cash and cash equivalents at**  **end of reporting period** | **167** | **167** | **167** | **167** | **167** |

Prepared on Australian Accounting Standards basis.

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

CER has no administered capital budget; therefore Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2021­22)

CER has no administered asset movements; therefore Table 3.11 is not presented.

Department o

Climate Change Authority

Entity resources and planned performance

Climate Change Authority

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# Climate Change Authority

## **Section 1****: Entity overview and resources**

### Strategic direction statement

The Climate Change Authority (CCA) is a Non-corporate Commonwealth entity and a statutory agency operating under the *Climate Change Authority Act 2011.* The CCA is responsible for the Outcome:

Provide expert advice to the Australian Government on climate change mitigation initiatives, including through conducting regular and specifically commissioned reviews and through undertaking climate change research.

The specific functions of the CCA are set out in the *Climate Change Authority Act 2011*. These include conducting statutory reviews of climate change policies, special reviews and research about matters relating to climate change.

### 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: CCA resource statement – Budget estimates for 2021­22 as at Budget May 2021

|  |  |  |
| --- | --- | --- |
|  | *2020­21 Estimated actual*  *$'000* | 2021­22 Estimate  $'000 |
| **Departmental** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Prior year appropriations available | *601* | 343 |
| Departmental appropriation | *2,600* | 2,584 |
| Total departmental annual appropriations | *3,201* | *2,927* |
| ***Total departmental resourcing*** | ***3,201*** | **2,927** |
| **Total resourcing for CCA** | ***3,201*** | **2,927** |
|  |  |  |
|  | *2020­21* | 2021­22 |
| **Average staffing level (number)** | *9* | 9 |

All figures shown above are GST exclusive - these may not match figures in the cash flow statement. Prepared on a resourcing (i.e. appropriations available) basis.

1. Appropriation Bill (No. 1) 2021­22.

### 1.3 Budget measures

There are no new Budget measures relating to CCA detailed in Budget Paper No. 2; therefore Table 1.2 is not presented.

## **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 CCA can be found at:

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

The most recent annual performance statement can be found in the annual report at:

http://www.climatechangeauthority.gov.au/about-cca

### 2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Provide expert advice to the Australian Government on climate change mitigation initiatives, including through conducting regular and specifically commissioned reviews and through undertaking climate change research |

#### Linked programs

|  |
| --- |
| **Department of Industry, Science, Energy and Resources** |
| **Programs**   * Program 2.1 – Reducing Australia's greenhouse gas emissions * Program 3.1 – Supporting reliable, secure and affordable energy |
| **Contribution to Outcome 1 made by linked programs**  The Climate Change Authority supports the Department of Industry, Science, Energy and Resources in reducing Australia’s greenhouse gas emissions by providing independent climate change mitigation policy advice to the Government, including in relation to the energy sector. |

##### **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**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Outcome 1:** Provide expert advice to the Australian Government on climate change mitigation initiatives, including through conducting regular and specifically commissioned reviews and through undertaking climate change research | | | | | |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **Program 1.1: Reviewing Climate Change Mitigation Policies** | | | | | |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 2,600 | 2,584 | 2,599 | 2,634 | 1,657 |
| **Departmental total** | 2,600 | 2,584 | 2,599 | 2,634 | 1,657 |
| **Total expenses for Program 1** | **2,600** | **2,584** | **2,599** | **2,634** | **1,657** |
| **Outcome 1 totals by resource type** | | | | | |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 2,600 | 2,584 | 2,599 | 2,634 | 1,657 |
| **Departmental total** | 2,600 | 2,584 | 2,599 | 2,634 | 1,657 |
| **Total expenses for Outcome 1** | **2,600** | **2,584** | **2,599** | **2,634** | **1,657** |
|  |  |  |  |  |  |
|  | 2020­21 | 2021­22 |  |  |  |
| **Average staffing level (number)** | 9 | 9 |  |  |  |

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 2021­22 Budget measures have created new programs or materially changed existing programs.

|  |  |  |
| --- | --- | --- |
| **Outcome 1 – Provide expert advice to the Australian Government on climate change mitigation initiatives, including through conducting regular and specifically commissioned reviews and through undertaking climate change research** | | |
| **Program 1.1** **– Reviewing climate change mitigation policies**  The Climate Change Authority’s objective is to provide rigorous, independent and balanced advice to the Minister for Energy and Emissions Reduction, to assist the Department and the Australian Parliament on climate change policy, in order to improve the quality of life for all Australians. | | |
| **Delivery** | The CCA will conduct regular legislative reviews, and undertake climate change research by:   * Performing desktop and in-depth research and analysis. * Commissioning external resources to do analytic work where needed. * Conducting meaningful and transparent consultation with experts and stakeholders including business, industry, environment and other community groups. * Monitoring developments in climate change policy by reviewing publicly available resources and building networks with expert, local and international organisations. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Actual Achievement/Targets** |
| 2020-21 | The Authority’s reviews and research reports are timely, of high quality and used in public policy forums and discussions. | Reviews and research reports are provided by the due date.  Forecast: Met  Reviews and research reports draw on the best available knowledge and are informed by a broad range of perspectives.  Forecast: Met  Government considers the Authority’s findings and recommendations in developing and implementing policy.  Forecast: Met  The Authority’s reviews, research and analysis influences the public policy debate on climate change issues.  Forecast: Met |
| The Authority’s public consultation processes are transparent, accessible and are highly regarded by stakeholders. | Public consultation is comprehensive, representative and transparent.  Forecast: Met |
| 2021-22 | The Authority’s reviews and research reports are timely, of high quality and used in public policy forums and discussions. | Forecast: on-track |
| The Authority’s public consultation processes are transparent, accessible and are highly regarded by stakeholders. | Forecast: on-track |
| 2022-23 and beyond | As per 2021-22 | As per 2021-22 |
| **Purposes** | The CCA’s objective is to provide rigorous, independent and balanced advice to the Minister for Energy and Emissions Reduction and the Australian Parliament on climate change policy, in order to improve the quality of life for all Australians.  The CCA will do this by conducting robust and transparent research, reviews and analysis. The Authority will take account of diverse perspectives by engaging with a wide range of contributors. | |
| **Material changes in Program 1.1 resulting from the following measures**: Nil | | |

## **Section 3****: Budgeted financial statements**

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021­22 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

There are no material differences between the entity resources table and the financial statements.

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

The financial statements reflect the CCA’s operations to 30 June 2022.

### 3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 1,853 | 1,839 | 1,848 | 1,875 | 1,180 |
| Suppliers | 747 | 745 | 751 | 759 | 477 |
| **Total expenses** | **2,600** | **2,584** | **2,599** | **2,634** | **1,657** |
| **Net (cost of)/contribution by**  **services** | **(2,600)** | **(2,584)** | **(2,599)** | **(2,634)** | **(1,657)** |
| Revenue from Government | 2,600 | 2,584 | 2,599 | 2,634 | 1,657 |
| **Surplus/(deficit) attributable to the**  **Australian Government** | **-** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss)**  **attributable to the Australian**  **Government** | **-** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 81 | 81 | 81 | 81 | 81 |
| Trade and other receivables | 923 | 923 | 923 | 923 | 923 |
| ***Total financial assets*** | ***1,004*** | ***1,004*** | ***1,004*** | ***1,004*** | ***1,004*** |
| **Non-financial assets** |  |  |  |  |  |
| Other non-financial assets | 7 | 7 | 7 | 7 | 7 |
| ***Total non-financial assets*** | ***7*** | ***7*** | ***7*** | ***7*** | ***7*** |
| **Total assets** | **1,011** | **1,011** | **1,011** | **1,011** | **1,011** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 318 | 318 | 318 | 318 | 318 |
| Other payables | 24 | 24 | 24 | 24 | 24 |
| ***Total payables*** | ***342*** | ***342*** | ***342*** | ***342*** | ***342*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 384 | 384 | 384 | 384 | 384 |
| ***Total provisions*** | ***384*** | ***384*** | ***384*** | ***384*** | ***384*** |
| **Total liabilities** | **726** | **726** | **726** | **726** | **726** |
| **Net assets** | **285** | **285** | **285** | **285** | **285** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 1,088 | 1,088 | 1,088 | 1,088 | 1,088 |
| Retained surplus (accumulated  deficit) | (803) | (803) | (803) | (803) | (803) |
| ***Total parent entity interest*** | ***285*** | ***285*** | ***285*** | ***285*** | ***285*** |
| **Total equity** | **285** | **285** | **285** | **285** | **285** |

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 2021­22)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Retained  earnings  $'000 | Asset  revaluation  reserve  $'000 | Other  reserves  $'000 | Contributed  equity/  capital  $'000 | Total  equity  $'000 |
| **Opening balance as at 1 July 2021** |  |  |  |  |  |
| Balance carried forward from  previous period | (803) | - | - | 1,088 | 285 |
| ***Adjusted opening balance*** | ***(803)*** | ***-*** | ***-*** | ***1,088*** | ***285*** |
| **Estimated closing balance as at**  **30 June 2022** | **(803)** | **-** | **-** | **1,088** | **285** |
| **Closing balance attributable to**  **the Australian Government** | **(803)** | **-** | **-** | **1,088** | **285** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 2,600 | 2,584 | 2,599 | 2,634 | 1,657 |
| ***Total cash received*** | ***2,600*** | ***2,584*** | ***2,599*** | ***2,634*** | ***1,657*** |
| **Cash used** |  |  |  |  |  |
| Employees | 1,853 | 1,839 | 1,848 | 1,875 | 1,180 |
| Suppliers | 747 | 745 | 751 | 759 | 477 |
| ***Total cash used*** | ***2,600*** | ***2,584*** | ***2,599*** | ***2,634*** | ***1,657*** |
| **Net cash from/(used by)**  **operating activities** | **-** | **-** | **-** | **-** | **-** |
| **Net increase/(decrease) in cash**  **held** | **-** | **-** | **-** | **-** | **-** |
| Cash and cash equivalents at the  beginning of the reporting period | 81 | 81 | 81 | 81 | 81 |
| **Cash and cash equivalents at**  **the end of the reporting period** | **81** | **81** | **81** | **81** | **81** |

Prepared on Australian Accounting Standards basis.

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

CCA has no departmental capital budget; therefore Table 3.5 is not presented.

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

CCA has no departmental asset movements; therefore Table 3.6 is not presented.

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

CCA has no budgeted income and expenses administered on behalf of government; therefore Table 3.7 is not presented.

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

CCA has no budgeted assets and liabilities administered on behalf of government; therefore Table 3.8 is not presented.

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

CCA has no budgeted administered cash flows; therefore Table 3.9 is not presented.

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

CCA has no administered capital budget; therefore Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2020-­21)

CCA has no administered asset movements; therefore Table 3.11 is not presented.

Department o

Commonwealth Scientific and Industrial Research Organisation

Entity resources and planned performance

Commonwealth Scientific and Industrial Research Organisation

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# Commonwealth Scientific and Industrial Research Organisation

## **Section 1****: Entity overview and resources**

### 1.1 Strategic direction statement

The Commonwealth Scientific and Industrial Research Organisation (CSIRO) is a Corporate Commonwealth entity within the Industry, Science, Energy and Resources Portfolio. The organisation’s primary functions are set out in the *Science and Industry Research Act 1949*.

Consistent with its legislation, CSIRO aims to deliver scientific and innovative solutions for Australian industry, society and the environment to contribute to national benefit, knowledge and capabilities.

In pursuing this outcome, CSIRO embraces its distinct role as the national science agency. This includes delivering large-scale, mission directed, multi-disciplinary science and technology solutions, while also managing essential national research infrastructure and providing trusted advice to government and industry on challenges of national significance.

CSIRO’s research programs and commercial services are key mechanisms for delivering excellent science and achieving outcomes aligned with the Australian Government’s national science and technology priorities. CSIRO does this by working with government, industry and others in the innovation system, to support existing industries grow and to create new ones.

The capacity to deliver impact is underpinned by investing in and connecting to capabilities that build strength in areas of national need, ensuring that Australia has the knowledge, skills and infrastructure required to respond to national and international challenges.

Fundamental to CSIRO’s impact is:

* Strengthening existing industry alliances to actively encourage the application and adoption of CSIRO and others research, creating new industries and expanding collaborations with small and medium enterprises.
* Increasing collaboration with other parts of the national and international innovation system, including other publicly funded research agencies, universities, industry, and other innovators. This includes, but is not limited to, CSIRO’s missions program, which establishes large-scale scientific and collaborative research initiatives. By availing a variety of partnership and collaboration models, this will bolster Australia’s COVID-19 recovery and build long-term resilience focused on outcomes that lead to positive impact, new jobs and economic growth.
* Maximising use of national research facilities and collections by Australian and international researchers, as well as by encouraging industry access to relevant research facilities and maintaining collections of national importance.
* Establishing stronger connections with top global research and technology peers.
* Promoting careers in science, investing in research training, and improving science, technology, engineering and mathematics (STEM) education, to encourage career opportunities and research endeavours to support school students and teachers to understand how STEM is applied in the real world.
* Providing the Australian Government with independent scientific and technical advice as required, and informing the policy making process to assist the Government to decide how to best meet the challenges Australia faces.
* Delivering the CSIRO Innovation Fund to commercialise breakthroughs from CSIRO, universities and publicly funded research for the national interest, by investing in start-up and spin-off companies, existing small and medium enterprises engaged in translation of research, and company formation opportunities.
* Maintaining science excellence in CSIRO research to deliver future impact.

### 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: CSIRO resource statement – Budget estimates for 2021­22 as at Budget May 2021

|  |  |  |
| --- | --- | --- |
|  | *2020­21 Estimated actual*  *$'000* | 2021­22 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | *383,826* | 380,922 |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (a) (b) |  |  |
| Outcome 1 | *960,537* | 946,001 |
| Annual appropriations - other services (c) (d) |  |  |
| Equity injection | *16,430* | 4,000 |
| Total annual appropriations (e) | *976,967* | *950,001* |
| **Total funds from Government** | ***976,967*** | **950,001** |
| **Funds from other sources** |  |  |
| Interest | *4,733* | 4,534 |
| Royalties | *37,325* | 38,945 |
| Sale of goods and services | *352,830* | 383,825 |
| Rental income | *6,200* | 6,300 |
| Proceeds from asset sales | *5,204* | 44,100 |
| Other | *49,146* | 31,960 |
| **Total funds from other sources** | ***455,438*** | **509,664** |
| **Total net resourcing for CSIRO** | ***1,816,231*** | **1,840,587** |
|  |  |  |
|  | *2020­21* | 2021­22 |
| **Average staffing level (number)** | *5,018* | 5,414 |

All figures shown above are GST exclusive – these may not match figures in the cash flow statement. Prepared on a resourcing (i.e. appropriations available) basis.

1. Appropriation Bill (No. 1) 2021-22.
2. The 2020-21 estimated actual includes *Appropriation Act (No. 1) 2020-21* and Appropriation Bill (No. 3) 2020‑21.
3. Appropriation Bill (No. 2) 2021-22.
4. The 2020-21 estimated actual includes *Appropriation Act (No. 2) 2020-21* and Appropriation Bill (No. 4) 2020‑21.
5. CSIRO is not directly appropriated as it is a Corporate Commonwealth entity. Appropriations are made to the Department of Industry, Innovation and Science and are then paid to CSIRO and are considered departmental for all purposes.

### 1.3 Budget measures

There are no new Budget measures relating to CSIRO detailed in Budget Paper No. 2; therefore Table 1.2 is not presented.

