

Portfolio Budget Statements 2022-23
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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The Hon Angus Taylor MP

Minister for Industry, Energy and
Emissions Reduction

The Hon Melissa Price MP

Minister for Science and Technology

The Hon Keith Pitt MP

Minister for Resources and Water

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 2022-23 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

Handwritten signature of Angus Taylor in black ink.

The Hon Angus Taylor MP

Handwritten signature of Melissa Price in blue ink.

The Hon Melissa Price MP

Handwritten signature of Keith Pitt in black ink.

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nfp	not for publication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.

**User Guide
To The
Portfolio Budget Statements**

User guide

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

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

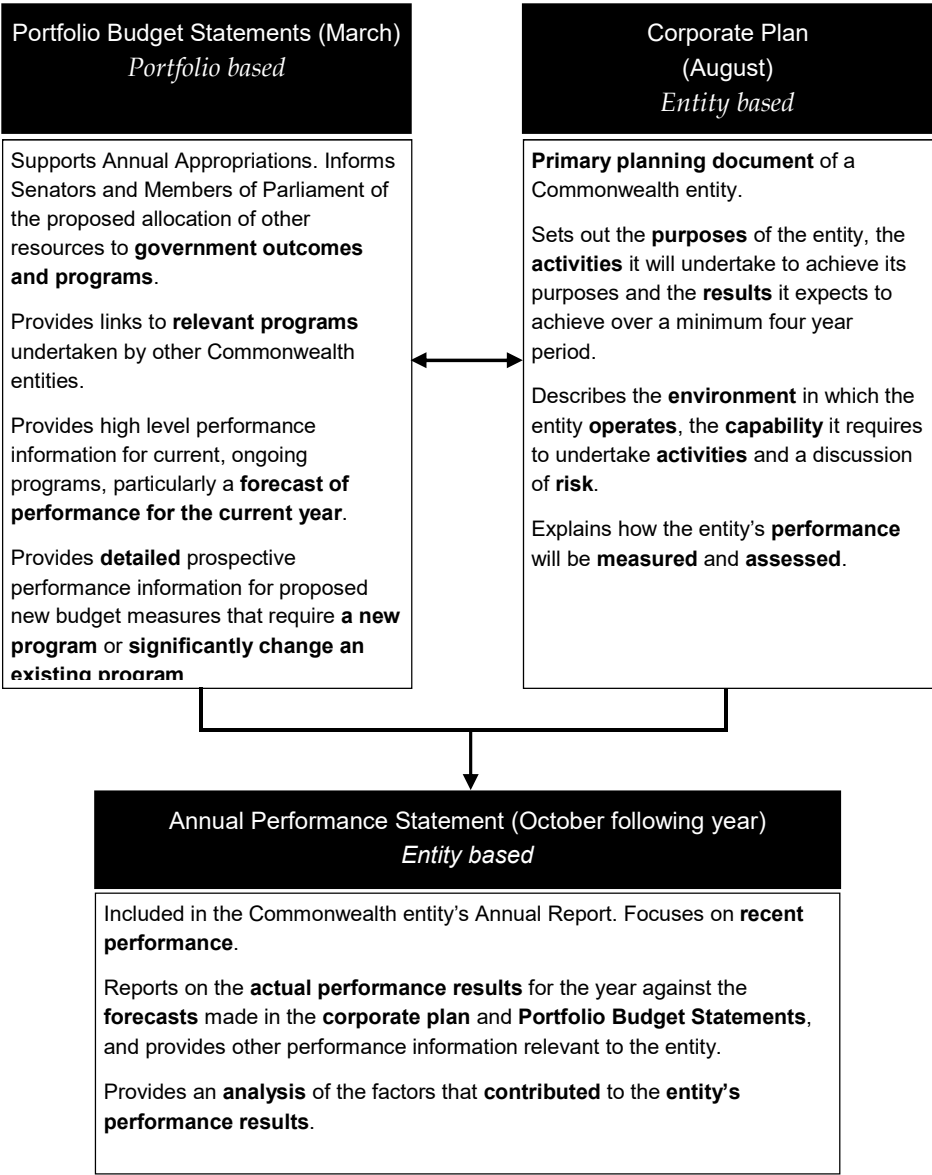
The PB Statements provide information, explanation and justification to enable Parliament to understand the purpose of each outcome proposed in the Bills.

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

The Commonwealth Performance Framework

The following diagram outlines the key components of the 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



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Portfolio Overview

Industry, Science, Energy and Resources Portfolio overview

Ministers and portfolio responsibilities

The Hon Angus Taylor MP is responsible for Industry, Energy and Emissions Reduction. Minister Taylor is charged with:

- boosting Australia's competitiveness and facilitating economic and productivity growth, including by boosting the competitiveness of Australian manufacturing, our sovereign capability, and the capability of Australian businesses;
- supporting the affordable, reliable, secure and competitive operation of energy markets for the long term benefit of the Australian community; and
- reducing the cost of deploying low emissions technologies to enable households and businesses to reduce their emissions and increase energy productivity where it makes sense for them to do so, thereby contributing to meeting and exceeding Australia's 2030 Paris Agreement emissions reduction target and effective global action on climate change.

Minister Taylor's portfolio is supported by Senator the Hon Jonathon Duniam, Assistant Minister for Industry Development and the Hon Tim Wilson MP, Assistant Minister to the Minister for Industry, Energy and Emissions Reduction.

The Hon Melissa Price MP is responsible for Science and Technology. Minister Price is charged with:

- supporting science, technology and commercialisation that enables economic growth and job creation;
- boosting our space industry capability and working to establish Australia as a space-faring nation.

The Hon Keith Pitt MP is responsible for Resources. Minister Pitt is charged with:

- working closely with the Australian resources and critical minerals sectors, which are major contributors to Australia's economic prosperity, and for positioning Australia as a reliable, responsible and secure partner for the supply of mineral resources to the world.

The portfolio was established by the Administrative Arrangements Orders made on 18 March 2021 and amended on 15 April 2021 and 2 July 2021 and comprises:

Department of Industry, Science, Energy and Resources (the department)

The department supports economic recovery, productivity and growth, and job creation for Australians by supporting industry, manufacturing, business capability, technology, science and innovation, particularly in emerging growth sectors such as space and artificial intelligence. In support of economic growth, productivity and job creation, the department supports the affordable, reliable, secure and competitive operation of energy markets and Australia’s efforts to achieve net zero emissions by 2050, including by encouraging the commercialisation and uptake of low emissions technologies. The department also backs Australia’s strong resources sector by supporting the development of Australia’s mineral and energy resources for the benefit of the nation.

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’s purpose is to support improvements in the competitiveness and supply of renewable energy and other low emissions technologies by providing financial assistance and sharing knowledge, to accelerate innovation that benefits all Australians.

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 generation. 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 initiatives, conducting regular and specifically commissioned reviews and through undertaking climate change research.

Commonwealth Scientific and Industrial Research Organisation (CSIRO)

CSIRO is Australia’s national science agency and innovation catalyst, collaborating across sectors to boost innovation performance to solve Australia’s greatest challenges through innovative science and technology.

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.

Snowy Hydro Limited

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.

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.

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

<p>Minister for Industry, Energy and Emissions Reduction The Hon Angus Taylor MP</p>
<p>Minister for Science and Technology The Hon Melissa Price MP</p>
<p>Minister for Resources and Water The Hon Keith Pitt MP</p>
<p>Assistant Minister for Industry Development Senator the Hon Jonathon Duniam</p>
<p>Assistant Minister to the Minister for Industry, Energy and Emissions Reduction The Hon Tim Wilson MP</p>
<p>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 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</p>
<p>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</p>
<p>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</p>
<p>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</p>

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

<p style="text-align: center;">Clean Energy Finance Corporation (CEFC) Chief Executive Officer: Mr Ian Learmonth</p> <p>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</p>
<p style="text-align: center;">Clean Energy Regulator (CER) Chair and Chief Executive Officer: Mr David Parker AM</p> <p>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</p> <p>Outcome 2: Contribute to the sustainable management of Australia's biodiversity through the administration of market-based mechanisms that incentivise the preservation and improvement of diverse ecosystems</p>
<p style="text-align: center;">Climate Change Authority (CCA) Chief Executive Officer: Mr Brad Archer</p> <p>Outcome: Provide expert advice to the Australian Government on climate change initiatives, including through conducting regular and specifically commissioned reviews and through undertaking climate change research</p>
<p style="text-align: center;">Commonwealth Scientific and Industrial Research Organisation (CSIRO) Chief Executive: Dr Larry Marshall</p> <p>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</p>
<p style="text-align: center;">Geoscience Australia (GA) Chief Executive Officer: Dr James Johnson</p> <p>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</p>
<p style="text-align: center;">IP Australia Director General: Mr Michael Schwager</p> <p>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</p>
<p style="text-align: center;">National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) Chief Executive Officer: Mr Stuart Smith</p> <p>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</p>

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

<p style="text-align: center;">Snowy Hydro Limited Chief Executive Officer: Mr Paul Broad</p> <p>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</p>

Entity resources and planned performance

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**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 develop Australia's sovereign capability in emerging and strategic areas, including in manufacturing, quantum technology, low emissions technologies and critical minerals.