## **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 CSIRO can be found at:

https://www.csiro.au/en/About/Strategy-structure/Corporate-plan

The most recent annual performance statement can be found at:

https://www.csiro.au/en/About/Our-impact/Reporting-our-impact

Table 2: Changes to CSIRO’s outcome and program structures since the last portfolio statement

|  |  |  |
| --- | --- | --- |
| **Program No.** | **Program title** | **Description of change** |
| 1 | Research - Science, Services and Innovation Fund | Program closed. Activities moved into new program 1 Scientific and Industrial Research and Infrastructure. |
| 2 | National Research Infrastructure - National Facilities and Collections | Program closed. Activities moved into new program 1 Scientific and Industrial Research and Infrastructure. |
| 3 | Science and Industry Endowment Fund | Program closed. Activities moved into new program 1 Scientific and Industrial Research and Infrastructure. |
| 1 | Scientific and Industrial Research and Infrastructure | New program created. |

### 2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Innovative scientific and technology solutions to national challenges and opportunities to benefit industry, the environment and the community, through scientific research and capability development, services and advice |

#### Linked programs

|  |
| --- |
| **Department of Industry, Science, Energy and Resources** |
| **Programs**   * Program 1.1 – Investing in science, technology and commercialisation * Program 1.2 – Growing innovative and competitive businesses, industries and regions * Program 2.1 – Reducing Australia’s greenhouse gas emissions * Program 2.2 – Developing clean energy technology |
| **Contribution to Outcome 1 made by linked program**  The Department of Industry, Science, Energy and Resources contributes to Outcome 1 through its policies and programs supporting science, research and commercialisation, through the operation of the Australian Space Agency, the Office of the Chief Scientist and the Office of Innovation and Science Australia and through provision of funding in the areas of climate science research. |
| **Department of Agriculture, Water and the Environment** |
| **Programs**   * Program 1.1 – Sustainable Management of Natural Resources and the Environment * Program 1.2 – Environmental Information and Research * Program 2.1 – Antarctica: Science, Policy and Presence * Program 4.2 – Plant and Animal Health |
| **Contribution to Outcome 1 made by linked program**  The Department of Agriculture, Water and the Environment contributes to Outcome 1 through its policies and programs, and the provision of funding, to support science and research in the areas of marine science, climate science, ecology, ecotoxicology, hydrology, hydrogeology, informatics and risk analysis.  This includes the support of the Earth Systems and Climate Change Hub and other CSIRO partner Hubs, by providing funding through the National Environmental Science Program. It also includes contributions to the operating costs to the Australian Centre for Disease Preparedness (formerly the Australian Animal Health Laboratory). |

|  |
| --- |
| **Department of Education, Skills and Employment** |
| **Program**   * Program 2.6 – Research Capacity |
| **Contribution to Outcome 1 made by linked program**  The Department of Education, Skills and Employment contributes to Outcome 1 through its policies and programs to invest in Australia's research capacity, including the National Collaborative Research Infrastructure Strategy. |
| **Bureau of Meteorology** |
| **Program**   * Program 1.1 – Bureau of Meteorology |
| **Contribution to Outcome 1 made by linked program**  The Bureau of Meteorology contributes to Outcome 1 as a Hub partner, and  co-research organisation, for the Earth Systems and Climate Change Hub to which CSIRO is the host organisation. |

##### **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**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Outcome 1:** Innovative scientific and technology solutions to national challenges and opportunities to benefit industry, the environment and the community, through scientific research and capability development, services and advice | | | | | |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **Program 1: Research - Science, Services and Innovation Fund** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 814,889 | - | - | - | - |
| Expenses not requiring appropriation  in the budget year (a) | 11,197 | - | - | - | - |
| Revenues from other independent  sources | 346,486 | - | - | - | - |
| **Total expenses for Program 1** | **1,172,572** | **-** | **-** | **-** | **-** |
| **Program 2: National Research Infrastructure - National Facilities and Collections** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 145,648 | - | - | - | - |
| Expenses not requiring appropriation  in the budget year (a) | 18,069 | - | - | - | - |
| Revenues from other independent  sources | 65,191 | - | - | - | - |
| **Total expenses for Program 2** | **228,908** | **-** | **-** | **-** | **-** |
| **Program 3: Science and Industry Endowment Fund** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Expenses not requiring appropriation  in the budget year (a) | 19,178 | - | - | - | - |
| Revenues from other independent  sources | 379 | - | - | - | - |
| **Total expenses for Program 3** | **19,557** | **-** | **-** | **-** | **-** |
| **Program 1: Science and Industrial Research and Infrastructure** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | - | 946,001 | 956,713 | 945,726 | 853,336 |
| Expenses not requiring appropriation  in the budget year (a) | - | 58,709 | 40,860 | 32,589 | 32,571 |
| Revenues from other independent  sources | - | 445,851 | 455,556 | 483,513 | 515,094 |
| **Total expenses for Program 1** | **-** | **1,450,561** | **1,453,129** | **1,461,828** | **1,401,001** |

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 960,537 | 946,001 | 956,713 | 945,726 | 853,336 |
| Expenses not requiring appropriation  in the budget year (a) | 48,444 | 58,709 | 40,860 | 32,589 | 32,571 |
| Revenues from other independent  sources | 412,056 | 445,851 | 455,556 | 483,513 | 515,094 |
| **Total expenses for Outcome 1** | **1,421,037** | **1,450,561** | **1,453,129** | **1,461,828** | **1,401,001** |
|  |  |  |  |  |  |
| **Average staffing level (number)** | 2020­21 | 2021­22 |  |  |  |
|  | 5,018 | 5,414 |  |  |  |

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

1. Expenses not requiring appropriation in the Budget year consists of approved operating losses.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 1.1: Scientific and Industrial Research and Infrastructure** | | | | | |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| *Program 1: Scientific and Industrial Research and Infrastructure* | | | | | |
| Annual departmental expenses: |  |  |  |  |  |
| Research - Science | 814,889 | 799,208 | 808,509 | 796,367 | 702,802 |
| Research - National Facilities and  Collections | 145,648 | 146,793 | 148,204 | 149,359 | 150,534 |
| Revenues from other independent  sources | 412,056 | 445,851 | 455,556 | 483,513 | 515,094 |
| Total annual departmental expenses | 1,372,593 | 1,391,852 | 1,412,269 | 1,429,239 | 1,368,430 |
| Expenses not requiring appropriation  in the Budget year | 48,444 | 58,709 | 40,860 | 32,589 | 32,571 |
| **Total program expenses** | **1,421,037** | **1,450,561** | **1,453,129** | **1,461,828** | **1,401,001** |

Table 2.1.3: Performance criteria for Outcome 1

Table 2.1.3 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2021­22 Budget measures have created new programs or materially changed existing programs.

|  |  |  |
| --- | --- | --- |
| **Outcome 1 – Innovative scientific and technology solutions to address national challenges and opportunities to benefit industry, the environment and the community, through scientific research and capability development, services and advice** | | |
| **Program 1 – Scientific and Industrial Research and Infrastructure** This program contributes to the outcome by providing scientific solutions, access to world-class research facilities and collections, and technical and advisory services to industry and government, which all focusses on identifying pathways for adoption and delivery of impacts.  Research programs conduct scientific research aligned to the greatest challenges and encourage or facilitate the application and utilisation of results generated from collaborative solutions. The approach is driven by establishing collaborations and multidisciplinary research partnerships (with public and private sector organisations, other publicly funded research agencies, universities and schools) to integrate the best solution for CSIRO’s customers. Underpinned by science excellence and world-class talent, research programs also invest in frontier and cross-cutting science that reinvents and creates new industries for Australia, accelerating the scale and pace of adoption, while also building the next generation of talent.  CSIRO hosts national research facilities and collections on behalf of the scientific community to assist with the delivery of research. This research infrastructure is available for use by the Australian and international research communities and are increasingly accessible to industry.  Technical, educational and advisory services are also provided to industry, government and the community, which builds and supports capacity to adopt research and innovations, as well as STEM education and training across the national system. In addition, strategic investments are made in scientific research that addresses issues of national priority for Australia through a variety of mechanisms, such as the Science and Industry Endowment Fund (SIEF - established by Commonwealth legislation, the *Science and Industry Endowment Act 1926*), for the purpose of funding research activities, commercialisation of technologies and assistance to industry through research collaboration and capacity building. | | |
| **Delivery** | CSIRO delivers Program 1 by:   * Providing advice and solutions that inform and protect society and the environment, help industry competitiveness, and improve the quality of goods and services for industry and consumers. * Providing products, technical and advisory services to industry and government. * Collaborating with businesses, public sector organisations and other publicly funded research agencies (PFRAs), universities and schools to undertake research, fund eligible investment proposals and provide education programs. * Investing in proposals from universities, PFRAs and their partners to bring forward the commercialisation of research-based solutions aligned with the Government’s Science and Research Priorities. * Managing and operating the national facilities including the Australian Centre for Disease Preparedness, Australia Telescope National Facility, Marine National Facility and Pawsey Supercomputing Centre. * Managing and operating the Australian national research collections including the Australian National Fish Collection, Australian National Insect Collection, Australian National Herbarium, Australian National Wildlife Collection, National Tree Seed Collection, National Algae Culture Collection, and the Atlas of Living Australia, the portal to the collections, providing free online access. * Ensuring access, both nationally and internationally, to the national facilities and collections for the research community. * Education and outreach activities to develop increased knowledge of science and its applications for students, teachers and the Australian community. * Administering the Innovation Fund to support start-up businesses and a culture of innovation and entrepreneurship in Australia. * Investing in science that contributes to Australia’s sustainable future, progresses experimental research and technology development, supports substantial scale research activities in the field of information and communications technology, and programs that attract students into STEM at school, higher and vocational education. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Actual Achievement/Targets** |
| 2020­21 | Demonstrated value of benefits underpinned by an increasing annual portfolio of externally validated impact case studies capturing triple bottom line impacts. | * Evidence of maintained or increased impact demonstrated by a minimum of 25 externally validated case studies. |
| Use of the national facilities and collections as measured through: successful astronomical observations, supercomputer core-hour use, outward loans of collections, and successful marine research days delivered. | * Minimum of 70% successful astronomical observations. * 90% core hours on Pawsey supercomputer facility. * 70% outward loans of collections (averaged over  5 years). * Minimum of 90% successful research days delivered on Marine National Facilities, subject to any COVID-19 restrictions. |
| SIEF invests in programs aligned with published strategic objectives that address national challenges and contribute to Australia’s sustainable future. | * Evidenced by an impact case study or evaluation for each active SIEF program. |
| 2021­22 (a) | Demonstrated value of benefits underpinned by an increasing annual portfolio of externally validated impact case studies capturing triple bottom line impacts.  Facilities and collections achieve a threshold rate of successful usage, with lost time minimised. | * Evidence of maintained or increased impact. * Minimum of 70% successful astronomical observations. * 90% core hours on Pawsey supercomputer facility. * 70% outward loans of collections (averaged over  5 years). * Minimum of 90% successful research days delivered on Marine National Facilities, subject to any COVID-19 restrictions. |
| 2022­23 and beyond | As per 2021­22 | As per 2021­22 |
| **Purposes** | We solve Australia’s greatest challenges through innovative science and technology. | |
| **Material changes to Program 1 resulting from the following measures:** Nil | | |

(a) CSIRO is moving from 3 programs in 2020-21 to one program in 2021-22 and forward years. Refer to Table 2 for detail.

## **Section 3****: Budgeted financial statements**

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021­22 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 is prepared on a cash basis and provides a view of cash/appropriations resources available to CSIRO, whilst the financial statements are prepared on an accrual basis.

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

The budgeted consolidated financial statements comprise the financial statements of the CSIRO and its subsidiaries. CSIRO has several subsidiaries, including the Science and Industry Endowment Fund (SIEF), the CSIRO Chile Research Fundación (Fundación), National ICT Australia (NICTA), the Innovation Fund entities and the US Office entities.

**Budgeted Departmental Income Statement**

The Revenue from Government estimate for 2021-22 is $946.0 million. This has increased from $945.7 million as reported in the Portfolio Additional Estimates Statements 2020-21.

CSIRO is expecting an operating loss in 2021-22 and the forward estimates predominantly due to the distribution of funds by the Science and Industry Endowment Fund and unfunded depreciation expenses relating to assets for which capital was previously provided by the Government.

**Budgeted Departmental Balance Sheet**

Land and buildings are estimated to decrease in 2021-22 from 2020-21 due to planned site divestment in line with the CSIRO 2019-29 Property Strategy and leased assets depreciating at a high rate as the leases near their close.

Property, plant and equipment assets are estimated to decrease in 2021-22 from   
2020-21 due to assets depreciating at a higher rate than assets are acquired or replaced in 2021-22. In the forward estimates, property, plant and equipment are estimated to increase each year due to more funds being invested into this asset class.

Equity is estimated to decrease in 2021-22 and across the forward estimates, reflecting the change in the accumulated deficit in relation to the approved operating loss.

**Departmental Capital Budget Statement**

The budgeted internally funded capital expenditure relates to construction of new, and refurbishment of existing, buildings and purchase of plant and equipment, including scientific equipment and information technology related assets.

The total capital budget estimate for 2021-22 is $162.2 million, this is an increase from the $146.4 million reported in the Portfolio Additional Estimates Statements 2020-21. The movement is mainly due to approved Movement of Funds.

### 3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 789,439 | 800,884 | 812,617 | 824,758 | 837,132 |
| Suppliers | 435,627 | 461,872 | 467,765 | 465,977 | 392,776 |
| Depreciation and amortisation | 191,390 | 183,990 | 169,516 | 167,969 | 167,969 |
| Finance costs | 3,581 | 3,315 | 3,231 | 3,124 | 3,124 |
| Write-down and impairment of assets | 1,000 | 500 | - | - | - |
| **Total expenses** | **1,421,037** | **1,450,561** | **1,453,129** | **1,461,828** | **1,401,001** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of  services | 352,830 | 383,825 | 391,501 | 412,941 | 435,512 |
| Interest | 4,404 | 4,421 | 4,468 | 4,485 | 4,790 |
| Rental income | 6,200 | 6,300 | 6,300 | 6,300 | 6,450 |
| Royalties and licence fees | 37,325 | 38,945 | 40,510 | 45,510 | 50,061 |
| Other revenue | 49,146 | 31,960 | 45,377 | 37,877 | 121,381 |
| **Total own-source revenue** | **449,905** | **465,451** | **488,156** | **507,113** | **618,194** |
| **Total own-source income** | **449,905** | **465,451** | **488,156** | **507,113** | **618,194** |
| **Net (cost of)/contribution by**  **services** | **(971,132)** | **(985,110)** | **(964,973)** | **(954,715)** | **(782,807)** |
| Revenue from Government | 960,537 | 946,001 | 956,713 | 945,726 | 853,336 |
| **Surplus/(deficit) attributable to**  **the Australian Government** | **(10,595)** | **(39,109)** | **(8,260)** | **(8,989)** | **70,529** |
| **Total comprehensive income/**  **(loss) attributable to the**  **Australian Government** | **(10,595)** | **(39,109)** | **(8,260)** | **(8,989)** | **70,529** |
|  |  |  |  |  |  |
| **Note: Impact of net cash appropriation arrangements** | | |  |  |  |
| **Total comprehensive income/**  **(loss) excluding depreciation on**  **ROU, principal repayments on**  **leased assets** | **(12,292)** | **(35,340)** | **(8,302)** | **(9,219)** | **70,299** |
| less: Depreciation/amortisation  expenses on ROU assets (a) | 35,488 | 31,079 | 11,050 | 10,065 | 10,065 |
| add: Principal repayments on  leased assets (a) | 37,185 | 27,310 | 11,092 | 10,295 | 10,295 |
| **Total comprehensive income/**  **(loss) - as per the statement of**  **comprehensive income** | **(10,595)** | **(39,109)** | **(8,260)** | **(8,989)** | **70,529** |

Prepared on Australian Accounting Standards basis.

1. Applies leases under AASB 16 Leases.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and equivalents | 380,922 | 382,136 | 387,820 | 432,005 | 477,008 |
| Trade and other receivables | 88,616 | 88,503 | 88,444 | 88,444 | 88,444 |
| Other investments | 200,854 | 204,854 | 208,854 | 212,854 | 216,854 |
| ***Total financial assets*** | ***670,392*** | ***675,493*** | ***685,118*** | ***733,303*** | ***782,306*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 1,586,921 | 1,544,946 | 1,508,425 | 1,440,609 | 1,371,993 |
| Property, plant and equipment | 546,425 | 527,522 | 537,038 | 537,783 | 618,028 |
| Heritage and cultural assets | 4,463 | 4,463 | 4,463 | 4,463 | 4,463 |
| Investment property | 49,373 | 49,373 | 49,373 | 49,373 | 49,373 |
| Intangibles | 15,574 | 16,248 | 16,922 | 17,596 | 18,270 |
| Inventories | 1,420 | 1,420 | 1,420 | 1,420 | 1,420 |
| Other non-financial assets | 18,748 | 18,748 | 18,748 | 18,748 | 18,748 |
| ***Total non-financial assets*** | ***2,222,924*** | ***2,162,720*** | ***2,136,389*** | ***2,069,992*** | ***2,082,295*** |
| **Total assets** | **2,893,316** | **2,838,213** | **2,821,507** | **2,803,295** | **2,864,601** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 211,416 | 211,496 | 211,454 | 211,454 | 211,454 |
| Other payables | 18,760 | 18,760 | 18,760 | 18,760 | 18,760 |
| ***Total payables*** | ***230,176*** | ***230,256*** | ***230,214*** | ***230,214*** | ***230,214*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Interest bearing liabilities | 84,431 | 63,286 | 53,882 | 43,659 | 33,436 |
| Deposits | 22,508 | 22,508 | 22,508 | 22,508 | 22,508 |
| ***Total Interest bearing***  ***liabilities*** | ***106,939*** | ***85,794*** | ***76,390*** | ***66,167*** | ***55,944*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 266,905 | 270,976 | 270,976 | 270,976 | 270,976 |
| Other provisions | 31,288 | 28,288 | 25,288 | 22,288 | 19,288 |
| ***Total provisions*** | ***298,193*** | ***299,264*** | ***296,264*** | ***293,264*** | ***290,264*** |
| **Total liabilities** | **635,308** | **615,314** | **602,868** | **589,645** | **576,422** |
| **Net assets** | **2,258,008** | **2,222,899** | **2,218,639** | **2,213,650** | **2,288,179** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity equity** |  |  |  |  |  |
| Contributed equity | 327,384 | 331,384 | 335,384 | 339,384 | 343,384 |
| Reserves | 1,522,989 | 1,522,989 | 1,522,989 | 1,522,989 | 1,522,989 |
| Retained surplus (accumulated  deficit) | 407,635 | 368,526 | 360,266 | 351,277 | 421,806 |
| **Total parent entity equity**  **interest** | **2,258,008** | **2,222,899** | **2,218,639** | **2,213,650** | **2,288,179** |
| **Total equity** | **2,258,008** | **2,222,899** | **2,218,639** | **2,213,650** | **2,288,179** |

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 2021­22)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Retained  earnings  $'000 | Asset  revaluation  reserve  $'000 | Other  reserves  $'000 | Contributed  equity/  capital  $'000 | Total  equity  $'000 |
| **Opening balance as at 1 July 2021** |  |  |  |  |  |
| Balance carried forward from  previous period | 407,635 | 1,523,229 | (240) | 327,384 | 2,258,008 |
| ***Adjusted opening balance*** | ***407,635*** | ***1,523,229*** | ***(240)*** | ***327,384*** | ***2,258,008*** |
| **Comprehensive income** |  |  |  |  |  |
| Surplus/(deficit) for the period | (39,109) | - | - | - | (39,109) |
| ***Total comprehensive***  ***income*** | ***(39,109)*** | ***-*** | ***-*** | ***-*** | ***(39,109)*** |
| of which: |  |  |  |  |  |
| Attributable to the Australian  Government | ***(39,109)*** | ***-*** | ***-*** | ***-*** | ***(39,109)*** |
| **Transactions with owners** |  |  |  |  |  |
| ***Contributions by owners*** |  |  |  |  |  |
| Equity Injection - Appropriation | - | - | - | 4,000 | 4,000 |
| ***Sub-total transactions with***  ***owners*** | ***-*** | ***-*** | ***-*** | ***4,000*** | ***4,000*** |
| **Estimated closing balance as at 30 June 2022** | **368,526** | **1,523,229** | **(240)** | **331,384** | **2,222,899** |
| **Closing Balance attributable**  **to the Australian**  **Government** | **368,526** | **1,523,229** | **(240)** | **331,384** | **2,222,899** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Receipts from Government | 960,537 | 946,001 | 956,713 | 945,726 | 853,336 |
| Sale of goods and  rendering of services | 490,571 | 511,543 | 535,057 | 555,891 | 677,744 |
| Interest | 4,733 | 4,534 | 4,527 | 4,485 | 4,790 |
| ***Total cash received*** | ***1,455,841*** | ***1,462,078*** | ***1,496,297*** | ***1,506,102*** | ***1,535,870*** |
| **Cash used** |  |  |  |  |  |
| Employees | 785,447 | 796,813 | 812,617 | 824,758 | 837,132 |
| Suppliers | 479,052 | 507,979 | 514,584 | 512,575 | 432,054 |
| Net GST paid | 589 | 4,326 | 4,592 | 6,665 | 25,062 |
| Interest payments on lease  liabilities | 3,581 | 3,315 | 3,231 | 3,124 | 3,124 |
| Other | 9,169 | 3,000 | 3,000 | 3,000 | 3,000 |
| ***Total cash used*** | ***1,277,838*** | ***1,315,433*** | ***1,338,024*** | ***1,350,122*** | ***1,300,372*** |
| **Net cash from/(used by)**  **operating activities** | **178,003** | **146,645** | **158,273** | **155,980** | **235,498** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Proceeds from sales of  property, plant  and equipment | 5,204 | 44,100 | 30,000 | 30,000 | 30,000 |
| ***Total cash received*** | ***5,204*** | ***44,100*** | ***30,000*** | ***30,000*** | ***30,000*** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant  and equipment and  intangibles | 155,356 | 162,221 | 171,497 | 131,500 | 210,200 |
| Purchase of financial  instruments | 10,000 | 4,000 | 4,000 | 4,000 | 4,000 |
| ***Total cash used*** | ***165,356*** | ***166,221*** | ***175,497*** | ***135,500*** | ***214,200*** |
| **Net cash from/(used by)**  **investing activities** | **(160,152)** | **(122,121)** | **(145,497)** | **(105,500)** | **(184,200)** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 16,430 | 4,000 | 4,000 | 4,000 | 4,000 |
| ***Total cash received*** | ***16,430*** | ***4,000*** | ***4,000*** | ***4,000*** | ***4,000*** |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease  liabilities | 37,185 | 27,310 | 11,092 | 10,295 | 10,295 |
| ***Total cash used*** | ***37,185*** | ***27,310*** | ***11,092*** | ***10,295*** | ***10,295*** |
| **Net cash from/(used by)**  **financing activities** | **(20,755)** | **(23,310)** | **(7,092)** | **(6,295)** | **(6,295)** |
| **Net increase/(decrease)**  **in cash held** | **(2,904)** | **1,214** | **5,684** | **44,185** | **45,003** |
| Cash and cash equivalents  at the beginning of the  reporting period | 383,826 | 380,922 | 382,136 | 387,820 | 432,005 |
| **Cash and cash**  **equivalents at the end of**  **the reporting period** | **380,922** | **382,136** | **387,820** | **432,005** | **477,008** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Equity injections - Bill 2 | 16,430 | 4,000 | 4,000 | 4,000 | 4,000 |
| **Total new capital appropriations** | **16,430** | **4,000** | **4,000** | **4,000** | **4,000** |
| **Provided for:** |  |  |  |  |  |
| *Purchase of non-financial assets* | *6,430* | *-* | *-* | *-* | *-* |
| *Other Items* | *10,000* | *4,000* | *4,000* | *4,000* | *4,000* |
| ***Total Items*** | ***16,430*** | ***4,000*** | ***4,000*** | ***4,000*** | ***4,000*** |
| **PURCHASE OF NON-FINANCIAL**  **ASSETS** |  |  |  |  |  |
| Funded by capital appropriations (a) | 6,430 | - | - | - | - |
| Funded internally from departmental  resources (b) | 148,926 | 162,221 | 171,497 | 131,500 | 210,200 |
| **TOTAL** | **155,356** | **162,221** | **171,497** | **131,500** | **210,200** |
| **RECONCILIATION OF CASH USED TO**  **ACQUIRE ASSETS TO ASSET**  **MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 155,356 | 162,221 | 171,497 | 131,500 | 210,200 |
| **Total cash used to acquire assets** | **155,356** | **162,221** | **171,497** | **131,500** | **210,200** |

Prepared on Australian Accounting Standards basis.

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

* Current Bill 1 and prior year Act 1/3/5 appropriations.
* Internally developed assets.
* Donations and contributions.
* Own-source revenue receipts.
* Proceeds from the sale of assets.

Table 3.6: Statement of departmental asset movements (Budget year 2021­22)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Land  $'000 | Buildings  $'000 | Property, plant and equipment  $'000 | Heritage  and cultural  $'000 | Investment  property  $'000 | Intangibles  $'000 | Total  $'000 |
| **As at 1 July 2021** |  |  |  |  |  |  |  |
| Gross book value | 378,096 | 2,624,099 | 1,398,491 | 13,997 | 49,373 | 57,878 | 4,521,934 |
| Gross book value - ROU assets | 8,500 | 285,869 | 4,250 | - | - | - | 298,619 |
| Accumulated depreciation/  amortisation and impairment | - | (1,563,446) | (854,961) | (9,534) | - | (42,304) | (2,470,245) |
| Accumulated depreciation/amortisation  and impairment - ROU assets | - | (146,197) | (1,355) | - | - | - | (147,552) |
| **Opening net book balance** | **386,596** | **1,200,325** | **546,425** | **4,463** | **49,373** | **15,574** | **2,202,756** |
| **Capital asset additions** |  |  |  |  |  |  |  |
| **Estimated expenditure on new**  **or replacement assets** |  |  |  |  |  |  |  |
| By purchase - appropriation ordinary  annual services (a) | - | 26,500 | 49,500 | - | - | 4,000 | 80,000 |
| By purchase - other | - | 77,621 | 4,600 | - | - | - | 82,221 |
| By purchase - other - ROU assets | - | 5,282 | 883 | - | - | - | 6,165 |
| **Total additions** | **-** | **109,403** | **54,983** | **-** | **-** | **4,000** | **168,386** |
| **Other movements** |  |  |  |  |  |  |  |
| Depreciation/amortisation expense | - | (76,467) | (73,118) | - | - | (3,326) | (152,911) |
| Depreciation/amortisation on ROU  assets | - | (30,311) | (768) | - | - | - | (31,079) |
| Disposals | (44,100) | - | - | - | - | - | (44,100) |
| Other | - | (500) | - | - | - | - | (500) |
| **Total other movements** | **(44,100)** | **(107,278)** | **(73,886)** | **-** | **-** | **(3,326)** | **(228,590)** |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Table 3.6: Statement of departmental asset movements (2021-22 Budget year) (continued)** | | | | |  |  |  |
|  | Land  $'000 | Buildings  $'000 | Property, plant and equipment  $'000 | Heritage  and cultural  $'000 | Investment  property  $'000 | Intangibles  $'000 | Total  $'000 |
| **As at 30 June 2022** |  |  |  |  |  |  |  |
| Gross book value | 333,996 | 2,728,220 | 1,452,591 | 13,997 | 49,373 | 61,878 | 4,640,055 |
| Gross book value - ROU assets | 8,500 | 291,151 | 5,133 | - | - | - | 304,784 |
| Accumulated depreciation/  amortisation and impairment | - | (1,640,413) | (928,079) | (9,534) | - | (45,630) | (2,623,656) |
| Accumulated depreciation/  amortisation and impairment  - ROU assets | - | (176,508) | (2,123) | - | - | - | (178,631) |
| **Closing net book balance** | **342,496** | **1,202,450** | **527,522** | **4,463** | **49,373** | **16,248** | **2,142,552** |

Prepared on Australian Accounting Standards basis.

1. 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2021-22 for depreciation/amortisation expenses.

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

CSIRO has no budgeted income and expenses administered on behalf of Government; therefore Table 3.7 is not presented.

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

CSIRO has no budgeted assets and liabilities administered on behalf of Government; therefore Table 3.8 is not presented.

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

CSIRO has no budgeted administered cash flows; therefore Table 3.9 is not presented.

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

CSIRO has no administered capital budget; therefore Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2021­22)

CSIRO has no administered asset movements; therefore Table 3.11 is not presented.

Department o

Geoscience Australia

Entity resources and planned performance

Geoscience Australia

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# Geoscience Australia

## **Section 1****: Entity overview and resources**

### 1.1 Strategic direction statement

Geoscience Australia is the national public sector geoscience organisation. Its purpose is to be the trusted source of information on Australia’s geology and geography for government, industry and community decision making, and contribute to a safer, more prosperous and well-informed Australia.

Geoscience Australia supports evidence-based decisions through information, advice and services for a strong economy, resilient society and sustainable environment.

The decadal strategy, Strategy 2028, sets out the impacts that Geoscience Australia will deliver over the next 10 years to support the Australian Government, industry and communities.

Geoscience Australia’s impacts focus on six key areas:

* Building Australia’s resource wealth.
* Supporting Australia’s community safety.
* Securing Australia’s water resources.
* Managing Australia’s marine jurisdictions.
* Creating a location-enabled Australia.
* Enabling an informed Australia.

Of particular focus during the Budget and forward estimates will be the continuation of key activities supporting delivery of Geoscience Australia’s 10-year targets.

The 4 year (2020-2024), $125 million Exploring for the Future (phase two) program will deliver new data and information on the resource potential in underexplored regions throughout Australia. This will support investment in Australia’s resource sector and strengthen the agricultural sector, as part of Australia’s post-pandemic recovery.

In the 2018-19 budget, the Australian Government committed $225 million over 4 years to improve global positioning system (GPS) information. Geoscience Australia’s Positioning Australia program is developing a Satellite-Based Augmentation System and upgrading Australia’s ground network of Global Navigation Satellite System sites to deliver highly-trusted 10 cm accuracy of positioning services across Australia and its maritime zones, and 3 to 5 cm accuracy for areas with mobile phone coverage.

Through the Digital Earth Australia program, Geoscience Australia will continue to partner with industry to develop new innovative and commercially viable products that integrate satellite imagery and analysis to support Australia’s agricultural sector.

As part of the Digital Economy Strategy, Geoscience Australia will develop a Digital Atlas of Australia. The Digital Atlas is an interactive geospatial map that will provide better information to allow governments, businesses and the community to make more informed decisions about planning, infrastructure and investment at the local and national level.

Geoscience Australia will achieve its impacts with a focus on science excellence, optimising its data, fostering strong partnerships and collaborations, and providing a more diverse and inclusive workplace.

### 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: Geoscience Australia resource statement – Budget estimates for 2021­22 as at Budget May 2021

|  |  |  |
| --- | --- | --- |
|  | *2020­21 Estimated actual*  *$'000* | 2021­22 Estimate  $'000 |
| **Departmental** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Prior year appropriations available (b) | *49,764* | 43,570 |
| Departmental appropriation (c) | *171,236* | 260,028 |
| s74 External Revenue (d) | *39,377* | 53,570 |
| Departmental capital budget (e) | *4,605* | 4,583 |
| Annual appropriations - other services - non-operating (f) |  |  |
| Prior year appropriation available (b) | *5,827* | 5,827 |
| Equity injection | *9,674* | 9,486 |
| Total departmental annual appropriations | *280,483* | 377,064 |
| ***Total departmental resourcing*** | ***280,483*** | **377,064** |
| **Administered** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Grant | *19* | 19 |
| Total administered annual appropriations | *19* | 19 |
| ***Total administered resourcing*** | ***19*** | **19** |
| **Total resourcing for Geoscience Australia** | ***280,502*** | **377,083** |
|  |  |  |
|  | *2020­21* | 2021­22 |
| **Average staffing level (number)** | *600* | 600 |

All figures shown above are GST exclusive – these may not match figures in the cash flow statement. Prepared on a resourcing (i.e. appropriations available) basis.

1. Appropriation Bill (No. 1) 2021­22.
2. Excludes $31.691m operating and $20.087m capital subject to administrative quarantine by the Department of Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).
3. Excludes departmental capital budget (DCB).
4. Estimated external revenue receipts under section 74 of the PGPA Act*.*
5. Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
6. Appropriation Bill (No. 2) 2021­22.

### 1.3 Budget measures

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

Table 1.2: Geoscience Australia 2021­22 budget measures  
Measures announced after the 2020­21 Mid-Year Economic and Fiscal Outlook (MYEFO)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Program | 2021­22  $'000 | 2022­23  $'000 | 2023­24  $'000 | 2024­25  $'000 |
| **Payment Measures** |  |  |  |  |  |
| Digital Economy Strategy (a) | 1 |  |  |  |  |
| Departmental expenses |  | 11,566 | 12,366 | 9,987 | 6,247 |
| **Total** |  | **11,566** | **12,366** | **9,987** | **6,247** |
| **Total payment measures** |  |  |  |  |  |
| Departmental |  | 11,566 | 12,366 | 9,987 | 6,247 |
| **Total** |  | **11,566** | **12,366** | **9,987** | **6,247** |

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

1. The lead entity for this measure is the Department of Prime Minister and Cabinet. The full measure 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 Geoscience Australia can be found at: [http://www.ga.gov.au/about/corporate-plan](file:///C:/Users/MM3264/AppData/Local/Microsoft/Windows/INetCache/Content.Outlook/4KS26D8L/Attachment%20F%20-%202019-20%20PBS%20Word%20GA%20Chapter.DOCX)

The most recent annual performance statement can be found at: [https://www.industry.gov.au/about-us/what-we-do/annual-report](file:///C:/Users/MM3264/AppData/Local/Microsoft/Windows/INetCache/Content.Outlook/4KS26D8L/Attachment%20F%20-%202019-20%20PBS%20Word%20GA%20Chapter.DOCX)

### 2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Informed government, industry and community decisions on the economic, social and environmental management of the nation’s natural resources through enabling access to geoscientific and spatial information |

#### Linked programs

| **Department of Industry, Science, Energy and Resources** |
| --- |
| **Programs**   * Program 1.1 – Investing in science, technology and commercialisation * Program 1.2 – Growing innovative and competitive businesses, industries and regions * Program 1.3 – Supporting a strong resources sector * Program 1.4 – Growing a stronger northern Australian economy |
| **Contribution to Outcome 1 made by linked programs**  The Department of Industry, Science, Energy and Resources contributes to Outcome 1 through its policies and programs supporting science, commercialisation, the sustainable development of the resources sector, and encouraging innovative technologies. |
| **Bureau of Meteorology** |
| **Program**   * Program 1 – Bureau of Meteorology |
| **Contribution to Outcome 1 made by linked programs**  The Bureau of Meteorology partners with Geoscience Australia to provide the Joint Australian Tsunami Warning Centre. |

**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**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Outcome 1:** Informed government, industry and community decisions on the economic, social and environmental management of the nation's natural resources through enabling access to geoscientific and spatial information | | | | | |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **Program 1: Geoscientific and Spatial Information Services** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 19 | 19 | 19 | 19 | 19 |
| **Administered total** | 19 | 19 | 19 | 19 | 19 |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 171,236 | 260,028 | 224,814 | 191,167 | 172,941 |
| s74 External Revenue (a) | 45,437 | 55,614 | 48,293 | 48,750 | 45,822 |
| Expenses not requiring  appropriation in the Budget  year (b) | 15,311 | 14,974 | 14,637 | 14,098 | 13,926 |
| **Departmental total** | 231,984 | 330,616 | 287,744 | 254,015 | 232,689 |
| **Total expenses for program 1.1** | **232,003** | **330,635** | **287,763** | **254,034** | **232,708** |
| **Outcome 1 Totals by appropriation type** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 19 | 19 | 19 | 19 | 19 |
| **Administered total** | 19 | 19 | 19 | 19 | 19 |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 171,236 | 260,028 | 224,814 | 191,167 | 172,941 |
| s74 External Revenue (a) | 45,437 | 55,614 | 48,293 | 48,750 | 45,822 |
| Expenses not requiring  appropriation in the Budget  year (b) | 15,311 | 14,974 | 14,637 | 14,098 | 13,926 |
| **Departmental total** | 231,984 | 330,616 | 287,744 | 254,015 | 232,689 |
| **Total expenses for Outcome 1** | **232,003** | **330,635** | **287,763** | **254,034** | **232,708** |
|  |  |  |  |  |  |
|  | 2020­21 | 2021­22 |  |  |  |
| **Average staffing level (number)** | 600 | 600 |  |  |  |

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

1. Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.
2. Expenses not requiring appropriation in the Budget years are made up of depreciation expenses, amortisation expenses, make good expenses, audit fees and accounting treatment of accommodation lease expenses.