The department is supporting industry, technology, science and innovation, particularly in areas of comparative advantage and strategic importance, especially the 6 National Manufacturing Priorities (NMPs), quantum and artificial intelligence. The department continues to facilitate a strong growth environment for businesses, including in Australia's regional and rural communities. It supports the affordable, reliable, secure and competitive operation of energy markets and Australia's efforts to achieve net zero emissions by 2050, including supporting a reduction in the cost of low emissions technologies to parity with existing energy sources. It also backs Australia's preeminent resources sector by supporting the development of Australia's critical minerals, energy and other resources for the benefit and security of the nation.

Manufacturing is a key pillar in the Government's plan for a strong, modern, and resilient economy. The Government is further leveraging Australia's strengths through supporting the next phase of the Modern Manufacturing Strategy (announced in the 2020-21 Budget). This phase focuses on supporting the transformation to high-value activities that enable our manufacturers to scale-up independently and compete internationally. It includes investing in high-impact projects in priority areas, continuing to boost supply chain resilience and sovereign capabilities, and supporting our manufacturers to access skilled workers and adopt digital technologies. Measures include:

- \$250.0 million for the expansion of the Modern Manufacturing Initiative nationally to continue to shape the future of Australian manufacturing by working with industry to catalyse and accelerate business investment in transformative projects to build scale in the 6 NMPs. This is in addition to \$500.0 million that the Government will invest in the Modern Manufacturing Initiative under the Regional Accelerator Program, which is provided for in the Infrastructure, Transport, Regional Development and Communications Portfolio Budget Statements.

- \$17.5 million for the Supply Chain Resilience Initiative, providing a vehicle for the Government to respond with swift and decisive action when issues arise, backed by an ongoing partnership with industry to improve supply chain understanding and monitoring capabilities. This is in addition to \$200 million that the Government will invest in the Supply Chain Resilience Initiative under the Regional Accelerator Program, which is provided for in the Infrastructure, Transport, Regional Development and Communications Portfolio Budget Statements.
- A third round of the highly successful Manufacturing Modernisation Fund through \$53.9 million to accelerate technology uptake among high potential small and medium manufacturing businesses.
- \$6.9 million to build upon the National Manufacturing road maps and develop Manufacturing Investment Plans that will provide the next level of detail and accompanying commitments from industry to guide future government investment.

The Australian Space Agency is facilitating and driving the growth of Australia’s space sector and establishing our sovereign space capability. The Government is continuing to drive jobs and technology by boosting the Australian space sector. Under the measure Support for the Australian Space Industry, the Australian Government is investing \$1.3 billion to 2038-39 and \$38.8 million per annum ongoing to grow Australia’s space industry. This includes:

- Establishing a National Space Mission for Earth Observation, with the Government partnering with leading international space agencies to guarantee Australia’s access to different types of Earth Observation data and improve our resilience to natural disasters. The National Mission will build Australia’s sovereign capability and enter agreements with international partners, including the procurement and operation of Australian Satellite Cross-Collaboration Radiometer satellites. The Mission also provides downstream benefits from creating high skill and high value jobs to supporting data-intensive industries such as agriculture, environmental protection and resources.
- Fast tracking access to space for Australian space businesses and researchers, and setting the conditions to launch from Australia through a \$65.7 million investment. This will provide industry opportunities to grow capability and access global supply chains.
- Undertaking Australia's first Space Strategic Update (\$9.5 million over two years from 2021-22), to identify where future investment is best placed to grow the sector and help fulfil sovereign needs.

The Government is continuing the work of the Digital Economy Strategy, by lifting the competitiveness and digital capability of Australian industry through fostering digital transformation, giving businesses confidence to invest and accelerating their adoption of digital technologies. The department is supporting the delivery of \$18.6 million to increase Australian representation and engagement in developing international standards. This will ensure new critical and emerging technologies support Australian

industry and reflect Australia's interests and values. This is complementary to the ongoing work and government investment, including the recent \$111.0 million to support growth of Australia's quantum industry through the National Quantum Strategy and Quantum Commercialisation Hub.

The Government continues to support the advancement and participation of women in the workforce, particularly in high-value careers such as manufacturing and those that use science, technology, engineering and mathematics (STEM) skills. These measures complement the range of manufacturing and STEM initiatives already delivered by the department. This includes:

- \$2.4 million to support the Women in STEM Ambassador initiative to advocate for gender equity in STEM.
- \$2.0 million to train and mentor 120 women to accelerate their leadership skills through the Superstars of STEM program.
- \$2.3 million to expand the national awareness-raising initiative, Future You, to breakdown stereotypes and improve awareness of STEM occupations, skills and pathways.
- \$4.7 million to establish the Supporting Women in Manufacturing initiative to attract and retain more women into high-value, high paid manufacturing careers.

The department is supporting the Government's investment of \$5.3 million over two years to support the provision of science and technology advice to the Government by the National Science and Technology Council and continue the delivery of the annual Prime Minister's Prizes for Science awards event.

The Government is supporting communities and businesses to recover from the devastating 2022 floods in New South Wales and Queensland. The department will facilitate the delivery of support through \$7.0 million to expand the Entrepreneurs' Programme Strengthening Business service to local government areas impacted by the floods.

The Government has entered into a 10 year strategic partnership with Moderna Australia and the Victorian Government to help Australia meet the ongoing need for vaccines for COVID-19 and other diseases. This support will also deliver important health security and industry development benefits for Australia. The partnership will deliver advanced manufacturing jobs and help protect the health of Australians while securing Australia's economic future.

The Government is also supporting Australians by delivering liquid fuel security. The Government has responded to the International Energy Agency's declared collective action by releasing our oil stocks in support and using the proceeds to replenish Australia's fuel reserves when prices fall from current highs. This investment will ensure that Australians have confidence in obtaining affordable and reliable liquid fuel especially during major disruptions.

The Government is committing \$1.3 billion¹ through energy and emissions reductions measures in the 2022-23 Budget. Delivering affordable, reliable and secure energy in a practical, responsible way will continue to be essential to boost economic growth and generate employment opportunities. The Government's approach to energy security takes advantage of new economic opportunities, and is consistent with the Government's plan to achieve net zero emissions by 2050. Key to this is delivering reforms to Australia's energy markets to keep downward pressure on energy costs, ensure energy security, create new opportunities and deliver emissions reductions. As part of the Government's comprehensive plan to safeguard affordable, reliable power as we bring down our emissions, the Government is:

- Subject to the completion of business cases that demonstrate net benefits and co-investment by relevant state and territory governments and the private sector, delivering \$1.0 billion in energy and emissions reduction programs in Australia's regions as part of its \$7.1 billion *Energy Security and Regional Development Plan*, which is provided for in the Infrastructure, Transport, Regional Development and Communications Portfolio Budget Statements, including:
 - \$300 million to support low emissions LNG and clean hydrogen production at Darwin, together with associated carbon capture and storage infrastructure. Darwin is positioned to become one of the world's leading low-cost clean energy hubs, with access to excellent onshore and offshore natural gas and greenhouse gas storage resources, including the Beetaloo and Petrel basins and the Barossa and Bayu-Undan fields.
 - \$200 million to increase onshore processing and value-add of iron ore exports, to support low emissions steel production in Indo-Pacific customer countries like Japan and Korea.
 - \$200 million to enhance Australia's supply chain security through new low emissions manufacturing facilities (using hydrogen and hydrogen derivatives like ammonia, as well as carbon capture utilisation and storage) in the Pilbara region.
 - \$100 million to de-risk private sector investment in firm generation and grid infrastructure to increase system strength and capacity in the Pilbara region.
 - \$100 million to support pre-Final Investment Decision activities and early works to make the Port of Newcastle 'hydrogen ready'.
- Continuing the development of a hydrogen Guarantee of Origin scheme.
- Delivering the Government's National Gas Infrastructure Plan to support strategic planning for the east coast gas market, including \$50.3 million over two years to accelerate the development of priority gas infrastructure projects consistent with

¹ This figure includes \$1.0 billion in industry, energy and emissions reduction programs as part of the Government's \$7.1 billion *Energy Security and Regional Development Plan*. Funding for these programs is provided in the Infrastructure, Transport, Regional Development and Communications Portfolio Budget Statements.

the principles of the Future Gas Infrastructure Investment Framework and support investment in carbon capture and storage pipeline infrastructure.

- Supporting the establishment of more than 60 community microgrid projects in regional and rural Australia.

The Government is taking a practical and responsible approach to delivering net zero emissions by 2050, while securing Australian jobs and generating new opportunities for industries and regional Australia. Investments in this Budget complement Australia's Long Term Emissions Reduction Plan and build on the expected investment of \$22.0 billion in low emissions technology over the period to 2030.

In line with the Government's technology-focused approach to reducing emissions, it is incentivising low emissions technology research and development by expanding its existing patent box policy to cover patented technology innovations that have the potential to reduce emissions. The department will administer the new regulatory framework for the patent box for low emissions technology, which will apply a concessional tax treatment for innovations in the 140 categories of technologies included in Australia's Low Emissions Technology Investment Roadmap.

Consistent with the Government's 2022 Critical Minerals Strategy released on 16 March 2022, the department is:

- Administering the \$200.0 million (over five years) Critical Minerals Accelerator Initiative, to support strategically significant critical minerals projects at crucial points in their development and ensure there is a steady pipeline of quality projects that reach market. In addition, the Government will invest a further \$200.0 million into the Critical Minerals Accelerator Initiative under the Regional Accelerator Program, which is provided for in the Infrastructure, Transport, Regional Development and Communications Portfolio Budget Statements.
- Facilitating the creation of a \$50.5 million virtual National Critical Minerals Research and Development Centre to grow Australian intellectual property in critical minerals processing, target technical bottlenecks in supply chains of strategic relevance, and drive breakthrough collaborative research for public benefit.
- Growing Australia's critical minerals sector, by providing support and guidance to project proponents on financing opportunities and regulatory approval processes and establishing collaborative working relationships with like-minded countries, through the Critical Minerals Facilitation Office (CMFO). The CMFO also provides advice on whether potential project referrals to the Critical Minerals Facility, administered by Export Finance Australia, would be consistent with the Government's Critical Minerals Strategy including recently announced loans to EcoGraf Limited and Renascor Resources.

As part of the Government's Update to the India Economic Strategy to 2035, the department is contributing to a strengthened Australia-India Strategic Partnership

through supportive measures to enhance science, technology and research collaboration. Measures include:

- Boosting collaboration with India through \$10.1 million to support Australia’s technical infrastructure, comprising our national standards and conformance bodies.
- Enabling the International Energy Agency (IEA) through \$2.0 million to undertake a program of activities in India to support the Strategic Partnership between the IEA and India.
- Extending the Australia-India Strategic Research Fund through \$7.8 million to continue supporting a world-class relationship.
- A Critical Minerals Research Partnership through \$5.8 million to support cooperation on research, production and commercialisation of clean technologies, critical minerals and energy.
- Expanding the Australian Space Agency’s existing International Space Investment Initiative to an India-focussed stream with funding totalling \$25.2 million. This will support collaborative space projects between Australia and India, and unlock opportunities in India’s burgeoning space industry.

Following a request for assistance from the Government of Ukraine, Australia will support Ukraine’s energy security by donating at least 70,000 tonnes of thermal coal. The cost of the coal and its delivery to the destination port will be met by the Australian Government.

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 2022-23 as at Budget March 2022

	2021-22 <i>Estimated actual</i> \$'000	2022-23 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)(b)		
Prior year appropriations available	94,489	73,458
Departmental appropriation (c)	644,401	738,181
s74 external revenue (d)	90,668	72,110
Departmental capital budget (e)	27,432	30,406
Annual appropriations - other services - non-operating (b)(f)		
Prior year appropriation available	13,263	8,818
Equity injection (g)	36,328	39,114
Total departmental annual appropriations	<u>906,581</u>	<u>962,087</u>
Special accounts (h)		
Opening balance	26,816	24,920
Appropriation receipts	9,426	8,741
Non-appropriation receipts	8,890	6,465
Total special accounts	<u>45,132</u>	<u>40,126</u>
<i>less departmental appropriations drawn from annual appropriations and credited to special accounts</i>	<u>9,426</u>	<u>8,741</u>
Total departmental resourcing	<u>942,287</u>	<u>993,472</u>

Table 1.1: Department of Industry, Science, Energy and Resources resource statement – Budget estimates for 2022-23 as at Budget March 2022 (continued)

	2021-22 <i>Estimated actual</i> \$'000	2022-23 Estimate \$'000
Administered		
Annual appropriations - ordinary annual services (a)(b)(c)		
Prior year appropriations available	311,111	249,402
Outcome 1	1,631,602	1,833,419
Outcome 2	215,556	256,289
Outcome 3	296,203	291,933
Payments to corporate entities (i)	1,404,643	1,640,692
Annual appropriations - other services - non-operating (b)(f)(g)		
Prior year appropriation available	367,579	267,487
Administered assets and liabilities	848,920	1,822,635
Payments to corporate entities (i)	55,652	116,568
<i>Total administered annual appropriations</i>	<u>5,131,266</u>	<u>6,478,425</u>
<i>Total administered special appropriations (j)</i>	<u>342,588</u>	<u>44,550</u>
Special accounts (h)		
Opening balance	5,724,109	5,466,040
Appropriation receipts	615	2,945
Non-appropriated receipts	479,034	319,016
<i>Total special accounts receipts</i>	<u>6,203,758</u>	<u>5,788,001</u>
<i>less payments to corporate entities from annual/special appropriations and special accounts</i>	2,399,703	2,328,630
<i>less administered appropriations drawn from annual/special appropriations and credited to special accounts</i>	615	2,945
<i>less special account balances for corporate entities</i>	<u>5,034,000</u>	<u>4,804,000</u>
Total administered resourcing	<u>4,243,294</u>	<u>5,175,401</u>
Total resourcing for the Department of Industry, Science, Energy and Resources	<u>5,185,581</u>	<u>6,168,873</u>
	2021-22	2022-23
Average staffing levels (number)	<u>3,184</u>	<u>3,356</u>

Table 1.1: Department of Industry, Science, Energy and Resources resource statement – Budget estimates for 2022-23 as at Budget March 2022 (continued)**Third-party payments from and on behalf of other entities**

	2021-22 <i>Estimated actual</i> \$'000	2022-23 Estimate \$'000
Payments made to corporate entities within the Portfolio (i)		
Ordinary Annual Services		
Australian Institute of Marine Science	45,548	59,193
Australian Nuclear Science and Technology Organisation	279,506	289,790
Australian Renewable Energy Agency	117,173	289,450
Clean Energy Finance Corporation	7,139	8,821
Commonwealth Scientific and Industrial Research Organisation	949,037	991,289
National Offshore Petroleum Safety and Environmental Management Authority	1,500	2,149
Northern Australia Infrastructure Facility	4,740	-
Total ordinary annual services	1,404,643	1,640,692
Other Services		
Australian Institute of Marine Science	-	17,550
Australian Nuclear Science and Technology Organisation	50,187	43,169
Commonwealth Scientific and Industrial Research Organisation	4,000	49,700
National Offshore Petroleum Safety and Environmental Management Authority	1,465	6,149
Total other services	55,652	116,568
Special appropriations		
Australian Renewable Energy Agency	304,836	-
National Offshore Petroleum Safety and Environmental Management Authority	34,572	41,370
Total special appropriations	339,408	41,370
Special accounts		
Clean Energy Finance Corporation	600,000	530,000
Total special accounts	600,000	530,000
Total payments to corporate entities within the Portfolio	2,399,703	2,328,630

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

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

- (a) Appropriation Bill (No.1) 2022-23.
- (b) Excludes \$273.5 million subject to administrative quarantine by Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*.
- (c) The 2021-22 estimated actuals include *Appropriation Act (No. 1) 2021-22* and Appropriation Bill (No. 3) 2021-22.
- (d) Estimated external revenue receipts under section 74 of the PGPA Act.
- (e) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (f) Appropriation Bill (No.2) 2022-23.
- (g) The 2021-22 estimated actuals include *Appropriation Act (No. 2) 2021-22* and Appropriation Bill (No. 4) 2021-22.
- (h) Excludes trust moneys held in special accounts. For further information on special accounts, please refer to *Budget Paper No. 4 - Agency Resourcing*.
- (i) 'Corporate entities' are corporate Commonwealth entities as defined under the PGPA Act. Northern Australia Infrastructure Facility is now in the Infrastructure, Transport, Regional Development and Communications Portfolio.
- (j) 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.