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2021­22 Budget measures have created new programs or materially changed existing programs.

|  |  |  |
| --- | --- | --- |
| Outcome 1 – Informed government, industry and community decisions on the economic, social and environmental management of the nation’s natural resources through enabling access to geoscientific and spatial information | | |
| **Program 1** – **Geoscientific and Spatial Information Services**  This program contributes to the outcome by providing trusted information and advice on Australia’s geology and geography to support faster and smarter decision making. | | |
| **Delivery** | To deliver Program 1, Geoscience Australia develops innovative applications and solutions in response to Australia’s most important challenges by bringing together observations, data and knowledge from across the geoscience disciplines.  This includes:   * Supporting the development of a diverse resources sector in Australia’s low-carbon economy. * Providing disaster risk information to help Australia under the consequences of hazard events, contributing to more resilient communities. * Supporting the fair sharing of Australia’s water resources for a strong economy, resilient society and sustainable environment. * Supporting the effective, efficient and sustainable management of the marine environment through the provision of geoscience data, information and advice. * Providing trusted fundamental geographic information, spatially-enabled insights, and advice to support evidence-based decision making. * Delivering world-class, trusted data, platforms and expertise to support high-impact geoscience, transparent evidence-based decisions and social license to operate. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Actual Achievement/Targets** |
| 2020­21 | Geoscience Australia’s products and services are underpinned by quality science, are fit-for purpose and meet stakeholder needs. | Performance target achieved.  Geoscience Australia continues to be well-regarded by its stakeholders with feedback confirming that its advice, information, products and services are fit-for-purpose and are underpinned by quality science.  Geoscience Australia works towards the outcomes and targets identified in its decadal strategy, Strategy 2028. The delivery of science is guided by the organisation’s Science Principles that describe how its science is conducted. The 6 science principles include: relevant science; collaborative science; quality science; transparent science; communicated science; and sustaining science capability. |
| 2021­22 | Geoscience Australia’s products and services are underpinned by quality science, are fit-for-purpose and meet stakeholder needs. | Products and services adhere to Geoscience Australia’s science principles and stakeholders are satisfied with the information, data, products and services delivered. |
| 2022­23 and beyond | As per 2021­22 | As per 2021­22 |
| **Purposes** | Geoscience Australia is the national public sector geoscience organisation. Its purpose is to be the trusted source of information on Australia’s geology and geography for government, industry and community decision making, and contribute to a safer, more prosperous and well-informed Australia. | |
| **Material changes to Program 1 resulting from the following measures:** Nil | | |

## **Section 3****: Budgeted financial statements**

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021­22 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

There are no material differences between the entity resources table and the financial statements.

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

**Budgeted Departmental Income Statement**

Total revenues for 2021-22 are budgeted at $315.6 million, an increase of $99.0 million from estimated actual revenue in 2020-21. This is mainly due to an $88.8 million increase in appropriation revenue from the Australian Government, comprised of:

* Satellite-Based Augmentation System – increase of $65.4 million
* Exploring for the Future (phase two) – increase of $17.3 million
* Priority activity to contribute to establishing resilience services – decrease of 3.9 million
* Digital Atlas of Australia – increase of $11.6 million
* Efficiency dividend and indexation – net decrease of $1.7 million.

Own source revenue is expected to increase by $10.2 million.

Total expenses for 2021-22 are budgeted at $330.6 million.

The budgeted deficit for 2021-22 is $15.0 million. The deficit represents depreciation and amortisation of $10.3 million, which is not funded under the Government’s net cash appropriation arrangements, and depreciation and amortisation on right-of-use assets of $27.7 million, less principal repayments on leased assets of $23.0 million.

**Budgeted Departmental Balance Sheet**

Geoscience Australia’s budgeted total assets of $468.3 million and total liabilities of $358.7 million in 2021-22 represent a decrease of $22.5 million and $21.6 million respectively from 2020-21. This reflects an expected decrease in right-of-use assets and lease liabilities as they approach their lease end date. This decrease is partially offset by the upgrade and expansion of the national positioning network.

**Budgeted Capital Budget Statement**

Planned capital expenditure for Geoscience Australia in 2021-22 is $14.1 million. This comprises capital expenditure funded from equity injections of $9.5 million and the departmental capital budget of $4.6 million.

**Budgeted Administered Income Statement**

Geoscience Australia will make one payment on behalf of the Australian Government in 2021-22, being a grant of $0.02 million for the International Geological Correlation Program.

**Budgeted Administered Balance Sheet**

Geoscience Australia does not expect to hold any administered assets or liabilities in 2020-21 and 2021-22.

### 3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 79,592 | 81,803 | 81,803 | 81,497 | 81,803 |
| Suppliers | 111,195 | 207,216 | 163,900 | 130,221 | 107,924 |
| Depreciation and amortisation (a) | 37,302 | 37,984 | 38,724 | 39,289 | 40,277 |
| Finance costs | 3,895 | 3,613 | 3,317 | 3,008 | 2,685 |
| **Total expenses** | **231,984** | **330,616** | **287,744** | **254,015** | **232,689** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of  services | 44,106 | 54,281 | 46,958 | 47,453 | 44,523 |
| Sublease income | 189 | 189 | 189 | 189 | 189 |
| Other | 1,142 | 1,144 | 1,146 | 1,108 | 1,110 |
| **Total own-source revenue** | **45,437** | **55,614** | **48,293** | **48,750** | **45,822** |
| **Total own-source income** | **45,437** | **55,614** | **48,293** | **48,750** | **45,822** |
| **Net (cost of)/contribution by**  **services** | **(186,547)** | **(275,002)** | **(239,451)** | **(205,265)** | **(186,867)** |
| Revenue from Government | 171,236 | 260,028 | 224,814 | 191,167 | 172,941 |
| **Surplus/(deficit) attributable to the**  **Australian Government** | **(15,311)** | **(14,974)** | **(14,637)** | **(14,098)** | **(13,926)** |
| **Total comprehensive income/(loss)** | **(15,311)** | **(14,974)** | **(14,637)** | **(14,098)** | **(13,926)** |
| **Total comprehensive income/(loss)**  **attributable to the Australian**  **Government** | **(15,311)** | **(14,974)** | **(14,637)** | **(14,098)** | **(13,926)** |

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** | | | | | |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **Total comprehensive income/(loss)**  **excluding depreciation/**  **amortisation expenses previously**  **funded through revenue**  **appropriations, depreciation on**  **ROU, principal repayments on**  **leased assets** | **-** | **-** | **-** | **-** | **-** |
| plus: depreciation/amortisation  expenses previously funded through  revenue appropriations (a) | 9,552 | 10,255 | 11,024 | 11,590 | 12,578 |
| plus: depreciation/amortisation  expenses for ROU (b) | 27,750 | 27,729 | 27,700 | 27,699 | 27,699 |
| less: principal repayments on leased  assets (b) | 21,991 | 23,010 | 24,087 | 25,191 | 26,351 |
| **Total comprehensive income/(loss)**  **- as per the statement of**  **comprehensive income** | **(15,311)** | **(14,974)** | **(14,637)** | **(14,098)** | **(13,926)** |

Prepared on Australian Accounting Standards basis.

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

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| Trade and other receivables | 109,412 | 110,808 | 112,203 | 113,293 | 114,688 |
| Other financial assets | 1,610 | 1,610 | 1,610 | 1,610 | 1,610 |
| ***Total financial assets*** | ***113,522*** | ***114,918*** | ***116,313*** | ***117,403*** | ***118,798*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 323,574 | 294,085 | 264,730 | 235,389 | 206,039 |
| Property, plant and equipment | 43,039 | 48,881 | 66,420 | 95,919 | 110,926 |
| Heritage and cultural assets | 1,059 | 791 | 471 | 314 | 333 |
| Intangibles | 3,221 | 3,221 | 3,221 | 3,221 | 3,221 |
| Other non-financial assets | 6,430 | 6,430 | 6,430 | 6,430 | 6,430 |
| ***Total non-financial assets*** | ***377,323*** | ***353,408*** | ***341,272*** | ***341,273*** | ***326,949*** |
| **Total assets** | **490,845** | **468,326** | **457,585** | **458,676** | **445,747** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 9,428 | 9,428 | 9,428 | 9,428 | 9,428 |
| Personal benefits | 1,925 | 2,231 | 2,536 | 2,536 | 2,841 |
| Other payables | 24,900 | 24,900 | 24,900 | 24,900 | 24,900 |
| ***Total payables*** | ***36,253*** | ***36,559*** | ***36,864*** | ***36,864*** | ***37,169*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | *312,595* | *289,585* | *265,498* | *240,307* | *213,956* |
| ***Total interest bearing liabilities*** | ***312,595*** | ***289,585*** | ***265,498*** | ***240,307*** | ***213,956*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 27,344 | 28,286 | 29,228 | 30,170 | 31,112 |
| Other provisions | 4,128 | 4,276 | 4,424 | 4,572 | 4,720 |
| ***Total provisions*** | ***31,472*** | ***32,562*** | ***33,652*** | ***34,742*** | ***35,832*** |
| **Total liabilities** | **380,320** | **358,706** | **336,014** | **311,913** | **286,957** |
| **Net assets** | ***110,525*** | ***109,620*** | ***121,571*** | ***146,763*** | ***158,790*** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 103,402 | 117,471 | 144,059 | 183,349 | 209,302 |
| Reserves | 14,916 | 14,916 | 14,916 | 14,916 | 14,916 |
| Retained surplus (accumulated  deficit) | (7,793) | (22,767) | (37,404) | (51,502) | (65,428) |
| ***Total parent entity interest*** | ***110,525*** | ***109,620*** | ***121,571*** | ***146,763*** | ***158,790*** |
| **Total equity** | **110,525** | **109,620** | **121,571** | **146,763** | **158,790** |

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 2021­22)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained  earnings  $'000 | Asset  revaluation  reserve  $'000 | Contributed  equity/  capital  $'000 | Total  equity  $'000 |
| **Opening balance as at 1 July 2021** |  |  |  |  |
| Balance carried forward from  previous period | (7,793) | 14,916 | 103,402 | 110,525 |
| ***Adjusted opening balance*** | ***(7,793)*** | ***14,916*** | ***103,402*** | ***110,525*** |
| **Comprehensive income** |  |  |  |  |
| Surplus/(deficit) for the period | (14,974) | - | - | (14,974) |
| ***Total comprehensive income*** | ***(14,974)*** | ***-*** | ***-*** | ***(14,974)*** |
| of which: |  |  |  |  |
| Attributable to the Australian  Government | (14,974) | - | - | (14,974) |
| **Transactions with owners** |  |  |  |  |
| ***Contributions by owners*** |  |  |  |  |
| Equity injection - Appropriation | - | - | 9,486 | 9,486 |
| Departmental Capital Budget (DCB) | - | - | 4,583 | 4,583 |
| ***Sub-total transactions with***  ***owners*** | ***-*** | ***-*** | ***14,069*** | ***14,069*** |
| **Estimated closing balance as at**  **30 June 2022** | **(22,767)** | **14,916** | **117,471** | **109,620** |
| **Closing balance attributable to**  **the Australian Government** | **(22,767)** | **14,916** | **117,471** | **109,620** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 217,554 | 290,699 | 252,927 | 220,206 | 201,390 |
| Sale of goods and rendering of  services | 38,828 | 53,190 | 48,410 | 48,223 | 45,578 |
| Net GST received | 10,786 | 10,907 | 10,658 | 8,777 | 7,160 |
| Other | 1,301 | 1,002 | 1,010 | 1,001 | 1,001 |
| ***Total cash received*** | ***268,469*** | ***355,798*** | ***313,005*** | ***278,207*** | ***255,129*** |
| **Cash used** |  |  |  |  |  |
| Employees | 78,698 | 80,554 | 80,556 | 80,555 | 80,556 |
| Suppliers | 109,425 | 207,014 | 163,696 | 130,113 | 107,814 |
| Net GST paid | 11,816 | 11,530 | 11,281 | 9,399 | 7,782 |
| Interest payments on lease liability | 3,845 | 3,563 | 3,267 | 2,958 | 2,635 |
| s74 External Revenue  transferred to the OPA | 40,124 | 30,127 | 30,118 | 30,089 | 30,089 |
| Grants | 40 | - | - | (98) | (98) |
| ***Total cash used*** | ***243,948*** | ***332,788*** | ***288,918*** | ***253,016*** | ***228,778*** |
| **Net cash from/(used by)**  **operating activities** | **24,521** | **23,010** | **24,087** | **25,191** | **26,351** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and  equipment and intangibles | 14,869 | 14,069 | 26,588 | 39,290 | 25,953 |
| ***Total cash used*** | ***14,869*** | ***14,069*** | ***26,588*** | ***39,290*** | ***25,953*** |
| ***Net cash from/(used by)***  ***investing activities*** | ***(14,869)*** | ***(14,069)*** | ***(26,588)*** | ***(39,290)*** | ***(25,953)*** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 14,279 | 14,069 | 26,588 | 39,290 | 25,953 |
| ***Total cash received*** | ***14,279*** | ***14,069*** | ***26,588*** | ***39,290*** | ***25,953*** |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 21,991 | 23,010 | 24,087 | 25,191 | 26,351 |
| ***Total cash used*** | ***21,991*** | ***23,010*** | ***24,087*** | ***25,191*** | ***26,351*** |
| **Net cash from/(used by)**  **financing activities** | **(7,712)** | **(8,941)** | **2,501** | **14,099** | **(398)** |
| **Net increase/(decrease) in cash**  **held** | **1,940** | **-** | **-** | **-** | **-** |
| Cash and cash equivalents at the  beginning of the reporting period | 560 | 2,500 | 2,500 | 2,500 | 2,500 |
| **Cash and cash equivalents at**  **the end of the reporting period** | **2,500** | **2,500** | **2,500** | **2,500** | **2,500** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital budget - Bill 1 (DCB) | 4,605 | 4,583 | 7,632 | 7,669 | 7,706 |
| Equity injections - Bill 2 | 9,674 | 9,486 | 18,956 | 31,621 | 18,247 |
| **Total new capital appropriations** | **14,279** | **14,069** | **26,588** | **39,290** | **25,953** |
| ***Provided for:*** |  |  |  |  |  |
| *Purchase of non-financial assets* | *14,279* | *14,069* | *26,588* | *39,290* | *25,953* |
| ***Total items*** | ***14,279*** | ***14,069*** | ***26,588*** | ***39,290*** | ***25,953*** |
| **PURCHASE OF NON-FINANCIAL**  **ASSETS** |  |  |  |  |  |
| Funded by capital appropriations (a) | 9,674 | 9,486 | 18,956 | 31,621 | 18,247 |
| Funded by capital appropriation -  DCB (b) | 4,605 | 4,583 | 7,632 | 7,669 | 7,706 |
| **TOTAL** | **14,279** | **14,069** | **26,588** | **39,290** | **25,953** |
| **RECONCILIATION OF CASH USED**  **TO ACQUIRE ASSETS TO ASSET**  **MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 14,279 | 14,069 | 26,588 | 39,290 | 25,953 |
| **Total cash used to acquire assets** | **14,279** | **14,069** | **26,588** | **39,290** | **25,953** |

Prepared on Australian Accounting Standards basis.

1. Includes both current Bill 2 and prior Act 2/4/6 appropriations.
2. Does not include annual finance lease costs. Includes purchases from current and previous years’ Departmental Capital Budgets (DCBs).