**Part 1: Table 1.2: Entity 2022-23 Budget measures
Measures announced after the 2021-22 Mid-Year Economic and Fiscal Outlook (MYEFO)**

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Receipt measures						
Energy and Emissions Reduction (a)	3.1					
Administered receipts		nfp	-	-	-	-
Departmental receipts		-	-	-	-	-
Total		nfp	-	-	-	-
Implementing Sport 2030 – Ensuring the Integrity of Sport (b)	1.1					
Administered receipts		-	-	-	-	-
Departmental receipts		-	-	950	-	-
Total		-	-	950	-	-
Support for the Australian Space Industry (a)	1.2					
Administered receipts		nfp	nfp	nfp	nfp	nfp
Departmental receipts		-	-	-	-	-
Total		nfp	nfp	nfp	nfp	nfp
Total receipt measures						
Administered		-	-	-	-	-
Departmental		-	-	950	-	-
Total		-	-	950	-	-
Payment measures						
Advancing Science, Technology, Engineering and Maths (d)	1.1					
Administered payment		-	390	-	-	-
Departmental payment		2,416	2,499	-	-	-
Total		2,416	2,889	-	-	-
Assistance to Ukraine (a) (e)	1.3					
Administered payment		nfp	-	-	-	-
Departmental payment		-	-	-	-	-
Total		nfp	-	-	-	-
Australia-UK Free Trade Agreement – increasing market access opportunities and strengthening ties between our two countries (f)	1.2					
Administered payment		-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Australian Export and Trade Support	1.2					
Administered payment		-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-

Table 1.2: Entity 2022-23 Budget measures (continued)

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Boosting the Modern Manufacturing Strategy and Addressing Critical Supply Chain Vulnerabilities (a) (g)	1.2					
Administered payment		nfp	nfp	nfp	nfp	nfp
Departmental payment		nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
Commonwealth's Deregulation Agenda	1.3					
Administered payment		-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Comprehensive Strategic Partnership with India – new initiatives (h) (i)	1.1, 1.2 1.3, 2.1,					
Administered payment	3.1	-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Critical Minerals Strategy – implementation	1.3					
Administered payment		-	58,900	46,400	46,400	37,500
Departmental payment		-	2,002	1,767	1,775	1,498
Total		-	60,902	48,167	48,175	38,998
Digital Economy Strategy (a)	1.1, 1.2					
Administered payment		nfp	nfp	nfp	nfp	nfp
Departmental payment		nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
Energy and Emissions Reduction (a) (j)	2.1, 3.1					
Administered payment		nfp	nfp	nfp	nfp	nfp
Departmental payment		nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
Flood Package	1.2					
Administered payment		-	6,690	-	-	-
Departmental payment		-	348	-	-	-
Total		-	7,038	-	-	-
Implementing Sport 2030 – Ensuring the Integrity of Sport (b)	1.1					
Administered payment		-	-	-	-	-
Departmental payment		-	973	7,477	-	-
Total		-	973	7,477	-	-
mRNA Vaccine Manufacturing (a) (b)	1.1					
Administered payment		-	-	-	-	-
Departmental payment		nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
Patent Box – Expanding the patent box tax concession to Low Emissions Technology innovations (k)	2.1					
Administered payment		-	1,000	1,000	1,000	1,000
Departmental payment		-	12,424	15,574	11,011	10,732
Total		-	13,424	16,574	12,011	11,732

Table 1.2: Entity 2022-23 Budget measures (continued)

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Support for the Australian Space Industry (a) (c)	1.2					
Administered payment		nfp	nfp	nfp	nfp	nfp
Departmental payment		nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
Women's Leadership Package	1.2					
Administered payment		-	1,098	1,098	1,098	1,098
Departmental payment		-	231	17	17	17
Total		-	1,329	1,115	1,115	1,115
Total payment measures						
Administered		-	68,078	48,498	48,498	39,598
Departmental		2,416	18,477	24,835	12,803	12,247
Total		2,416	86,555	73,333	61,301	51,845

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

- (a) The financial impact of this measure is not for publication (nfp).
- (b) 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.
- (c) Includes decisions taken but not yet announced in the 2021-22 MYEFO, with the following impact: 2021-22 \$8.7 million, 2022-23 \$22.2 million, 2023-24 \$19.4 million, 2024-25 \$16.5 million and 2025-26 \$20.3 million.
- (d) Includes decisions taken but not yet announced in the 2021-22 MYEFO, with the following impact: 2021-22 \$0.6 million, 2022-23 \$1.1 million, 2023-24 \$1.3 million, 2024-25 \$2.1 million and 2025-26 \$1.5 million.
- (e) The lead entity for this measure is Department of Defence. The full measure and package details appears in BP No.2 under Defence Portfolio.
- (f) This measure will be met from the existing resources of the department.
- (g) Includes decisions taken but not yet announced in the 2021-22 MYEFO, with the following impact: 2021-22 \$1.7 million, 2022-23 negative \$22.0 million, 2023-24 negative \$26.5 million, 2024-25 negative \$26.2 million and 2025-26 negative \$32.0 million.
- (h) The lead entity for this measure is Department of Foreign Affairs and Trade. The full measure and package details appears in BP No.2 under Foreign Affairs and Trade Portfolio.
- (i) Includes decisions taken but not yet announced in the 2021-22 MYEFO, with the following impact: 2021-22 \$7.3 million, 2022-23 \$13.1 million, 2023-24 \$13.1 million, 2024-25 \$15.4 million and 2025-26 \$13.9 million.
- (j) Includes decisions taken but not yet announced in the 2021-22 MYEFO, with the following impact: 2021-22 \$8.0 million, 2022-23 \$39.1 million, and 2023-24 \$36.4 million with nil impact in 2024-25 and 2025-26.
- (k) The lead entity for this measure is Department of the Treasury. The full measure and package details appear in BP No.2 under Treasury 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 measure described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide an entity's complete picture of an entity's planned and actual performance.

The most recent corporate plan for the Department of Industry, Science, Energy and Resources can be found at: <https://www.industry.gov.au/news/announcing-our-corporate-plan-2021-22>

The most recent annual performance statement can be found at: <https://www.industry.gov.au/data-and-publications/annual-report-2020-21>

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

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

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

<p>Contribution to Outcome 1 made by linked programs</p> <p>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.</p> <p>Further information on the linked programs is available in the agencies' chapters.</p>
<p>Australian Competition and Consumer Commission</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Australian Competition and Consumer Commission
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Australian Competition and Consumer Commission is responsible for achieving compliance with the <i>Competition and Consumer Act 2010</i> and associated legislation 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 growth and productivity for globally competitive industries.</p>
<p>Australian Taxation Office</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Australian Taxation Office • Program 1.7 – Fuel Tax Credit Scheme • Program 1.10 – Research and Development Tax Incentive
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Australian Taxation Office 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, Australian Venture Capital Fund tax concessions, Junior Minerals Exploration Incentive, and Patent Box for Low Emissions Technology.</p>
<p>Australian Trade and Investment Commission</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Promotion of Australia's export and other international economic interests
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Australian Trade and Investment Commission (Austrade) promotes Australia's exports and other international economic interests by providing information, advice and services to businesses, associations, institutions and government.</p> <p>The department's administration of the Modern Manufacturing Strategy requires</p>

<p>cooperation with Austrade to build global networks, develop resilient supply chains and identify and capitalise on opportunities in the National Manufacturing Priorities.</p> <p>Austrade also cooperates with the department to grow the Australian space industry through the Advancing Space: Australian Civil Space Strategy 2019-28 with the Australian Space Agency.</p> <p>Finally, the department cooperates with Austrade to grow Australia’s cyber security industry in support of the 2020 Cyber Security Strategy and 2021 Digital Economy Strategy.</p>
<p>Bureau of Meteorology</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 - Bureau of Meteorology
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Bureau of Meteorology works with the department (through the Australian Space Agency) to provide expertise in space weather and earth observations to achieve outcomes across the National Priority Areas as outlined in Advancing Space: Australian Civil Space Strategy 2019–28.</p>
<p>Department of Agriculture, Water and the Environment</p>
<p>Programs</p> <ul style="list-style-type: none"> • 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 • Program 4.1 - Biosecurity and Export Services
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of Agriculture, Water and the Environment (DAWE) works 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 Uranium Mine.</p> <p>The department also works collaboratively with DAWE to support manufacturers in the food and beverage and recycling sectors through the Modern Manufacturing Strategy.</p> <p>Through the National Measurement Institute, DAWE accesses analytical laboratory services and expertise to support the National Residue Survey and Imported Food Inspection Scheme, and environmental services.</p>
<p>Department of Defence</p>
<p>Programs</p>

- Program 2.1 – Strategic Policy and Intelligence
- Program 2.9 – Capability, Acquisition and Sustainment
- Program 2.13 – Defence Science and Technology
- Program 2.14 – Defence Intelligence

Contribution to Outcome 1 made by linked programs

The Department of Defence works collaboratively with the department to grow and provide greater opportunities for Australia’s Defence Projects to support job creation and economic growth. This includes a focus on the National Naval Shipbuilding Enterprise, supporting the Nuclear-Powered Submarine Taskforce, Australian Industrial Capability Program and Sovereign Industrial Capability Priorities and the Sovereign Guided Weapons and Explosive Ordnance Enterprise, 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.

The department works with the Department of Defence to deliver the Advancing Space: Australian Civil Space Strategy 2019–28 by collaborating on aligned initiatives including the development of technical roadmaps under each of the National Civil Space Priorities.

In November 2021, the Australian Space Agency announced a 10-year plan, known as The Earth Observation from Space Roadmap, to support growth in the Australian space sector. The Department of Defence contributes to the roadmap by supporting the activities of a number of entities in the Industry Portfolio, including the department, to deliver the National Space Mission for Earth Observation.

The department works collaboratively with the Department of Defence to deliver teacher professional learning activities across Australia as part of the National Rollout of Questacon’s Engineering is Elementary program. The funding for Engineering is Elementary has been extended for 6 months in the 2022–23 financial year.

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.

The department is also working with DESE to increase Australian university research commercialisation outcomes and develop a higher education research commercialisation intellectual property framework.

<p>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 announced in the Modern Manufacturing Strategy. In support of this, the department and DESE are working collaboratively to develop the Manufacturing Workforce Strategy and associated actions to be delivered in late 2022, which will also include a focus on encouraging greater inclusion in the manufacturing sector.</p>
<p>Department of Foreign Affairs and Trade</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Foreign Affairs and Trade Operations
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of Foreign Affairs and Trade (DFAT) works collaboratively with the department to enable science diplomacy, support the implementation and delivery of the Global Science and Technology Diplomacy Fund, and advancement of Australia’s trade and investment interests, including supporting Australia’s technology approach to addressing climate change and the Global Resources Strategy.</p> <p>The department 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. It also works with DFAT and Export Finance Australia on implementing the Critical Minerals Strategy.</p> <p>DFAT and Austrade support the department (through the Australian Space Agency) 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.</p>
<p>Department of Health</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Health Research, Coordination and Access
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of Health works collaboratively with the department to implement the Biomedical Translation Fund and the Medical Research Future Fund. The department provides input to a range of health policies to improve the support and regulatory environment for innovation by the health sector.</p> <p>Through the National Measurement Institute, the department contributes to reducing smoking prevalence in Australia by conducting tobacco plain packaging compliance and enforcement activities.</p> <p>The department also works with the Department of Health to support manufacturers of medical products through the Modern Manufacturing Strategy and to support industry and business response to COVID-19 impacts; in particular</p>

to establish an onshore sovereign mRNA vaccine manufacturing capability. The department works with the Department of Health on supply chain disruptions in the health sector that require domestic industry considerations.

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 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.

The Department of Home Affairs contributes to improving national cyber security skills, awareness and job readiness through the Questacon Cyber Ready Program as part of Australia’s Cyber Security Strategy 2020. This program helps prepare young Australians for world class careers by building foundational skills in cyber security.

Department of Infrastructure, Transport, Regional Development and Communications

Programs

- Program 1.1 – Infrastructure Investment
- Program 3.1 – Regional Development

Contribution to Outcome 1 made by linked programs

The Department of Infrastructure, Transport, Regional Development and Communications (DITRDC) is working with the department to support economic activity, improve innovation and create long-term sustainable jobs in Australia’s regions, including Northern Australia, through Regional Cooperative Research Centres Projects grants, through support for space sector investment linked to City Deals, and ongoing investment in the National Manufacturing Priorities.

DITRDC and the department work together on the Regional Accelerator program which provides a \$2 billion investment in regional Australia through ‘Regional Accelerator Rounds’ of existing programs. This includes additional rounds for the Modern Manufacturing Initiative, the Critical Minerals Accelerator Initiative and the Supply Chain Resilience Initiative to further support growth and job creation in regional economies.

The department is delivering the Strengthening Northern Australian Business

(SNAB) Advisory Service for the DITRDC under the Northern Australia Development Program.
Department of the Prime Minister and Cabinet
Programs Program 1.1 – Prime Minister and Cabinet
The department works with the Department of the Prime Minister and Cabinet’s Office of Supply Chain Resilience to support Australia’s supply chain resilience and provide advice to government. This is achieved through sharing industry insights and intelligence, harnessing subject matter expertise and leveraging internal supply chain analysis.
Department of the Treasury
Programs <ul style="list-style-type: none"> • 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 of 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 work with the department on royalty payments collected from offshore oil and gas projects in Western Australia. A range of National Partnership payments are made to the states, including the environmental management of the former Rum Jungle mine site in the Northern Territory. Treasury is responsible for the Patent Box for Low Emissions Technology and works with the department and the ATO to deliver the scheme.
National Indigenous Australians Agency
Programs <ul style="list-style-type: none"> • Program 1.1 – Jobs, Land and the Economy
Contribution to Outcome 1 made by linked programs The National Indigenous Australians Agency (NIAA) is implementing initiatives that enable Indigenous Australians to benefit economically from their land. The department has been consulting with NIAA on its implementation of a Darwin Indigenous Business and Employment Hub to encourage access to mainstream business support offerings. The department has contributed to the development of NIAA’s National Roadmap for Indigenous Skills, Jobs and Wealth Creation and will continue to work

cooperatively to identify and enable opportunities for Indigenous Australians across industry, including manufacturing.
National Recovery and Resilience Agency
Programs
<ul style="list-style-type: none"> • Program 1.1 – NRRA – Departmental – Outcome 1
Contribution to Outcome 1 made by linked programs
<p>The National Recovery and Resilience Agency (NRRA) provides input to the department to guide the delivery of the Strengthening Business Program which assists Australian business in addressing challenges arising from natural disasters.</p> <p>The National Space Mission, led by the Australian Space Agency, provides national capabilities for monitoring the earth and is an important capability for providing information in times of crisis and natural disasters, consistent with the broad goals of NRRA.</p>
Sport Integrity Australia
Programs
<ul style="list-style-type: none"> • Program 1.1 – Sports Integrity
Contribution to Outcome 1 made by linked programs
<p>Through the National Measurement Institute, the department provides analytical services and research to support Sport Integrity Australia’s anti-doping program.</p>

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1.1: Investing in science, technology and commercialisation					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	438,056	399,496	359,740	320,030	318,423
Administered Total	438,056	399,496	359,740	320,030	318,423
Departmental expenses					
Departmental appropriation	197,396	188,140	154,963	143,980	136,939
s74 external revenue (a)	40,397	50,628	51,656	50,766	52,533
Special accounts	1,383	685	24	-	-
Expenses not requiring appropriation in the Budget year (b)	16,489	15,937	11,775	11,542	11,542
Departmental Total	255,665	255,390	218,418	206,288	201,014
Total expenses for Program 1.1	693,721	654,886	578,158	526,318	519,437
Program 1.2: Growing innovative and competitive businesses, industries and regions					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	834,700	1,005,237	809,258	232,873	171,885
Administered Total	834,700	1,005,237	809,258	232,873	171,885
Departmental expenses					
Departmental appropriation	235,502	268,259	233,636	223,648	220,670
s74 external revenue (a)	47,407	16,231	11,119	6,699	3,288
Special accounts	6,759	5,512	5,512	5,512	5,512
Expenses not requiring appropriation in the Budget year (b)	19,970	19,302	14,260	13,978	13,978
Departmental Total	309,638	309,304	264,527	249,837	243,448
Total expenses for Program 1.2	1,144,338	1,314,541	1,073,785	482,710	415,333

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1.3: Supporting a strong resources sector					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	63,925	128,101	84,710	52,744	38,334
Special accounts	15,433	18,049	18,798	17,344	17,836
Special appropriations	60	60	60	60	60
Expenses not requiring appropriation in the Budget year (c)	3,767	3,003	2,763	2,754	2,777
Administered Total	83,185	149,213	106,331	72,902	59,007
Departmental expenses					
Departmental appropriation	69,107	69,476	59,957	56,505	54,974
s74 external revenue (a)	288	-	-	-	-
Expenses not requiring appropriation in the Budget year (b)	4,785	4,624	3,416	3,349	3,349
Departmental Total	74,180	74,100	63,373	59,854	58,323
Total expenses for Program 1.3	157,365	223,313	169,704	132,756	117,330
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	2,617,012	2,873,554	2,593,034	1,829,035	1,768,026
Less payments to corporate entities	(1,280,331)	(1,340,720)	(1,339,326)	(1,223,388)	(1,239,384)
Special Accounts	15,433	18,049	18,798	17,344	17,836
Special appropriations	34,632	41,430	39,834	39,017	39,387
Less payments to corporate entities	(34,572)	(41,370)	(39,774)	(38,957)	(39,327)
Expenses not requiring appropriation in the Budget year (c)	3,767	3,003	2,763	2,754	2,777
Payments to corporate entities	1,314,903	1,382,090	1,379,100	1,262,345	1,278,711
Administered Total	2,670,844	2,936,036	2,654,429	1,888,150	1,828,026
Departmental expenses					
Departmental appropriation	502,005	525,875	448,556	424,133	412,583
s74 external revenue (a)	88,092	66,859	62,775	57,465	55,821
Special accounts	8,142	6,197	5,536	5,512	5,512
Expenses not requiring appropriation in the Budget year (b)	41,244	39,863	29,451	28,869	28,869
Departmental Total	639,483	638,794	546,318	515,979	502,785
Total expenses for Outcome 1	3,310,327	3,574,830	3,200,747	2,404,129	2,330,811

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Movement of administered funds between years (d)					
Outcome 1:					
Program 1.2					
Supply Chain Resilience Initiative	5,400	-	(5,400)	-	-
Program 1.3					
Offshore Electricity Registrar	(89)	89	-	-	-
Total movement of administered funds	5,311	89	(5,400)	-	-