Table 3.6: Statement of asset movements (Budget year 2021­22)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Land  $'000 | Buildings  $'000 | Other  property,  plant and  equipment  $'000 | Heritage  and  cultural  $'000 | Computer  software and  intangibles  $'000 | Total  $'000 |
| **As at 1 July 2021** |  |  |  |  |  |  |
| Gross book value | 1,165 | 22,624 | 47,606 | 3,221 | 9,839 | 84,455 |
| Gross book value - ROU assets | 1,000 | 356,245 | 265 | - | - | 357,510 |
| Accumulated depreciation/  amortisation and impairment | - | (2,284) | (4,724) | - | (8,780) | (15,788) |
| Accumulated  depreciation/amortisation  and impairment - ROU assets | (134) | (55,042) | (108) | - | - | (55,284) |
| **Opening net book balance** | **2,031** | **321,543** | **43,039** | **3,221** | **1,059** | **370,893** |
| **Capital asset additions** |  |  |  |  |  |  |
| **Estimated expenditure on new**  **or replacement assets** |  |  |  |  |  |  |
| By purchase - appropriation  equity (a) | - | - | 9,486 | - | - | 9,486 |
| By purchase - appropriation  ordinary annual services (b) | - | 500 | 3,883 | - | 200 | 4,583 |
| **Total additions** | **-** | **500** | **13,369** | **-** | **200** | **14,069** |
| **Other movements** |  |  |  |  |  |  |
| Depreciation/amortisation  expense | - | 2,299 | 7,488 | - | 468 | 10,255 |
| Depreciation/amortisation  expense on ROU assets | 93 | 27,597 | 39 | - | - | 27,729 |
| Disposals (c) | - | - | 2,123 | - | 984 | 3,107 |
| **Total other movements** | **93** | **29,896** | **9,650** | **-** | **1,452** | **41,091** |
| **As at 30 June 2022** |  |  |  |  |  |  |
| Gross book value | 1,165 | 23,124 | 58,852 | 3,221 | 9,055 | 95,417 |
| Gross book value  - ROU assets | 1,000 | 356,245 | 265 | - | - | 357,510 |
| Accumulated depreciation/  amortisation and impairment | - | (4,583) | (10,089) | - | (8,264) | (22,936) |
| Accumulated depreciation/  amortisation and impairment  - ROU assets | (227) | (82,639) | (147) | - | - | (83,013) |
| **Closing net book balance** | **1,938** | **292,147** | **48,881** | **3,221** | **791** | **346,978** |

Prepared on Australian Accounting Standards basis.

1. ‘Appropriation equity’ refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2021­22.
2. 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2021­22 for depreciation/amortisation expenses, DCBs or other operational expenses.
3. Net proceeds may be returned to the Official Public Account.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **EXPENSES** |  |  |  |  |  |
| Grants | 19 | 19 | 19 | 19 | 19 |
| **Total expenses administered on**  **behalf of Government** | **19** | **19** | **19** | **19** | **19** |
| **Net (cost of)/contribution by**  **services** | **19** | **19** | **19** | **19** | **19** |
| **Surplus/(deficit) before income tax** | **19** | **19** | **19** | **19** | **19** |
| **Surplus/(deficit) after income tax** | 19 | 19 | 19 | 19 | 19 |
| **Total comprehensive income/(loss)** | **19** | **19** | **19** | **19** | **19** |

Prepared on Australian Accounting Standards basis.

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

Geoscience Australia has no budgeted assets and liabilities administered on behalf of government; therefore Table 3.8 is not presented.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Other | 19 | 19 | 19 | 19 | 19 |
| ***Total cash received*** | ***19*** | ***19*** | ***19*** | ***19*** | ***19*** |
| **Cash used** |  |  |  |  |  |
| Grant | 19 | 19 | 19 | 19 | 19 |
| ***Total cash used*** | ***19*** | ***19*** | ***19*** | ***19*** | ***19*** |
| **Net cash from/(used by)**  **operating activities** | **-** | **-** | **-** | **-** | **-** |
| ***Net increase/(decrease) in cash***  ***held*** | ***-*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Cash and cash equivalents at**  **end of reporting period** | **-** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

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

Geoscience Australia has no administered capital budget; therefore Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2021­22)

Geoscience Australia has no administered asset movements; therefore Table 3.11 is not presented.

Department o

IP Australia

Entity resources and planned performance

IP Australia

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# IP Australia

## **Section 1****: Entity overview and resources**

### 1.1 Strategic direction statement

IP Australia is responsible for administering Australia’s intellectual property (IP) rights system, specifically trade marks, patents, designs and plant breeder’s rights.   
IP Australia operates as a listed entity within the portfolio and recovers more than 99% of its costs by charging fees for its IP rights services.

IP Australia grants exclusive IP rights for a period of time. This fosters innovation, investment and international competitiveness by:

* Providing an effective legal framework for protection of innovative products and brands which creates a secure environment for investment.
* Providing incentives for undertaking research and development.
* Promoting the disclosure of discoveries and follow-on generation of ideas.
* Enabling firms to build brand value and business reputation which in turn contributes to improved consumer confidence.

IP Australia also promotes awareness of IP, regulates the IP attorney profession, provides advice to the Government on the development of IP policy and contributes to bilateral and multilateral negotiations and the development of cooperation programs to support the global IP system.

The IP Australia Corporate Plan guides the entity’s future direction in pursuit of its goal to deliver a world leading IP system and build prosperity for Australia. The plan provides an overview of IP Australia’s priorities for the next 4 years to ensure all Australians benefit from great ideas, and the key strategies used to deliver those priorities.

Priority areas for IP Australia include:

* High performing core business and customer services.
* High performing internal operations that support IP Australia’s core business.
* IP Australia’s expertise and data are leveraged to deliver value to the Australian IP system, stakeholders and the broader economy.
* Building the capability of IP Australia’s people and the entity.

IP Australia’s key initiatives and challenges for 2021­22 are to:

* Support jobs and growth by contributing to Australia’s economic recovery objectives.
* Continue to deliver high quality and timely patents, trade marks, designs and plant breeder’s rights.
* Continue to modernise ICT platforms and environment to enhance support for IP Australia’s customers and workforce.
* Provide targeted education and awareness offerings that facilitate greater understanding of the IP rights system.
* Continue the policy work on the Australian design rights system to ensure it is fit for purpose and supports the Australian economy now and in the future.
* Improve Australia’s IP system to promote the cultural integrity and economic potential of Indigenous Knowledge.
* Implement the International Engagement Strategy to support Australians to export and invest.
* Enhance the entity’s data capability to ensure that IP Australia’s information is used to deliver, shape and inform policy making and services across government as well as for IP Australia’s core business and customers.
* Review, in collaboration with the New Zealand government, the bilateral arrangement establishing the Trans-Tasman IP Attorney regime for regulation of the IP profession.

### 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: IP Australia resource statement – Budget estimates for 2021­22 as at Budget May 2021

|  |  |  |
| --- | --- | --- |
|  | *2020­21 Estimated actual*  *$'000* | 2021­22 Estimate  $'000 |
| **Departmental** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Departmental appropriation | *358* | 356 |
| Total departmental annual appropriations | *358* | 356 |
| Special accounts (b) |  |  |
| Opening balance | *22,992* | 38,916 |
| Appropriation receipts (c) | *358* | 356 |
| Non-appropriation receipts | *219,944* | 233,926 |
| Total special accounts | *243,294* | 273,198 |
| *less departmental appropriations drawn from annual/special*  *appropriations and credited to special accounts* | *358* | 356 |
| ***Total departmental resourcing*** | ***243,294*** | **273,198** |
| **Total resourcing for IP Australia** | ***243,294*** | **273,198** |
|  |  |  |
|  | *2020­21* | 2021­22 |
| **Average staffing level (number)** | *1,040* | 1,054 |

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

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

1. Appropriation Bill (No. 1) 2021­22.
2. 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.
3. Amounts credited to the special account from IP Australia's annual appropriations.

### 1.3 Budget measures

There are no Budget measures relating to IP Australia detailed in Budget Paper No. 2; therefore Table 1.2 is not presented.

## **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 IP Australia can be found at: <https://www.ipaustralia.gov.au/corporate-plan-2020-21>

The most recent annual performance statement can be found at: https://www.industry.gov.au/about-us/annual-report

### 2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Increased innovation, investment and trade in Australia, and by Australians overseas, through the administration of the registrable intellectual property rights system, promoting public awareness and industry engagement, and advising government |

#### Linked programs

| **Department of Industry, Science, Energy and Resources** |
| --- |
| **Programs**   * Program 1.1 – Investing in science, technology and commercialisation * Program 1.2 – Growing innovative and competitive businesses, industries and regions |
| **Contribution to Outcome 1 made by linked programs**  The Department of Industry, Science, Energy and Resources contributes to Outcome 1 through its policies and programs supporting science and commercialisation and through the operation of the Office of the Chief Scientist and the Office of Innovation and Science Australia. |

##### **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**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Outcome 1:** Increased innovation, investment and trade in Australia, and by Australians overseas, through the administration of the registrable intellectual property rights system, promoting public awareness and industry engagement, and advising government | | | | | |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **Program 1: IP Rights Administration and Professional Registration** | | | | | |
| Departmental expenses |  |  |  |  |  |
| Special accounts | 194,480 | 206,980 | 214,618 | 221,433 | 229,156 |
| Expenses not requiring  appropriation in the Budget  year (a) | 155 | 160 | 165 | 170 | 175 |
| **Departmental total** | 194,635 | 207,140 | 214,783 | 221,603 | 229,331 |
| **Total expenses for program 1** | **194,635** | **207,140** | **214,783** | **221,603** | **229,331** |
| **Program 2: Education and Awareness** | | | | | |
| Departmental expenses |  |  |  |  |  |
| Special accounts | 2,240 | 2,384 | 2,472 | 2,551 | 2,640 |
| **Departmental total** | 2,240 | 2,384 | 2,472 | 2,551 | 2,640 |
| **Total expenses for program 2** | **2,240** | **2,384** | **2,472** | **2,551** | **2,640** |
| **Program 3: Advice to Government and International Engagement** | | | | | |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 358 | 356 | 359 | 359 | 360 |
| Special accounts | 12,617 | 13,453 | 13,961 | 14,415 | 14,929 |
| **Departmental total** | 12,975 | 13,809 | 14,320 | 14,774 | 15,289 |
| **Total expenses for program 3** | **12,975** | **13,809** | **14,320** | **14,774** | **15,289** |
| **Outcome 1 Totals by appropriation type** | | | | | |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 358 | 356 | 359 | 359 | 360 |
| Special accounts | 209,337 | 222,817 | 231,051 | 238,399 | 246,725 |
| Expenses not requiring  appropriation in the Budget  year (a) | 155 | 160 | 165 | 170 | 175 |
| **Departmental total** | 209,850 | 223,333 | 231,575 | 238,928 | 247,260 |
| **Total expenses for Outcome 1** | **209,850** | **223,333** | **231,575** | **238,928** | **247,260** |
|  |  |  |  |  |  |
|  | 2020­21 | 2021­22 |  |  |  |
| **Average staffing level (number)** | 1,040 | 1,054 |  |  |  |

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

1. Expenses not requiring appropriation in the budget year are made up of audit fees.

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 2021­22 Budget measures have created new programs or materially changed existing programs.

|  |  |  |
| --- | --- | --- |
| Outcome 1 – Increased innovation, investment and trade in Australia, and by Australians overseas, through the administration of the registrable intellectual property rights system, promoting public awareness and industry engagement, and advising government | | |
| **Program 1** – **IP Rights Administration and Professional Registration**  This program delivers robust intellectual property (IP) rights that satisfy IP Australia’s customers in terms of timeliness and quality, and by maintaining the professional registration of persons wishing to qualify for registration as Patent and/or Trade Marks Attorneys. | | |
| **Delivery** | IP Australia delivers Program 1 by:   * Administering patent, trade mark, design and plant breeder’s rights legislation. * Administering the Trans-Tasman IP Attorneys Board for Patent and Trade Marks Attorneys and the Patent Attorneys Disciplinary Tribunal. * Charging customers for the deliverables listed below and under legislation for the retention of rights once granted (renewal fees). | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Actual Achievement/Targets** |
| 2020­21 | Customer Service Charter and legislative commitments are met. | IP Australia expects to meet 8 of 9 key targets under  IP Australia’s Customer Service Charter. |
| Process trans-Tasman attorney registration applications within 15 working days from the date that the application complies with registration requirements. | IP Australia expects to achieve 100% of applications processed within the required timeframe. |
| 2021­22 | Customer Service Charter and legislative commitments are met. | Meet the 9 key targets under IP Australia’s Customer Service Charter. |
| Process trans-Tasman attorney registration applications within 15 working days from the date that the application complies with registration requirements. | 100% of applications are processed within the required timeframe. |
| 2022­23 and beyond | As per 2021­22 | As per 2021­22 |
| **Purpose** | Ensure Australians benefit from great ideas. | |
| **Material changes to Program 1 resulting from the following measures:** NIL | | |
| **Program 2 – Education and Awareness**  IP Australia will facilitate understanding of the value of and access to the domestic and international intellectual property system among its stakeholders in line with Australia’s interests. | | |
| **Delivery** | IP Australia delivers Program 2 by:   * Delivering public education and awareness programs which promote the importance of IP and provide Australians with the tools and information they require to make informed decisions regarding IP. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Actual Achievement/Targets** |
| 2020­21 | Improved awareness of the IP rights system. | IP Australia expects to meet the target of 90% of people and partners accessing IP Australia’s public education, awareness and information products have an improved understanding of how IP rights can benefit their business. |
| 2021­22 | Improved awareness of the IP rights system. | Effective delivery of public education and awareness programs, which promote the importance of IP and provide Australians with the tools they require to make informed decisions.  Increase the level of knowledge of Australia's IP system on the 2020-21 baseline. |
| 2022­23 and beyond | As per 2021­22 | As per 2021­22 |
| **Purpose** | Ensure Australians benefit from great ideas. | |
| **Material changes to Program 2 resulting from the following measures:** NIL | | |
| **Program 3 – Advice to Government and International Engagement**  Supporting policy and legislative change to foster Australian innovation by shaping the development of the IP system both domestically and abroad. IP Australia engages internationally to influence the development of effective intellectual property systems in line with Australia’s interests. | | |
| **Delivery** | IP Australia delivers Program 3 by:   * Providing advice to government on intellectual property matters and supporting research into the current and future use of IP rights, and engaging with key international stakeholders and IP bodies. * Providing policy advice across government and internationally to support policy and legislative objectives. * Proactively managing international engagement activities to support IP Australia’s customers and further Australia’s interest and contribute to capacity building activities focused on the region. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Actual Achievement/Targets** |
| 2020­21 | Provision of high-quality advice to the Australian Government on policy, legislation, ministerial correspondence and briefs. | Ministerial briefs and correspondence delivered to the Minister’s Office are of a high quality. IP Australia expects to meet the target of less than 10% requested to be redrafted.  IP Australia expects to meet the target of 100% of ministerial briefs and correspondence requested by the Minister’s Office are delivered within the agreed timeframes. |
| 2021­22 | Provision of high-quality advice to the Australian Government on policy, legislation, ministerial correspondence and briefs. | Ministerial briefs and correspondence delivered to the Minister’s Office are of a high quality with less than 10% requested to be redrafted.  100% of ministerial briefs and correspondence requested by the Minister’s Office are delivered within the agreed timeframes. |
| 2022­23 and beyond | As per 2021­22 | As per 2021­22 |
| **Purpose** | Ensure Australians benefit from great ideas. | |
| **Material changes to Program 3 resulting from the following measures:** Nil | | |

## **Section 3****: Budgeted financial statements**

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021­22 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

There are no material differences between the entity resources table and the financial statements.

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

IP Australia is budgeting for an operating surplus of $11.0 million for 2021-22, compared with the forecasted surplus of $3.0 million reported in the 2020-21 Portfolio Budget Statements.

**Budgeted Departmental Income Statement**

Departmental revenue from contracts with customers in 2021-22 is estimated to be $233.1 million. The increase from the 2020-21 estimated actual of $218.1 million reflects the full year impacts of fee changes that came into effect from 1 October 2020, and forecasted growth in demand for IP Rights.

Rental income of $0.7 million is budgeted for 2021-22 and reflects income received from sub-leasing arrangements at Discovery House.

Revenue from Government for 2021-22 is budgeted at $0.4 million and reflects an appropriation for non-regulatory charging activities undertaken by IP Australia.

Total departmental expenses budgeted in 2021-22 are $223.3 million, comprising   
$138.8 million for employee benefits, $49.9 million for suppliers, $33.0 million for depreciation and amortisation and $1.7 million in finance costs.

**Budgeted Departmental Balance Sheet**

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

***Assets***

Total departmental assets budgeted for in 2021-22 are $335.1 million, comprising   
$52.8 million in financial assets and $282.4 million in non-financial assets.

Financial assets consist of $49.8 million for cash and $2.9 million for receivables.   
Non-financial assets include $153.3 million for land and buildings, $117.7 million for intangibles, $2.7 million for property, plant and equipment and $8.7 million in other assets.