	2021-22	2022-23
Average staffing level (number)	2,626	2,782

- (a) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.
- (b) Expenses not requiring appropriation in the Budget year are made up of depreciation / amortisation expenses, audit fees, and approved operating losses.
- (c) Expenses not requiring appropriation relate to expenses for restoration provisions associated with Ranger Rehabilitation and depreciation and amortisation expenses for the National Offshore Petroleum Titles Administrator.
- (d) Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

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

Table 2.1.2: Program components of Outcome 1

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
<i>Program 1.1: Investing in science, technology and commercialisation</i>					
Annual administered expenses:					
Access to World-leading Astronomy Infrastructure	13,250	13,407	13,497	18,612	13,643
Antarctic Science Collaboration Initiative	5,000	5,000	5,000	5,000	5,000
Australian Quantum Ecosystem (a)	-	nfp	-	-	-
Boosting Female Founders Initiative	17,472	13,268	12,202	5,900	-
Building a World-class Onshore mRNA Ecosystem	1,500	1,500	-	-	-
Business Research and Innovation Initiative	16,022	5,875	6,030	484	7,038
Cooperative Research Centres Program	189,395	199,374	193,117	197,070	193,540
Digital Productivity	1,500	1,500	1,500	1,500	1,500
Global Science and Technology Diplomacy Fund	19,599	15,391	14,400	10,840	10,840
Innovation Investment Fund Committee	140	147	155	163	171
Inspiring All Australians in STEM	12,518	20,963	24,683	23,922	20,509
National Carp Control Plan	1,839	1,838	-	-	-
National Quantum Strategy	6	7,012	7,012	7,012	7,012
National Research Centre for Disaster Resilience	8,000	8,000	8,000	9,000	9,000
Research and Development Tax Incentive	5,700	5,700	5,700	5,700	5,700
Square Kilometre Array Radio Telescope Project	146,115	100,521	68,444	34,827	44,470
Total annual administered expenses	438,056	399,496	359,740	320,030	318,423
Total expenses for Program 1.1	438,056	399,496	359,740	320,030	318,423

Table 2.1.2: Program components of Outcome 1 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
<i>Program 1.2: Growing innovative and competitive businesses, industries and regions</i>					
Annual administered expenses:					
ACE EV Group Advanced Manufacturing Facility and Vehicle to the Grid Trial	2,500	-	-	-	-
Additional Support for Manufacturing and Supply Chains	76,800	143,993	157,598	12,098	1,098
Advanced Manufacturing Growth Fund	1,920	-	-	-	-
Artificial Intelligence Action Plan	22,176	40,568	42,338	22,304	8,104
Artificial Intelligence Capability Fund	300	-	-	-	-
Asialink Business	2,997	3,099	-	-	-
Australian Business Number and Business Names Registration System - expansion	50	50	50	50	50
Australian Made Export Campaign	1,500	1,000	-	-	-
COVID-19 Response Package - PPE	204	-	-	-	-
Delivering Cyber Security Skills for a Digital Economy	24,307	23,000	21,000	-	-
Diesel Exhaust Fluid Security	29,953	-	-	-	-
Digital Skills Finder Platform	1,250	-	-	-	-
Empowering Businesses to Go Digital	410	-	-	-	-
Encouraging Innovation in Advanced Manufacturing	2,466	-	-	-	-
Entrepreneurs' Programme	131,994	145,645	127,143	127,994	135,634
Geocoded National Address File (a)	6,451	6,580	6,711	nfp	nfp
Growing Australia's Space Industry	8,500	44,500	63,000	59,000	15,000
International Space Investment	8,109	8,891	5,500	5,000	5,000
Manufacturing Modernisation Fund	47,800	13,350	-	-	-
Modern Manufacturing Initiative	420,901	520,000	340,000	-	-
Mossman Mill Transition Program	3,524	1,000	-	-	-
National Innovation Games	808	-	-	-	-

Table 2.1.2: Program components of Outcome 1 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
<i>Program 1.2: Growing innovative and competitive businesses, industries and regions</i>					
Protecting Australia's National Interest in Critical and Emerging Technologies Standards	-	632	632	632	632
Securing Urea Supply for Transport and Agriculture (a)	nfp	nfp	nfp	nfp	nfp
SME Export Hubs	1,687	357	-	-	-
Space Infrastructure Fund	4,300	600	-	-	-
Standards and Conformance Program	-	1,100	1,300	1,300	1,750
Supply Chain Resilience Initiative	17,400	45,000	39,600	-	-
Support for an Australian Fashion Certification Trade Mark	285	-	-	-	-
Support for Industry Service Organisations program	5,289	5,255	4,386	4,495	4,617
Support the National Space Mission for Earth Observation (a)	nfp	nfp	nfp	nfp	nfp
Thermochemical Conversion Technology Trial Facility (a)	5,013	617	nfp	nfp	nfp
Using Blockchain Technology to Reduce Business Compliance Costs	5,806	-	-	-	-
Total annual administered expenses	834,700	1,005,237	809,258	232,873	171,885
Total expenses for Program 1.2	834,700	1,005,237	809,258	232,873	171,885

Table 2.1.2: Program components of Outcome 1 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
<i>Program 1.3: Supporting a strong resources sector</i>					
Annual administered expenses:					
Advancing Research and Development for Critical Minerals	1,250	1,000	1,000	-	-
Beetaloo Basin Drilling Program	20,000	30,000	-	-	-
Critical Minerals Accelerator Initiative	-	50,000	37,500	37,500	37,500
Critical Minerals - Support for Supply Chains	2,000	-	-	-	-
Global Mining Challenge Program	250	250	250	250	-
Long Term Handling of the Northern Endeavour (a)	nfp	nfp	nfp	nfp	-
Maralinga Maintenance	251	253	261	256	258
Maralinga Site Remediation (a)	nfp	nfp	nfp	nfp	nfp
National Critical Minerals Research and Development Centre	-	8,900	8,900	8,900	-
Offshore Electricity Registrar	516	89	-	-	-
Onshore Gas Social and Economic Research Fund	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	-	-
Resources and METS Industry Market Access Program	1,000	1,000	1,000	1,000	-
Radioactive Waste Management	19,181	25,337	31,764	4,262	-
Rum Jungle Mine Site - Environmental Rehabilitation (a)	-	nfp	nfp	nfp	nfp
Shaping Australia to Capture the Global Hydrogen Opportunity	2,000	240	-	-	-
South Asian LNG Partnership	-	536	536	536	536
Strategic Basin Plans	11,770	7,000	-	-	-
Support for Ukraine (a)	nfp	-	-	-	-
Total annual administered expenses	63,925	128,101	84,710	52,744	38,334

Table 2.1.2: Program components of Outcome 1 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
<i>Program 1.3: Supporting a strong resources sector</i>					
Special appropriation:					
<i>Offshore Minerals Act 1994</i>	60	60	60	60	60
Total special appropriation expenses	60	60	60	60	60
Special account expenses:					
National Offshore Petroleum Titles Administrator	15,433	18,049	18,798	17,344	17,836
Total special account expenses	15,433	18,049	18,798	17,344	17,836
Expenses not requiring appropriation:					
National Offshore Petroleum Titles Administrator (b)	2,333	1,865	1,930	1,749	1,974
Ranger Rehabilitation (c)	1,434	1,138	833	1,005	803
Total expenses not requiring appropriation in the Budget year	3,767	3,003	2,763	2,754	2,777
Total expenses for Program 1.3	83,185	149,213	106,331	72,902	59,007

- (a) The financial impact is not for publication (nfp) due to commercial-in-confidence considerations.
- (b) Expenses not requiring appropriation relate to depreciation and amortisation expenses for the National Offshore Petroleum Titles Administrator.
- (c) 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 2022-23 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		
Program 1.1 – Investing in science, technology and commercialisation		
<p>This program aims to facilitate the development and uptake of new ideas and technology and translate them into commercial outcomes and enhanced productivity.</p> <p>The department will measure and report on its progress towards the following intended results of the activity:</p> <ul style="list-style-type: none"> 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. <p>Some of the measures listed below do not have a target, where it is not practicable to provide one.</p>		
Key Activities (a)	Activity 1.1: Investing in science, technology and commercialisation	
Year	Performance measures	Expected Performance Results
Current year 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.	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. Results: On track
	Number of business-research collaborations facilitated by departmental programs.	Year-on-year increase. Results: On track
	Proportion of Australians who consider STEM skills important when considering employment	≥ 87% Results: On track
	Australia’s national system of measurement is trusted nationally and internationally.	Results: On track
Year	Performance measures	Planned Performance Results