***Liabilities***

Total departmental liabilities budgeted for in 2021-22 are $237.1 million, comprising $52.8 million in payables, $131.2 million in interest bearing liabilities (leases) and   
$53.1 million in provisions.

The other payables estimate represents the unearned income attributable to unexamined IP Rights.

**Budgeted Departmental Statement of Cash Flows**

The movements in the cash flows are consistent with movements in the income statement and the balance sheet.

### 3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 131,545 | 138,782 | 142,327 | 146,432 | 150,655 |
| Suppliers | 42,795 | 49,873 | 56,697 | 58,479 | 60,752 |
| Depreciation and amortisation | 33,659 | 32,957 | 30,961 | 32,563 | 34,539 |
| Finance costs | 1,851 | 1,721 | 1,590 | 1,454 | 1,314 |
| **Total expenses** | **209,850** | **223,333** | **231,575** | **238,928** | **247,260** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Revenue from contracts with customers | 218,085 | 233,078 | 238,357 | 244,205 | 250,031 |
| Rental income | 752 | 739 | 3,694 | 3,694 | 3,694 |
| Other | 155 | 160 | 165 | 170 | 175 |
| **Total own-source revenue** | **218,992** | **233,977** | **242,216** | **248,069** | **253,900** |
| **Total own-source income** | **218,992** | **233,977** | **242,216** | **248,069** | **253,900** |
| **Net (cost of)/contribution by**  **services** | **9,142** | **10,644** | **10,641** | **9,141** | **6,640** |
| Revenue from Government | 358 | 356 | 359 | 359 | 360 |
| **Surplus/(deficit) attributable to the**  **Australian Government** | **9,500** | **11,000** | **11,000** | **9,500** | **7,000** |
| **Total comprehensive income/(loss)** | **9,500** | **11,000** | **11,000** | **9,500** | **7,000** |
| **Total comprehensive income/(loss)**  **attributable to the Australian**  **Government** | **9,500** | **11,000** | **11,000** | **9,500** | **7,000** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 38,916 | 49,834 | 58,137 | 65,964 | 73,712 |
| Trade and other receivables | 1,644 | 2,928 | 3,502 | 3,882 | 4,160 |
| ***Total financial assets*** | ***40,560*** | ***52,762*** | ***61,639*** | ***69,846*** | ***77,872*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 168,178 | 153,257 | 137,417 | 121,556 | 105,833 |
| Property, plant and equipment | 4,755 | 2,697 | 2,885 | 5,531 | 9,201 |
| Intangibles | 110,193 | 117,715 | 127,406 | 133,058 | 135,572 |
| Other non-financial assets | 7,477 | 8,714 | 9,906 | 10,218 | 10,615 |
| ***Total non-financial assets*** | ***290,603*** | ***282,383*** | ***277,614*** | ***270,363*** | ***261,221*** |
| **Total assets** | **331,163** | **335,145** | **339,253** | **340,209** | **339,093** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 7,078 | 8,249 | 9,378 | 9,673 | 10,049 |
| Other payables | 44,290 | 44,579 | 45,008 | 45,437 | 45,865 |
| ***Total payables*** | ***51,368*** | ***52,828*** | ***54,386*** | ***55,110*** | ***55,914*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 141,704 | 131,171 | 120,596 | 109,681 | 98,498 |
| ***Total interest bearing liabilities*** | ***141,704*** | ***131,171*** | ***120,596*** | ***109,681*** | ***98,498*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 51,073 | 53,128 | 55,253 | 56,900 | 59,163 |
| ***Total provisions*** | ***51,073*** | ***53,128*** | ***55,253*** | ***56,900*** | ***59,163*** |
| **Total liabilities** | **244,145** | **237,127** | **230,235** | **221,691** | **213,575** |
| **Net assets** | **87,018** | **98,018** | **109,018** | **118,518** | **125,518** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 5,908 | 5,908 | 5,908 | 5,908 | 5,908 |
| Reserves | 1,946 | 1,946 | 1,946 | 1,946 | 1,946 |
| Retained surplus (accumulated  deficit) | 79,164 | 90,164 | 101,164 | 110,664 | 117,664 |
| ***Total parent entity interest*** | ***87,018*** | ***98,018*** | ***109,018*** | ***118,518*** | ***125,518*** |
| **Total equity** | **87,018** | **98,018** | **109,018** | **118,518** | **125,518** |

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 2021­22)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained  earnings  $'000 | Asset  revaluation  reserve  $'000 | Contributed  equity/  capital  $'000 | Total  equity  $'000 |
| **Opening balance as at 1 July 2021** |  |  |  |  |
| Balance carried forward from  previous period | 79,164 | 1,946 | 5,908 | 87,018 |
| ***Adjusted opening balance*** | ***79,164*** | ***1,946*** | ***5,908*** | ***87,018*** |
| **Comprehensive income** |  |  |  |  |
| Surplus/(deficit) for the period | 11,000 | - | - | 11,000 |
| ***Total comprehensive income*** | ***11,000*** | ***-*** | ***-*** | ***11,000*** |
| of which: |  |  |  |  |
| Attributable to the Australian  Government | 11,000 | - | - | 11,000 |
| **Estimated closing balance as at**  **30 June 2022** | **90,164** | **1,946** | **5,908** | **98,018** |
| **Closing balance attributable to**  **the Australian Government** | **90,164** | **1,946** | **5,908** | **98,018** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 358 | 356 | 359 | 359 | 360 |
| Sale of goods and rendering of  services | 219,944 | 232,945 | 242,030 | 247,982 | 253,917 |
| Net GST received | (11) | (123) | (124) | (34) | (42) |
| ***Total cash received*** | ***220,291*** | ***233,178*** | ***242,265*** | ***248,307*** | ***254,235*** |
| **Cash used** |  |  |  |  |  |
| Employees | 131,060 | 136,727 | 140,202 | 144,785 | 148,392 |
| Suppliers | 42,646 | 49,779 | 56,595 | 58,326 | 60,598 |
| Interest payments on lease liability | 1,851 | 1,721 | 1,590 | 1,454 | 1,314 |
| ***Total cash used*** | ***175,557*** | ***188,227*** | ***198,387*** | ***204,565*** | ***210,304*** |
| **Net cash from/(used by)**  **operating activities** | **44,734** | **44,951** | **43,878** | **43,742** | **43,931** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and  equipment and intangibles | (18,500) | (23,500) | (25,000) | (25,000) | (25,000) |
| ***Total cash used*** | ***18,500*** | ***23,500*** | ***25,000*** | ***25,000*** | ***25,000*** |
| **Net cash from/(used by)**  **investing activities** | **(18,500)** | **(23,500)** | **(25,000)** | **(25,000)** | **(25,000)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 10,310 | 10,533 | 10,575 | 10,915 | 11,183 |
| ***Total cash used*** | ***10,310*** | ***10,533*** | ***10,575*** | ***10,915*** | ***11,183*** |
| **Net cash from/(used by)**  **financing activities** | ***(10,310)*** | ***(10,533)*** | ***(10,575)*** | ***(10,915)*** | ***(11,183)*** |
| **Net increase/(decrease) in cash**  **held** | **15,924** | **10,918** | **8,303** | **7,827** | **7,748** |
| Cash and cash equivalents at the  beginning of the reporting period | 22,992 | 38,916 | 49,834 | 58,137 | 65,964 |
| **Cash and cash equivalents at**  **the end of the reporting period** | **38,916** | **49,834** | **58,137** | **65,964** | **73,712** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **PURCHASE OF NON-FINANCIAL**  **ASSETS** |  |  |  |  |  |
| Funded internally from departmental  resources (a) | 18,500 | 23,500 | 25,000 | 25,000 | 25,000 |
| **TOTAL** | **18,500** | **23,500** | **25,000** | **25,000** | **25,000** |
| **RECONCILIATION OF CASH USED**  **TO ACQUIRE ASSETS TO ASSET**  **MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 18,500 | 23,500 | 25,000 | 25,000 | 25,000 |
| **Total cash used to acquire assets** | **18,500** | **23,500** | **25,000** | **25,000** | **25,000** |

Prepared on Australian Accounting Standards basis.

1. Includes the source of funding for own-source revenue receipts.

Table 3.6: Statement of asset movements (Budget year 2021­22)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Buildings  $'000 | Other  property,  plant and  equipment  $'000 | Computer  software and  intangibles  $'000 | Total  $'000 |
| **As at 1 July 2021** |  |  |  |  |
| Gross book value | 41,949 | 18,010 | 234,468 | 294,427 |
| Gross book value - ROU assets | 160,113 | 1,704 | - | 161,817 |
| Accumulated depreciation/  amortisation and impairment | (8,975) | (13,660) | (124,275) | (146,910) |
| Accumulated depreciation/amortisation  and impairment - ROU assets | (24,909) | (1,299) | - | (26,208) |
| **Opening net book balance** | **168,178** | **4,755** | **110,193** | **283,126** |
| **Capital asset additions** |  |  |  |  |
| **Estimated expenditure on new**  **or replacement assets** |  |  |  |  |
| By purchase - other | 1,300 | 950 | 21,250 | 23,500 |
| **Total additions** | **1,300** | **950** | **21,250** | **23,500** |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation expense | (3,874) | (2,611) | (13,728) | (20,213) |
| Depreciation/amortisation on  ROU assets | (12,347) | (397) | - | (12,744) |
| **Total other movements** | **(16,221)** | **(3,008)** | **(13,728)** | **(32,957)** |
| **As at 30 June 2022** |  |  |  |  |
| Gross book value | 43,249 | 18,960 | 255,718 | 317,927 |
| Gross book value - ROU assets | 160,113 | 1,704 | - | 161,817 |
| Accumulated depreciation/  amortisation and impairment | (12,849) | (16,271) | (138,003) | (167,123) |
| Accumulated depreciation/amortisation  and impairment - ROU assets | (37,256) | (1,696) | - | (38,952) |
| **Closing net book balance** | **153,257** | **2,697** | **117,715** | **273,669** |

Prepared on Australian Accounting Standards basis.

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

IP Australia has no budgeted income and expenses administered on behalf of government; therefore Table 3.7 is not presented.

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

IP Australia has no budgeted assets and liabilities administered on behalf of government; therefore Table 3.8 is not presented.

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

IP Australia has no budgeted administered cash flows; therefore Table 3.9 is not presented.

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

IP Australia has no administered capital budget; therefore Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2021­22)

IP Australia has no administered asset movements; therefore Table 3.11 is not presented.

Department o

National Offshore Petroleum Safety and Environmental Management Authority

Entity resources and planned performance

National Offshore Petroleum Safety and Environmental Management Authority

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# National Offshore Petroleum Safety and Environmental Management Authority

## **Section 1****: Entity overview and resources**

### 1.1 Strategic direction statement

The National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) was established as an independent statutory authority under the Offshore Petroleum and Greenhouse Gas Storage Act 2006 (OPGGS Act) and as a Corporate Commonwealth entity under the Public Governance, Performance and Accountability Act 2013 (PGPA Act). It operates on a cost recovery basis through levies and fees. NOPSEMA is an expertise-based regulator of occupational health and safety (OHS), well integrity and environmental management for all offshore petroleum operations in Commonwealth waters. Commonwealth waters comprise those areas beyond   
3 nautical miles from the territorial sea baseline[[1]](#footnote-1). NOPSEMA regulates petroleum operations in coastal waters only where a state or territory has conferred regulatory powers and functions on NOPSEMA[[2]](#footnote-2). NOPSEMA fulfils its regulatory role through delivery of its core functions: assessment, inspection, investigation, and enforcement.

NOPSEMA’s core functions are detailed in section 646 of the OPGGS Act. NOPSEMA will continue to focus on its core functions to promote improvement in industry performance and to secure duty holder compliance. In 2021­22, NOPSEMA’s key priorities will include:

* Providing expert, consistent, and independent regulatory decisions in accordance with legislation.
* Communicating information and regulatory perspectives to stakeholders to drive forward improvements in industry performance while maintaining safety and environmental safeguards.
* Providing operational and regulatory advice to government on legislative development and reform initiatives.
* Further developing effective working relationships with stakeholders to aid understanding of relevant regulatory requirements.
* Progressing transparency and stakeholder engagement initiatives with a view to enhancing the community’s level of trust in NOPSEMA as a robust, fair, and transparent regulator.
* Providing a basis for conferral of powers and functions for coastal waters from states/territories and further regulatory streamlining opportunities within Commonwealth waters.
* Working with industry and other stakeholders to reduce the regulatory burden and unnecessary compliance costs.
* Collaborating with international regulatory counterparts on joint program initiatives and information sharing.

NOPSEMA’s Corporate Plan 2020-25 provides further details on the direction for the organisation. The corporate plan is prepared under the OPGGS Act and in compliance with the PGPA Act. It can be accessed at [www.nopsema.gov.au](http://www.nopsema.gov.au), together with information about the history of NOPSEMA.

### 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: NOPSEMA resource statement – Budget estimates for 2021­22 as at Budget May 2021

|  |  |  |
| --- | --- | --- |
|  | *2020­21 Estimated actual*  *$'000* | 2021­22 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | *14,289* | 14,301 |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (a) (b) |  |  |
| Outcome 1 | *739* | 667 |
| Total annual appropriations | *739* | *667* |
| Amounts received from related entities |  |  |
| Amounts from portfolio department (c) | *34,191* | 34,572 |
| Total amounts received from related entities | *34,191* | *34,572* |
| **Total funds from Government** | ***34,930*** | **35,239** |
| **Funds from other sources** |  |  |
| Interest | *128* | 67 |
| Other | *-* | 633 |
| **Total funds from other sources** | ***128*** | **700** |
| **Total net resourcing for NOPSEMA** | ***49,347*** | **50,240** |
|  |  |  |
|  | *2020­21* | 2021­22 |
| **Average staffing level (number)** | *124* | 135 |

All figures shown above are GST exclusive – these may not match figures in the cash flow statement. Prepared on a resourcing (i.e. appropriations available basis).

1. Appropriation Bill (No. 1) 2021-22.
2. The 2020-21 estimated actual includes *Appropriation Act (No. 1) 2020-21* and Appropriation Bill (No. 3) 2020‑21.
3. NOPSEMA became a Corporate Commonwealth entity on 1 July 2014 and receives its funding through a special appropriation which is administered through the Department of Industry, Science, Energy and Resources. This funding is equal in value to the levies NOPSEMA collects from the oil and gas industries.

### 1.3 Budget measures

There are no new Budget measures relating to NOPSEMA detailed in Budget Paper No. 2; therefore Table 1.2 is not presented.

## **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 NOPSEMA can be found at:

https://www.nopsema.gov.au/about/people-planning-and-performance/corporate-plan

The most recent annual performance statement can be found at:

https://www.nopsema.gov.au/about/people-planning-and-performance/annual-report

### 2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Promote and enforce the effective management of risks to the workforce, the environment and the structural integrity of facilities, wells and the well-related equipment of the Australian offshore petroleum and greenhouse gas storage industries through regulatory oversight |

#### Linked programs

| **Department of Industry, Science, Energy and Resources** |
| --- |
| **Programs**   * Program 1.2 – Growing innovative and competitive businesses, industries and regions * Program 1.3 – Supporting a strong resources sector |
| **Contribution to Outcome 1 made by linked programs**  The Department of Industry, Science, Energy and Resources contributes to Outcome 1 through its policies and program relating to the management and administration of the Offshore Petroleum and Greenhouse Gas Storage Act 2006 and associated regulations. |
| **Department of Agriculture, Water and the Environment** |
| **Programs**   * Program 1.2 – Environmental Information and Research * Program 2.1 – Antarctica: Science Policy and Presence |
| **Contribution to Outcome 1 made by linked programs**  The National Environmental Science Program contributes knowledge and understanding of Australia’s marine environment to support environmental impact assessment and industry’s management of its impacts.  Scientific capacity within the Australian Antarctic Division can be accessed to support regulatory functions. |

##### **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**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Outcome 1:** Promote and enforce the effective management of risks to the workforce, the environment and the structural integrity of facilities, wells and well-related equipment of the Australian offshore petroleum and greenhouse gas storage industries through regulatory oversight | | | | | |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **Program 1: Regulatory oversight of Safety Cases, Wells Operations Management Plans and Environment Plans coupled with effective monitoring, investigation and enforcement** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No.1) | 739 | 667 | - | - | - |
| Payment from related entities | 34,191 | 34,572 | 33,669 | 33,153 | 33,962 |
| Expenses not requiring  appropriation in the budget  year (a) | 3,900 | 3,272 | 4,390 | 5,457 | 3,114 |
| Revenues from other independent  sources | 128 | 700 | 700 | 149 | 149 |
| **Total expenses for Program 1** | **38,958** | **39,211** | **38,759** | **38,759** | **37,225** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 739 | 667 | - | - | - |
| Payment from related entities | 34,191 | 34,572 | 33,669 | 33,153 | 33,962 |
| Expenses not requiring  appropriation in the budget  year (a) | 3,900 | 3,272 | 4,390 | 5,457 | 3,114 |
| Revenues from other independent  sources | 128 | 700 | 700 | 149 | 149 |
| **Total expenses for Outcome 1** | **38,958** | **39,211** | **38,759** | **38,759** | **37,225** |
|  |  |  |  |  |  |
|  | 2020­21 | 2021­22 |  |  |  |
| **Average staffing level (number)** | 124 | 135 |  |  |  |

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

1. Expenses not requiring appropriation in the budget year consist of an approved operating loss.

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 2021­22 Budget measures have created new programs or materially changed existing programs.

| Outcome 1 – Promote and enforce the effective management of risks to the workforce, the environment and the structural integrity of facilities, wells and well-related equipment of the Australian offshore petroleum and greenhouse gas storage industries through regulatory oversight | | |
| --- | --- | --- |
| **Program 1** – **Regulatory oversight of Safety Cases, Well Operations Management Plans and Environment Plans coupled with effective monitoring, investigation and enforcement**  This program contributes to the outcome by fulfilling NOPSEMA’s legislated functions, including assessment, inspection, enforcement, promotion and advisory activities, with its target group being duty holders in the offshore petroleum industry. | | |
| **Delivery** | NOPSEMA delivers Program 1 by:   * Implementing risk-based assessment procedures for all legislated submissions. * Implementing risk-based inspection programs for all offshore petroleum activities. * Taking proportionate enforcement actions that facilitate duty holder return to compliance. * Undertaking investigations in response to potential and reported non-compliances. | |
| **Performance information** | | |
| **Year** | **Performance criteria** (a) | **Actual Achievement/Targets** |
| 2020­21 | Assessments are undertaken in line with risk-based elements as per NOPSEMA policies. | 92% |
| Risk-based inspections are conducted to meet policy targets. | 90% |
| Enforcement actions are undertaken in accordance with the Enforcement Management Model. | 100% |
| Incidents are investigated in accordance with NOPSEMA policies. | 95% |
| 2021­22 | As per 2020­21 | As per 2020­21 |
| 2022­23 and beyond | As per 2020­21 | As per 2020­21 |
| **Purposes** | To assure the protection of lives and the environment. | |
| **Material changes to Program 1 resulting from the following measures:** Nil | | |

1. As at 31 December 2020, NOPSEMA is on track to achieve its 2020-21 performance targets.

## **Section 3****: Budgeted financial statements**

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021­22 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

There are no material differences between the entity resources table and the financial statements.