Budget Year 2022–23	Number of business-research collaborations facilitated by portfolio programs	Year-on-year increase
	Application for registration of research and development activities through the Research and Development Tax Incentive (R&DTI) are processed within: <ul style="list-style-type: none"> 40 business days for first time registrants 20 business days for registrants that have applied within 6 months after the end of the income period 80 business days for registrations submitted from 6 to 10 months after the end of the income period 	95% companies processed within the allotted timeframes
	Proportion of Australians who consider STEM skills important when considering employment	Young Australians: ≥ 87% Parents: ≥ 88% Teachers and Career Advisors: ≥ 89%
	Raising awareness of the importance of STEM through the delivery of portfolio initiatives	Target not practicable, qualitative assessment
	Australia's national system of measurement is trusted nationally and internationally	Target not practicable, qualitative assessment
Forward Estimates 2023–26	As per 2022–23	As per 2022–23
Material changes to Program 1.1 resulting from 2022–23 Budget Measures: Nil		
<p>Program 1.2 – Growing innovative and competitive businesses, industries and regions</p> <p>This program aims 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.</p> <p>The department will measure and report on its progress towards the following intended results of the activity:</p> <ul style="list-style-type: none"> Empowering Australian businesses to strengthen, grow, innovate, digitise and commercialise, supported by a competitive business environment. 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, and the National Quantum Strategy. Supporting the growth and transformation of the Australian space industry as outlined in the Advancing Space: Australian Civil Space Strategy 2019-2028. 		
Key Activities (a)	Activity 1.2: Growing innovative and competitive businesses, industries and regions	
Year	Performance measures	Expected Performance Results
Current year 2021–22	Investment leveraged through portfolio manufacturing initiatives.	Year-on-year increase Results: On track

	Instances of support provided to businesses in priority sectors	Year-on-year increase Results: On track
	Number of regional areas where businesses have received support.	Year-on-year maintenance or increase Results: On track
	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: On track
	Total number of jobs created by the digitally intensive industries.	Year-on-year increase Results: On track
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	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 maintenance or increase
	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%
	Develop and implement flexible approaches in the regulation of Australia's space activities	Year-on-year improvement
	Total number of jobs created by the digitally intensive industries	Year-on-year increase
	Industry engagement with portfolio initiatives to lift digital capability and adopt technologies	Year-on-year increase
	Proportion of major projects that are compliant with their approved Australian Industry Participation (AIP) plans	100%
Forward Estimates 2023–26	As per 2022–23	As per 2022–23
Material changes to Program 1.2 resulting from 2022–23 Budget Measures: Nil		
Program 1.3 – Supporting a strong resources sector		
This program aims to support the sustainable development of the resources sector, attract private sector investment and encourage innovative technologies.		

<p>The department will measure and report on its progress towards the following intended results of the activity:</p> <ul style="list-style-type: none"> • Supporting investment and further exploration in the resources sector. • Growing Australia's resource sector, 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. • Supporting the efficient and effective regulation of Australia's offshore petroleum and greenhouse gas sectors. <p>Some of the measures listed below do not have a target, where it is not practicable to provide one.</p>		
Key Activities (a)	Activity 2.1: Supporting a strong resources sector	
Year	Performance measures	Expected Performance Results
Current year 2021–22	Identify and remove regulatory and administrative barriers that impose unnecessary costs and delays to resources projects	Results: On track, qualitative assessment
	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
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	Identify and remove regulatory and administrative barriers that impose unnecessary costs and delays to resources projects	Target not practicable, qualitative assessment
	NOPTA's published assessment timeframes for applications made under the Offshore Petroleum and Greenhouse Storage Act 2006 (OPGGSA)	NOPTA's published timeframes are met 90% of the time.
	Total expenditure on resources exploration	Year-on-year increase
	Annual release of offshore acreage for resources exploration investment	Release of new acreage
	Grow Australia's critical minerals sector, including by supporting development of downstream processing capacity	Year on year increase in the number, progress and total capital expenditure of critical minerals projects
	International engagement activities aimed at growing Australia's critical mineral sector	Target not practicable, qualitative assessment
Forward Estimates 2023–26	As per 2022–23	As per 2022–23
Material changes to Program 1.3 resulting from 2022–23 Budget Measures: Nil		

(a) 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 2022–23 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 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

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 Policies

Commonwealth Scientific and Industrial Research Organisation

- Program 1 – Scientific and Industrial Research and Infrastructure

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 Australian Taxation Office administers the Carbon Sink Forest Tax measure, which makes a tax deduction available to carbon sequestration tree-planting projects. This contributes to reducing Australia’s greenhouse gas emissions.

<p>Bureau of Meteorology</p>
<p>Program</p> <ul style="list-style-type: none"> • Program 1.1 – Bureau of Meteorology
<p>Contribution to Outcome 2 made by linked programs</p> <p>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.</p>
<p>Department of Agriculture, Water and the Environment</p>
<p>Program</p> <ul style="list-style-type: none"> • Program 1.1 – Sustainable Management of Natural Resources and the Environment • Program 3.2 – Sustainable Management – Natural Resources • Program 3.3 – Forestry Industry
<p>Contribution to Outcome 2 made by linked programs</p> <p>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. DAWE collaborates with the department to promote complementary outcomes for emissions reductions, the environment and productivity, including through implementation of the International Partnership for Blue Carbon and the Asia Pacific Rainforest Partnership. DAWE also collaborates with the department on programs related to climate risk disclosure by Australian Government agencies.</p>
<p>Department of Foreign Affairs and Trade</p>
<p>Program</p> <ul style="list-style-type: none"> • Program 1.1 – Foreign Affairs and Trade Operations
<p>Contribution to Outcome 2 made by linked programs</p> <p>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 DFAT in formulating advice to government on these matters and representing Australia at United Nations Framework Convention on Climate Change meetings, and related bodies such as the Intergovernmental Panel on Climate Change. DFAT also delivers a number of Australian Government funded projects that support climate change capacity development projects in developing countries. These key programs include the Climate Resilient by Nature Indo-Pacific Knowledge Hub, the Australian Climate Finance Partnership, the Business Partnerships Platform, and the Pacific Blue Carbon Program.</p> <p>DFAT supports the department to deliver the Indo-Pacific Carbon Offset Scheme, including by providing diplomatic support to develop bilateral partnerships under</p>

the scheme.
Department of Infrastructure, Transport, Regional Development and Communications
Programs
<ul style="list-style-type: none"> • Program 2.1 – Surface Transport • Program 2.3 – Air Transport
Contribution to Outcome 2 made by linked programs
<p>The Department of Infrastructure, Transport, Regional Development and Communications (DITRDC) and the department work collaboratively towards reducing emissions from transport. DITRDC leads participation and negotiations in: the International Civil Aviation Organization's Carbon Offsetting and Reduction Scheme for International Aviation and the International Maritime Organisation, assessing measures and the frameworks for reducing international aviation and maritime emissions. This work includes energy efficiency, alternative fuels, linkages to carbon markets and standards for carbon unit eligibility. DITRDC has responsibility for maintaining and updating the Green Vehicle Guide, which provides consumer information on tailpipe CO₂ emissions from vehicles.</p>

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 2.1: Reducing Australia's greenhouse gas emissions					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)					
Activating Regional Hydrogen Export Hubs	3,500	60,750	84,000	38,500	25,000
Biofuels - Monitoring, Compliance and Enforcement for Fuel Quality	100	100	100	100	100
Carbon Capture, Use and Storage Development Fund	24,800	20,000	-	-	-
Emissions Reduction and New Investments Under the Technology Investment Roadmap	174,749	133,675	178,124	150,035	251,354
Energy and Emissions Reduction – Further Investment in Low Emissions Technologies	5,000	36,000	83,500	29,500	22,500
Hydrogen Strategy and Implementation	1,247	521	-	-	-
Soil Carbon and Livestock Methane	4,300	3,028	2,100	1,000	-
Offshore Electricity Infrastructure Framework (a)	-	1,215	-	-	-
Patent Box for Low Emissions Technology	-	1,000	1,000	1,000	1,000
Administered Total	213,696	256,289	348,824	220,135	299,954
Departmental expenses					
Departmental appropriation	77,160	84,024	68,194	62,142	52,935
s74 external revenue (b)	2,576	5,251	3,735	3,712	4,025
Expenses not requiring appropriation in the budget year (c)	562	1,135	1,456	1,678	1,678
Departmental Total	80,298	90,410	73,385	67,532	58,638
Total expenses for Program 2.1	293,994	346,699	422,209	287,667	358,592

Table 2.2.1: Budgeted expenses for Outcome 2 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 2.2: Developing clean energy technology					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	124,312	299,972	238,238	236,612	203,695
<i>Less payments to corporate entities</i>	(124,312)	(299,972)	(238,238)	(236,612)	(203,695)
Special appropriations					
<i>Australian Renewable Energy Agency Act 2011</i>	304,836	-	-	-	-
<i>Less payments to corporate entities</i>	(304,836)	-	-	-	-
Payments to corporate entities	429,148	299,972	238,238	236,612	203,695
Administered Total	429,148	299,972	238,238	236,612	203,695
Departmental expenses					
Departmental appropriation	7,939	9,147	8,528	10,201	10,317
Departmental Total	7,939	9,147	8,528	10,201	10,317
Total expenses for Program 2.2	437,087	309,119	246,766	246,813	214,012
Outcome 2 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	213,696	256,289	348,824	220,135	299,954
Payments to corporate entities	429,148	299,972	238,238	236,612	203,695
Administered Total	642,844	556,261	587,062	456,747	503,649
Departmental expenses					
Departmental appropriation	85,099	93,171	76,722	72,343	63,252
s74 external revenue (b)	2,576	5,251	3,735	3,712	4,025
Expenses not requiring appropriation in the budget year (c)	562	1,135	1,456	1,678	1,678
Departmental Total	88,237	99,557	81,913	77,733	68,955
Total expenses for Outcome 2	731,081	655,818	668,975	534,480	572,604