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

NOPSEMA cost recovers under the OPGGS Act and associated legislation. NOPSEMA’s levies and fees are set and managed in accordance with the Australian Government Charging Framework. This framework builds upon the existing Australian Government Cost Recovery Guidelines, which require the preparation and review of a Cost Recovery Implementation Statement (CRIS).

Levies and fees are collected from duty holders planning for, and undertaking, offshore petroleum and greenhouse gas storage operations. These levies and fees allow NOPSEMA to recover its expenditure related to effectively discharging its regulatory responsibilities effectively and achieving the outcomes stated in Section 2.1. The CRIS is maintained to reflect changes to the cost recovery model and is updated regularly with financial and non-financial performance information.

The budgeted revenue of $35.9 million for 2021-22 has decreased by $2 million since the 2020-21 Portfolio Additional Estimates Statements were prepared.

Budgeted expenditure of $39.2 million for 2021-22 has increased by $1.3 million since the 2020-21 Portfolio Additional Estimates Statements were prepared.

NOPSEMA presents an annual report to stakeholders on cost effectiveness of its operations, in accordance with the legislation contained within the Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Regulations 2004.

### 3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 29,889 | 30,563 | 30,563 | 30,563 | 30,563 |
| Suppliers | 5,435 | 4,954 | 4,569 | 4,569 | 4,569 |
| Depreciation and amortisation | 3,554 | 3,554 | 3,554 | 3,554 | 2,020 |
| Finance Costs | 80 | 140 | 73 | 73 | 73 |
| **Total expenses** | **38,958** | **39,211** | **38,759** | **38,759** | **37,225** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Interest | 110 | 50 | 50 | 50 | 50 |
| Sublease interest income | 18 | 17 | 14 | 15 | 15 |
| Other | - | 633 | 636 | 84 | 84 |
| **Total own-source revenue** | **128** | **700** | **700** | **149** | **149** |
| **Total own-source income** | **128** | **700** | **700** | **149** | **149** |
| **Net (cost of)/contribution by**  **services** | **(38,830)** | **(38,511)** | **(38,059)** | **(38,610)** | **(37,076)** |
| Revenue from Government (a) | 34,930 | 35,239 | 33,669 | 33,153 | 33,962 |
| **Surplus/(deficit) attributable to the**  **Australian Government** | **(3,900)** | **(3,272)** | **(4,390)** | **(5,457)** | **(3,114)** |
| **Total comprehensive income/(loss)** | **(3,900)** | **(3,272)** | **(4,390)** | **(5,457)** | **(3,114)** |
| **Total comprehensive income/(loss)**  **attributable to the Australian**  **Government** | **(3,900)** | **(3,272)** | **(4,390)** | **(5,457)** | **(3,114)** |
|  |  |  |  |  |  |
| **Note: Impact of net cash appropriation arrangements** | |  |  |  |  |
| **Total comprehensive income/(loss)**  **less depreciation/amortisation**  **expenses previously funded**  **through revenue appropriations** | **(4,804)** | **(4,271)** | **(3,849)** | **(4,842)** | **(3,959)** |
| plus: depreciation/amortisation  expenses for ROU (b) | 2,534 | 2,534 | 2,534 | 2,534 | 1,000 |
| less: principal repayments on leased  assets (b) | 3,438 | 3,533 | 1,993 | 1,919 | 1,845 |
| **Total comprehensive income/(loss)**  **- as per the Statement of**  **comprehensive income** | **(3,900)** | **(3,272)** | **(4,390)** | **(5,457)** | **(3,114)** |

Prepared on Australian Accounting Standards basis.

1. NOPSEMA became a Corporate Commonwealth entity on 1 July 2014 and receives the majority of its funding through a special appropriation which is administered through the Department of Industry, Science, Energy and Resources. This funding is equal in value to the levies NOPSEMA collects from the oil and gas industries.
2. Applies leases under AASB 16.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 14,301 | 11,188 | 8,270 | 5,318 | 2,379 |
| Trade and other receivables | 12,225 | 12,689 | 11,778 | 11,843 | 11,843 |
| Other financial assets | 1,290 | 1,290 | 1,290 | 1,290 | 1,290 |
| ***Total financial assets*** | ***27,816*** | ***25,167*** | ***21,338*** | ***18,451*** | ***15,512*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 2,775 | 5,560 | 3,026 | 2,165 | 1,165 |
| Property, plant and equipment | 1,438 | 1,438 | 1,438 | 838 | 238 |
| Intangibles | 1,624 | 1,604 | 1,584 | 1,164 | 744 |
| Other non-financial assets | 653 | 653 | 653 | 653 | 653 |
| ***Total non-financial assets*** | ***6,490*** | ***9,255*** | ***6,701*** | ***4,820*** | ***2,800*** |
| **Total assets** | **34,306** | **34,422** | **28,039** | **23,271** | **18,312** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 549 | 549 | 549 | 549 | 549 |
| Other payables | 9,444 | 9,444 | 9,444 | 9,444 | 9,444 |
| ***Total payables*** | ***9,993*** | ***9,993*** | ***9,993*** | ***9,993*** | ***9,993*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 4,050 | 7,438 | 5,445 | 6,134 | 4,289 |
| ***Total interest bearing liabilities*** | ***4,050*** | ***7,438*** | ***5,445*** | ***6,134*** | ***4,289*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 6,665 | 6,665 | 6,665 | 6,665 | 6,665 |
| Other provisions | 549 | 549 | 549 | 549 | 549 |
| ***Total provisions*** | ***7,214*** | ***7,214*** | ***7,214*** | ***7,214*** | ***7,214*** |
| **Total liabilities** | **21,257** | **24,645** | **22,652** | **23,341** | **21,496** |
| **Net assets** | **13,049** | **9,777** | **5,387** | **(70)** | **(3,184)** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 896 | 896 | 896 | 896 | 896 |
| Retained surplus (accumulated  deficit) | 12,153 | 8,881 | 4,491 | (966) | (4,080) |
| ***Total parent entity interest*** | ***13,049*** | ***9,777*** | ***5,387*** | ***(70)*** | ***(3,184)*** |
| **Total equity** | **13,049** | **9,777** | **5,387** | **(70)** | **(3,184)** |

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 2021­22)

|  |  |  |  |
| --- | --- | --- | --- |
|  | Retained  earnings  $'000 | Contributed  equity/  capital  $'000 | Total  equity  $'000 |
| **Opening balance as at 1 July 2021** |  |  |  |
| Balance carried forward from  previous period | 12,153 | 896 | 13,049 |
| ***Adjusted opening balance*** | ***12,153*** | ***896*** | ***13,049*** |
| **Comprehensive income** |  |  |  |
| Surplus/(deficit) for the period | (3,272) | - | (3,272) |
| ***Total comprehensive income*** | ***(3,272)*** | ***-*** | ***(3,272)*** |
| of which: |  |  |  |
| Attributable to the Australian  Government | **(3,272)** | **-** | **(3,272)** |
| **Estimated closing balance as at**  **30 June 2022** | **8,881** | **896** | **9,777** |
| **Closing balance attributable to**  **the Australian Government** | **8,881** | **896** | **9,777** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Receipts from Government | 38,830 | 35,239 | 33,669 | 33,153 | 33,962 |
| Sale of goods and rendering of  services | 955 | 1,155 | 925 | 885 | 15 |
| Interest | 110 | 50 | 50 | 50 | 50 |
| Other | - | 633 | 636 | 84 | 84 |
| ***Total cash received*** | ***39,895*** | ***37,077*** | ***35,280*** | ***34,172*** | ***34,111*** |
| **Cash used** |  |  |  |  |  |
| Employees | 29,889 | 30,563 | 30,563 | 30,563 | 30,563 |
| Suppliers | 5,476 | 4,954 | 4,569 | 4,569 | 4,569 |
| Interest payments on lease liability | 80 | 140 | 73 | 73 | 73 |
| ***Total cash used*** | ***35,445*** | ***35,657*** | ***35,205*** | ***35,205*** | ***35,205*** |
| **Net cash from/(used by)**  **operating activities** | **4,450** | **1,420** | **75** | **(1,033)** | **(1,094)** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and  equipment and intangibles | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| ***Total cash used*** | ***1,000*** | ***1,000*** | ***1,000*** | ***1,000*** | ***1,000*** |
| **Net cash from/(used by)**  **investing activities** | **(1,000)** | **(1,000)** | **(1,000)** | **(1,000)** | **(1,000)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 3,438 | 3,533 | 1,993 | 1,919 | 1,845 |
| ***Total cash used*** | ***3,438*** | ***3,533*** | ***1,993*** | ***1,919*** | ***1,845*** |
| **Net cash from/(used by)**  **financing activities** | **(3,438)** | **(3,533)** | **(1,993)** | **(1,919)** | **(1,845)** |
| **Net increase/(decrease) in cash**  **held** | **12** | **(3,113)** | **(2,918)** | **(3,952)** | **(3,939)** |
| Cash and cash equivalents at the  beginning of the reporting period | 14,289 | 14,301 | 11,188 | 8,270 | 5,318 |
| **Cash and cash equivalents at**  **the end of the reporting period** | **14,301** | **11,188** | **8,270** | **4,318** | **1,379** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **PURCHASE OF NON-FINANCIAL**  **ASSETS** |  |  |  |  |  |
| Funded internally from departmental  resources (a) (b) | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| **TOTAL** | **1,000** | **1,000** | **1,000** | **1,000** | **1,000** |
| **RECONCILIATION OF CASH USED**  **TO ACQUIRE ASSETS TO ASSET**  **MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| **Total cash used to acquire assets** | **1,000** | **1,000** | **1,000** | **1,000** | **1,000** |

Prepared on Australian Accounting Standards basis.

1. Includes the following sources of funding:

* Revenue from Government.\*
* Own-source revenue receipts.
* Proceeds from the sale of assets.

1. NOPSEMA became a Corporate Commonwealth entity on 1 July 2014 and receives the majority of its funding through a special appropriation which is administered through the Department of Industry, Science, Energy and Resources. This funding is equal in value to the levies NOPSEMA collects from the oil and gas industries.

Table 3.6: Statement of asset movements (Budget year 2021­22)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Buildings  $'000 | Other  property,  plant and  equipment  $'000 | Computer  software and  intangibles  $'000 | Total  $'000 |
| **As at 1 July 2021** |  |  |  |  |
| Gross book value | 431 | 8,301 | 9,040 | 17,772 |
| Gross book value - ROU assets | 7,412 | - | - | 7,412 |
| Accumulated depreciation/  amortisation and impairment | (2,534) | (6,863) | (7,416) | (16,813) |
| **Opening net book balance** | **2,775** | **1,438** | **1,624** | **5,837** |
| **Capital asset additions** |  |  |  |  |
| **Estimated expenditure on new**  **or replacement assets** |  |  |  |  |
| By purchase - other | - | 600 | 400 | 1,000 |
| By purchase - other - ROU assets | 6,921 | - | - | 6,921 |
| **Total additions** | **6,921** | **600** | **400** | **7,921** |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation expense | - | (600) | (420) | (1,020) |
| Depreciation/amortisation on  ROU assets | (2,534) | - | - | (2,534) |
| Disposals (a) |  |  |  |  |
| Other - ROU assets | (1,602) | - | - | (1,602) |
| **Total other movements** | **(4,136)** | **(600)** | **(420)** | **(5,156)** |
| **As at 30 June 2022** |  |  |  |  |
| Gross book value | 431 | 8,901 | 9,440 | 18,772 |
| Gross book value - ROU assets | 12,731 | - | - | 12,731 |
| Accumulated depreciation/  amortisation and impairment | (2,534) | (7,463) | (7,836) | (17,833) |
| Accumulated depreciation/amortisation  and impairment - ROU assets | (5,068) | - | - | (5,068) |
| **Closing net book balance** | **5,560** | **1,438** | **1,604** | **8,602** |

Prepared on Australian Accounting Standards basis.

(a) Transfer to investment in sublease.

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

NOPSEMA has no budgeted income and expenses administered on behalf of government; therefore Table 3.7 is not presented.

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

NOPSEMA has no budgeted assets and liabilities administered on behalf of government; therefore Table 3.8 is not presented.

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

NOPSEMA has no budgeted administered cash flows; therefore Table 3.9 is not presented.

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

NOPSEMA has no administered capital budget; therefore Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2021­22)

NOPSEMA has no administered asset movements; therefore Table 3.11 is not presented.

Department o

Northern Australia Infrastructure Facility

Entity resources and planned performance

Northern Australia Infrastructure Facility

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# Northern Australia Infrastructure Facility

## **Section 1****: Entity overview and resources**

### 1.1 Strategic direction statement

The Northern Australia Infrastructure Facility (NAIF) was established on 1 July 2016 as a Corporate Commonwealth entity under the *Northern Australia Infrastructure Facility Act 2016* (NAIF Act). The Australian Government has announced reforms in this Budget to accelerate lending speed, expand eligibility and strengthen governance. The implementation of these reforms will require amendment to the NAIF Act and the issuance of a new Investment Mandate.

A commercially focused independent board oversees NAIF and is responsible for making Investment Decisions to provide financial assistance by way of loans or alternate financing mechanisms to infrastructure projects that will support the economic growth and stimulate population growth in northern Australia. The reforms announced by Government will see NAIF empowered to lend directly to proponents in certain circumstances, as well as using the existing pass-through arrangements with the Queensland, Western Australia and Northern Territory jurisdictions. The eligibility criteria will also be expanded so that activities which support the development of infrastructure can be financed by NAIF.

The NAIF Investment Mandate, effective 2 May 2018, outlines the mandatory criteria project proponents must meet for their project to be eligible for NAIF financial assistance. The infrastructure that NAIF is able to finance is wide ranging and includes assets that facilitate the establishment or enhancement of business activity or increase economic activity in a region. Examples of the sectors that NAIF can support include, but are not limited to, resources, airports, ports and rail, agriculture, water, energy, social infrastructure (including property, tourism, education and health), manufacturing and telecommunications. Eligible projects must bring new capacity online either through the construction of new infrastructure or by materially enhancing existing infrastructure. The reforms announced will expand eligibility to include projects and activities that contribute indirectly to the development of economic infrastructure in northern Australia.

NAIF projects must be of public benefit (being broad based and must demonstrate benefits to the broader economy and community, beyond those captured by a project proponent). In offering any concession pricing or terms, NAIF must have regard to the extent of the forecast public benefit.

NAIF can provide up to 100% of debt funding for an eligible project provided there is appropriate risk sharing and subject to the Commonwealth not being a majority risk taker for a project. The reforms announced by the Government will increase NAIF’s risk appetite by removing the requirement that it avoid the Commonwealth assuming the majority of financial risk in any single project. Notwithstanding this, where possible NAIF seeks to ‘crowd in’ other debt and equity financiers to support a Project.

In providing financing to support the development of a project, NAIF seeks to utilise several financing tools including longer loan tenor, deferral of interest and principal repayments, security and/or cash flow subordination and concessional pricing. The financing tools provided for a project are determined on a project specific basis. NAIF can accept a higher risk than commercial lenders particularly where the risk relates to factors that are unique to investing in northern Australia, including distance remoteness and climate. NAIF is only able to offer the minimum concessions necessary for a project to proceed. NAIF moneys are not grant funds and in all cases the loan or other finance must be able to be repaid or refinanced.

NAIF requires each proponent to provide an Indigenous participation, procurement and employment strategy tailored for the Indigenous population in the region of the proposed project. NAIF works with project proponents to ensure these strategies contain sustainable and achievable actions to support Indigenous advancement, including setting targets across employment, procurement, or other areas where suited to the circumstances of the project.

Since the 2020-21 Budget, the Government has announced further changes to NAIF to streamline its use of debt instruments and to permit NAIF to make equity investments. These changes are intended to maximise NAIF’s flexibility in providing financial assistance to support the development of northern Australia in the wake of the COVID-19 pandemic. They will support NAIF to take a more proactive approach in delivering on its primary objectives of economic and population growth in the north.

NAIF is an initiative of the Government’s Our North, Our Future: White Paper on Developing Northern Australia. Policy responsibility rests with the Department of Industry, Science, Energy and Resources.

More information about NAIF is available at www.naif.gov.au.

### 1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to 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: NAIF resource statement – Budget estimates for 2021­22 as at Budget May 2021

|  |  |  |
| --- | --- | --- |
|  | *2020­21 Estimated actual*  *$'000* | 2021­22 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | *1,192* | - |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (a) (b) (c) |  |  |
| Outcome 1 | *13,187* | 18,967 |
| Total annual appropriations | *13,187* | *18,967* |
| **Total funds from Government** | ***13,187*** | ***18,967*** |
| **Funds from other sources** |  |  |
| Interest | *30* | - |
| **Total funds from other sources** | ***30*** | **-** |
| **Total net resourcing for NAIF** | ***14,409*** | **18,967** |
|  |  |  |
|  | *2020­21* | 2021­22 |
| **Average staffing level (number)** (d) | *1* | 1 |

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

1. Appropriation Bill (No. 1) 2021­22. The $5 billion in special appropriation identified in section 41 of the NAIF Act, for the purposes of NAIF loans is reported in the Department of Industry, Science, Energy and Resources (DISER) accounts. DISER is administering loan payments to the relevant jurisdictions, and if directed on to the project proponent.
2. The 2020-21 estimated actual includes *Appropriation Act (No. 1) 2020-21* and Appropriation Bill (No. 3) 2020-21.
3. NAIF is not directly appropriated as it is a Corporate Commonwealth entity. Appropriations are made to DISER, which are then paid to NAIF and are considered departmental for all purposes.
4. The ASL estimate represents the Chief Executive Officer (CEO) of the NAIF. Total staffing for the NAIF is 29.4 full time equivalents as at Budget 2021, including the CEO. The additional staff supporting the NAIF include specialist staff engaged under contract. Refer to Section 3.1.2 for further information.

### 1.3 Budget measures

There are no new Budget measures relating to NAIF detailed in Budget Paper No. 2; therefore Table 1.2 is not presented.

## **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 and annual performance statement for NAIF can be found at:

<https://naif.gov.au/corporate-reporting/reporting/>

### 2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Enable economic growth in northern Australia, by facilitating private sector investment in economic infrastructure through the provision of concessional financing delivered through the state and territory governments |

#### Linked programs

|  |
| --- |
| **Department of Industry, Science, Energy and Resource** |
| **Program**   * Program 1.2 – Growing innovative and competitive businesses, industries and regions |
| **Contribution to Outcome 1 made by linked programs**  The Department of Industry, Science, Energy and Resources contributes through its policies to increase economic growth and investment in northern Australia. The Department of Industry, Science, Energy and Resources has policy responsibility for NAIF. |
| **Infrastructure Australia** |
| **Program**   * Program 1.1 – Infrastructure Australia |
| **Contribution to Outcome 1 made by linked programs**  Infrastructure Australia contributes to Outcome 1 through feedback on matters relating to infrastructure and cost benefit analysis to support NAIF’s assessment of its mandatory criterion in regards to a project being of public benefit. NAIF must consult Infrastructure Australia where NAIF’s Investment Decision is for an amount more than $100 million. |
| **National Indigenous Australians Agency** |
| **Programs**   * Program 1.1 – Jobs, Land and the Economy * Program 1.2 – Children and Schooling * Program 1.3 – Safety and Wellbeing * Program 1.4 – Culture and Capability * Program 1.5 – Remote Australia Strategies * Program 1.6 – Evaluation and Research |

|  |
| --- |
| **Contribution to Outcome 1 made by linked programs**  The National Indigenous Australians Agency contributes to Outcome 1 through engagement with Indigenous-led proponents or those partnering with Indigenous communities on projects related to areas like social infrastructure, ecotourism, agriculture and horticulture, resources and innovative energy solutions for remote communities. NAIF engages with Indigenous stakeholders. Furthermore, all NAIF project proponents must develop strategies for Indigenous participation, procurement and employment that is tailored for the Indigenous population in the region of the project. |

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

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

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Outcome 1:** Enable economic growth in northern Australia, by facilitating private sector investment in economic infrastructure through the provision of concessional financing delivered through the state and territory governments | | | | | |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **Program 1: Northern Australia Infrastructure Facility** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 13,187 | 18,967 | 20,836 | 20,966 | 21,066 |
| Expenses not requiring  appropriation in the budget year | 667 | - | - | - | - |
| Revenues from other independent  sources | 30 | - | - | - | - |
| **Total expenses for Program 1** | **13,884** | **18,967** | **20,836** | **20,966** | **21,066** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 13,187 | 18,967 | 20,836 | 20,966 | 21,066 |
| Expenses not requiring  appropriation in the budget year | 667 | - | - | - | - |
| Revenues from other independent  sources | 30 | - | - | - | - |
| **Total expenses for Outcome 1** | **13,884** | **18,967** | **20,836** | **20,966** | **21,066** |
|  |  |  |  |  |  |
|  | 2020­21 | 2021­22 |  |  |  |
| **Average staffing level (number)** (a) | 1 | 1 |  |  |  |

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

1. The ASL estimate represents the Chief Executive Officer (CEO) of the NAIF. Total staffing for the NAIF is 29.4 full time equivalents as at Budget 2021, including the CEO. The additional staff supporting the NAIF include specialist staff engaged under contract. Refer to Section 3.1.2 for further information.

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 2021­22 Budget measures have created new programs or materially changed existing programs.

|  |  |  |
| --- | --- | --- |
| Outcome 1 – Enable economic growth in northern Australia by facilitating private sector investment in economic infrastructure through the provision of concessional financing delivered through the state and territory governments | | |
| **Program 1 – Northern Australia Infrastructure Facility (NAIF)**  This program contributes to the outcome by accelerating and encouraging investment in infrastructure that provides a basis for economic growth and stimulates population growth in northern Australia. | | |
| **Delivery** | NAIF delivers Program 1 by the making of Investment Decisions for financial assistance, which may be concessional to state and territory governments in Queensland, Western Australia and the Northern Territory to on-lend in their jurisdictions for the benefit of their jurisdictions, for the construction or material enhancement of infrastructure to enable long term economic and population growth to benefit northern Australia. The reforms announced by the Government will empower the NAIF to also lend directly, and expand the scope and scale of projects that can be funded. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Actual Achievement/Targets** |
| 2020­21 | Public benefit. | Net public benefit for each Investment Decision.  At a portfolio level, quantified forecast public benefit greater than the cost of concession.  Published case studies and numerical data on project construction and operational jobs generated or supported, as reported by project proponents annually. |
| Indigenous engagement. | Sustainable Indigenous participation, procurement and employment.  Published case studies. |
| Investment Decisions by NAIF Board (decision to offer finance). | 7 to 10 Investment Decisions, with dollar value of NAIF investments between $1b and $1.25b and total capital value of projects supported between $1.5b and $2.0b.  Contractual close of $0.75 to $0.85b.  Demonstrate diversification on Investment Decisions to date across geography and sector.  Evidence of supporting transformational projects that provide significant public benefit. |
| Effective risk management. | Demonstrate active management within the Risk Framework and Risk Appetite Statement.  Compliance with NAIF Act and Investment Mandate. |
| Active stakeholder management. | Board meetings held in each of the northern Australia jurisdictions per annum.  Targeted regional industry events. Regular communication via newsletters, social and other media.  Refreshed website highlighting key investment activities and impact. |
| Achieve sound financial performance. | Operating expenses per annum are within budget.  By 2023-24 transaction loan revenues exceed NAIF accumulated operating costs. |
| 2021­22 | As per 2020­21 | As per 2020-21- except for the performance criterion on Contractual close which is a target of $0.8b to $1b. |
| 2022­23 and beyond | As per 2021­22  The KPI’s were prepared on the basis that NAIF’s total capital available for Investment Decisions remains unchanged and as a result contractual close is capped at $5b as per the current NAIF Act. There is therefore a tapering off Investment Decision in 2022-24. | As per 2021­22 except for the performance criterion on Investment Decision by the NAIF Board which is:  2022-23  5-7 Investment Decisions with dollar value of NAIF investment between $0.5b and $0.75b for a total capital value of projects supported between $0.75b and $1b and contractual close per annum of $0.8 to $1b.  2023-24  5-7 Investment Decisions with dollar value of NAIF investment between $0.25 and $0.5b for a total capital value of projects supported between $0.38 and $0.75b and contractual close of $0.4 to $0.5b. |
| **Purposes** | NAIF’s primary purpose is to accelerate infrastructure development and thereby drive transformational growth in northern Australia by innovative financing that:   * Generates public benefit including that outside of what is captured by the project proponent. * Encourages longer-term growth in the economy and population of northern Australia. * Encourages private sector participation in the financing of northern Australia’s infrastructure needs. * Facilitates sustainable Indigenous participation, procurement and employment. | |
| **Material changes to Program 1 resulting from the following measures:** Nil | | |

## **Section 3****: Budgeted financial statements**

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021­22 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

There are no material differences between the entity resources table and the financial statements.

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

The income statement shows the estimated net cost of services for NAIF.

Total budgeted expenses for NAIF in 2021-22 is $19.0 million, represented by   
$14.5 million in employee benefits, and $4.5 million in suppliers. Suppliers include specialist staff engaged under contract; board, travel and overhead costs as well as expenses relating to the Export Finance and Insurance Corporation, which provides services to NAIF through a service level agreement across two broad categories being: (1) transaction due diligence, environment and technical review, credit assessment, and loan management; and (2) corporate and administrative services (including financial management and reporting, human resources, information technology and communications and property management). NAIF has an approved operating loss of $0.7 million for 2020-21.

Section 8(1) of the NAIF Act provides that NAIF must not make a decision after 30 June 2021 to provide financial assistance. On 17 July 2020 NAIF’s Responsible Minister announced NAIF’s extension for a further five years to 30 June 2026, which is subject to finalisation of legislation.

### 3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 9,657 | 14,484 | 16,035 | 16,191 | 15,622 |
| Suppliers | 4,139 | 4,483 | 4,801 | 4,775 | 5,444 |
| Depreciation and amortisation | 88 | - | - | - | - |
| **Total expenses** | **13,884** | **18,967** | **20,836** | **20,966** | **21,066** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Interest | 30 | - | - | - | - |
| **Total own-source revenue** | **30** | **-** | **-** | **-** | **-** |
| **Total own-source income** | **30** | **-** | **-** | **-** | **-** |
| **Net (cost of)/contribution by**  **services** | **(13,854)** | **(18,967)** | **(20,836)** | **(20,966)** | **(21,066)** |
| Revenue from Government | 13,187 | 18,967 | 20,836 | 20,966 | 21,066 |
| **Surplus/(deficit) attributable to the**  **Australian Government** | **(667)** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss)** | **(667)** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss)**  **attributable to the Australian**  **Government** | **(667)** | **-** | **-** | **-** | **-** |
|  |  |  |  |  |  |
| **Note: Impact of net cash appropriation arrangements** |  |  |  |  |  |
| **Total comprehensive income/(loss)**  **less depreciation/amortisation**  **expenses previously funded**  **through revenue appropriations** | **(671)** | **-** | **-** | **-** | **-** |
| plus: depreciation/amortisation  expenses for ROU (a) | 88 | - | - | - | - |
| less: principal repayments on leased  assets (a) | 92 | - | - | - | - |
| **Total comprehensive income/(loss)**  **- as per the Statement of**  **comprehensive income** | **(667)** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 3,188 | 3,188 | 3,188 | 3,188 | 3,188 |
| Trade and other receivables | 134 | 134 | 134 | 134 | 134 |
| ***Total financial assets*** | ***3,322*** | ***3,322*** | ***3,322*** | ***3,322*** | ***3,322*** |
| **Non-financial assets** |  |  |  |  |  |
| Other non-financial assets | 12 | 12 | 12 | 12 | 12 |
| ***Total non-financial assets*** | ***12*** | ***12*** | ***12*** | ***12*** | ***12*** |
| **Total assets** | **3,334** | **3,334** | **3,334** | **3,334** | **3,334** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 1,436 | 1,370 | 1,304 | 1,238 | 1,238 |
| ***Total payables*** | ***1,436*** | ***1,370*** | ***1,304*** | ***1,238*** | ***1,238*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 1,373 | 1,439 | 1,505 | 1,571 | 1,571 |
| ***Total provisions*** | ***1,373*** | ***1,439*** | ***1,505*** | ***1,571*** | ***1,571*** |
| **Total liabilities** | **2,809** | **2,809** | **2,809** | **2,809** | **2,809** |
| **Net assets** | **525** | **525** | **525** | **525** | **525** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Retained surplus (accumulated  deficit) | 525 | 525 | 525 | 525 | 525 |
| ***Total parent entity interest*** | ***525*** | ***525*** | ***525*** | ***525*** | ***525*** |
| **Total equity** | **525** | **525** | **525** | **525** | **525** |

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 2021­22)

|  |  |  |
| --- | --- | --- |
|  | Retained  earnings  $'000 | Total  equity  $'000 |
| **Opening balance as at 1 July 2020** |  |  |
| Balance carried forward from previous period | 525 | 525 |
| ***Adjusted opening balance*** | ***525*** | ***525*** |
| **Estimated closing balance as at**  **30 June 2021** | **525** | **525** |
| **Closing balance attributable to**  **the Australian Government** | **525** | **525** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2020­21 Estimated actual  $'000 | 2021­22  Budget  $'000 | 2022­23 Forward estimate  $'000 | 2023­24 Forward estimate  $'000 | 2024­25 Forward estimate  $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Receipts from Government | 13,208 | 18,967 | 20,836 | 20,966 | 21,066 |
| Interest | 30 | - | - | - | - |
| ***Total cash received*** | ***13,238*** | ***18,967*** | ***20,836*** | ***20,966*** | ***21,066*** |
| **Cash used** |  |  |  |  |  |
| Employees | 9,480 | 14,418 | 15,969 | 16,125 | 15,622 |
| Suppliers | 4,113 | 4,549 | 4,867 | 4,841 | 5,444 |
| ***Total cash used*** | ***13,593*** | ***18,967*** | ***20,836*** | ***20,966*** | ***21,066*** |
| **Net cash from/(used by)**  **operating activities** | **(355)** | **-** | **-** | **-** | **-** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 92 | - | - | - | - |
| ***Total cash used*** | ***92*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Net cash from/(used by)**  **financing activities** | **(92)** | **-** | **-** | **-** | **-** |
| **Net increase/(decrease) in cash**  **held** | **(447)** | **-** | **-** | **-** | **-** |
| Cash and cash equivalents at the  beginning of the reporting period | 3,635 | 3,188 | 3,188 | 3,188 | 3,188 |
| **Cash and cash equivalents at**  **the end of the reporting period** | **3,188** | **3,188** | **3,188** | **3,188** | **3,188** |

Prepared on Australian Accounting Standards basis.

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

NAIF has no departmental capital budget; therefore Table 3.5 is not presented.

Table 3.6: Statement of asset movements (Budget year 2021­22)

NAIF has no departmental asset movements; therefore Table 3.6 is not presented.

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

NAIF has no budgeted income and expenses administered on behalf of government; therefore Table 3.7 is not presented.

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

NAIF has no budgeted assets and liabilities administered on behalf of government; therefore Table 3.8 is not presented.

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

NAIF has no budgeted administered cash flows; therefore Table 3.9 is not presented.

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

NAIF has no administered capital budget; therefore Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2021­22)

NAIF has no administered asset movements; therefore Table 3.11 is not presented.

1. Note: The territorial sea baseline varies depending upon the shape of the coastline in any given locality.

   See <http://www.ga.gov.au/scientific-topics/marine/jurisdiction/maritime-boundary-definitions> for a comprehensive description and maps. [↑](#footnote-ref-1)
2. Currently, only Victoria has conferred powers and functions for the regulation of health and safety and well integrity to NOPSEMA. [↑](#footnote-ref-2)