Table 2.2.1: Budgeted expenses for Outcome 2 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Movement of administered funds between years (d)					
Outcome 2:					
Emissions Reduction and New Investments Under the Technology Investments Roadmap	(6,600)	21,350	26,650	22,100	(63,500)
Total movement of administered funds	(6,600)	21,350	26,650	22,100	(63,500)
	2021-22	2022-23			
Average staffing level (number)	249	266			

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

- (a) Funding for this program will be transferred to a special account once the special account is established.
- (b) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013.
- (c) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses.
- (d) Figures displayed as negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

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 2022-23 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		
This program aims to shape the global response to climate change and achieve Australia’s greenhouse gas emissions reduction targets.		
The department will measure and report on its progress towards the following intended results of the activity:		
<ul style="list-style-type: none"> • Implementing Australia’s Long Term Emissions Reduction Plan. • Delivering cost-effective emissions reduction opportunities across the economy including in hard-to-abate sectors. 		
Key Activities (a)	Activity 3.1: Reducing Australia’s greenhouse gas emissions	
Year	Performance measures	Expected Performance Results
Current year 2021–22	Number of businesses participating in carbon neutral certification	Year on year increase Result: On track
	Australia’s emissions and projected emissions are on track to meet international commitments	Australia meets its international emission reduction commitment targets Result: On track
	Legislated Large-scale Renewable Energy Target of 33,000 GWh of eligible renewable electricity generation is met.	33,000 GWh per year Result: On track
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	Number of certifications held by businesses participating in Climate Active	Year-on-year increase
	Proportion of GEMS registration applications processed by the GEMS regulator within 14 days from the time of application	99% in each year
	Australia’s emissions and projected emissions are on track to meet international commitments	Australia meets its international emission reduction commitment targets
Forward Estimates 2023–26	As per 2022–23	As per 2022–23
Material changes to Program 2.1 resulting from 2022–23 Budget Measures: Nil		
Program 2.2 – Developing clean energy technology		
This program aims to support technological innovation in clean and renewable energy to reduce Australia’s greenhouse gas emissions.		

<p>The department will measure and report on its progress towards the following intended results of the activity:</p> <ul style="list-style-type: none"> Supporting 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. 		
Key Activities (a)	Activity 3.2: Developing clean energy technology	
Year	Performance measures	Expected Performance Results
Current year 2021–22	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 Result: On track
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	Investment leveraged through portfolio low emissions technology initiatives	Leverage \$3- \$5 of new investment for each dollar of Commonwealth funding on average over the decade to 2030
Forward Estimates 2023–26	As per 2022–23	As per 2022–23
Material changes to Program 2.2 resulting from 2022–23 Budget Measures: Nil		

- a) 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 2022–23 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

<p>Portfolio agencies</p> <p>Australian Renewable Energy Agency Clean Energy Finance Corporation Clean Energy Regulator Climate Change Authority</p>
<p>Programs</p> <p>Australian Renewable Energy Agency</p> <ul style="list-style-type: none"> • Program 1.1 – Australian Renewable Energy Agency <p>Clean Energy Finance Corporation</p> <ul style="list-style-type: none"> • Program 1.1 – Clean Energy Finance Corporation <p>Clean Energy Regulator</p> <ul style="list-style-type: none"> • Program 1.1 – Clean Energy Regulator <p>Climate Change Authority</p> <ul style="list-style-type: none"> • Program 1.1 – Reviewing Climate Change Mitigation Policies <p>Commonwealth Scientific and Industrial Research Organisation</p> <ul style="list-style-type: none"> • Program 1 – Scientific and Industrial Research and Infrastructure
<p>Contribution to Outcome 3 made by linked programs</p> <p>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.</p>
<p>Australian Competition and Consumer Commission</p>
<p>Program</p> <ul style="list-style-type: none"> • Program 1.1 – Australian Competition and Consumer Commission • Program 1.2 – Australian Energy Regulator
<p>Contribution to Outcome 3 made by linked programs</p> <p>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 through public reporting, and its authorisation process, which allowed energy companies to cooperate during the COVID-19 pandemic to maintain reliable supply. The ACCC and Australian Energy Regulator (AER) also work collaboratively with the department on the</p>

<p>implementation and monitoring of energy market policy, including the Consumer Data Right, the Default Market Offer and Reference Price, and Big Stick Legislation.</p> <p>The department works collaboratively with the AER to promote efficient investment, operation and use of energy infrastructure and services for the long-term interests of consumers. This includes through the development and maintenance of consumer services such as the Australian Government’s Energy Made Easy price comparator website. 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.</p>
<p>Department of Foreign Affairs and Trade</p>
<p>Program</p> <ul style="list-style-type: none"> • Program 1.1 – Foreign Affairs and Trade Operations
<p>Contribution to Outcome 3 made by linked programs</p> <p>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.</p>
<p>Department of Home Affairs</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.2 – National Security and Criminal Justice • Program 3.2 – Border Management
<p>Contribution to Outcome 3 made by linked programs</p> <p>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 helps manage risks to Australia’s critical energy infrastructure by administering critical infrastructure security legislation, and by engaging with critical infrastructure owners and operators on security issues.</p>
<p>Department of Infrastructure, Transport, Regional Development and Communications</p>
<p>Program</p> <ul style="list-style-type: none"> • Program 3.1 – Regional Development
<p>Contribution to Outcome 3 made by linked programs</p> <p>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 local businesses.</p>

Department of the Treasury
Program
<ul style="list-style-type: none"> • Program 1.1 – Department of the Treasury
<p>Contribution to Outcome 3 made by linked programs</p> <p>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.</p>

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 3.1: Supporting reliable, secure and affordable energy					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)					
Boosting Australia's Fuel Security	80,000	105,000	75,000	-	-
Business Energy Advice Program	3,671	-	-	-	-
Consumer Data Right in the Energy Sector	5,373	-	-	-	-
Contribution to the International Energy Agency	2,000	-	-	-	-
Energy and Emissions Reduction – Further Investment in Affordable and Reliable Power	-	55,170	30,000	-	-
Energy Efficiency Programs	620	620	620	620	620
Energy Efficient Communities Program	20,928	-	-	-	-
Energy Use Data Model for Better Forecasting	2,853	-	-	-	-
Establish a Renewable Microgrid Incorporating Hydrogen in the Daintree Community	750	16,200	1,800	-	-
Funding for Refinery Upgrades	39,000	73,000	120,000	70,000	-
Further Support for CopperString 2.0 Project	1,100	-	-	-	-
GEMS National Legislative Framework	5,832	5,832	5,832	5,832	5,832
Hotel Energy Uplift Program	9,941	-	-	-	-
Hydrogen Ready Gas Infrastructure Program	11,700	7,000	-	-	-
Improving Cyber Security in the Energy Sector	600	-	-	-	-
International Energy Agency Compliance - Collective Action Response (a)	nfp	nfp	nfp	nfp	nfp
Micro-grids - Regional and Remote Communities	22,605	8,202	4,297	-	-
Portland Aluminium Smelter Program	-	19,200	19,200	19,200	19,200
Powering Communities Program	10,228	-	-	-	-
Supporting Reliable Energy Infrastructure	4,077	-	-	-	-

Table 2.3.1: Budgeted expenses for Outcome 3 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Supporting the Port Kembla Power Station	30,000	-	-	-	-
Temporary Refinery Production Payment Program	41,494	-	-	-	-
Total ordinary annual services	292,772	290,224	256,749	95,652	25,652
Expenses not requiring appropriation in the budget year					
Interconnector Funding - delivering reliable and affordable energy	528	-	-	-	-
International Energy Agency Compliance - Collective Action Response (a)	nfp	-	-	-	-
Total expenses not requiring appropriation in the budget year	528	-	-	-	-
Special appropriations					
Fuel Security Service Payment (a)	nfp	nfp	nfp	nfp	-
Total special appropriations	nfp	nfp	nfp	nfp	-
Administered Total	293,300	290,224	256,749	95,652	25,652
Departmental expenses					
Departmental appropriation	101,306	100,487	73,983	56,264	40,582
Special accounts	2,646	203	-	-	-
Expenses not requiring appropriation in the budget year (b)	1,544	2,357	2,554	2,914	2,914
Departmental Total	105,496	103,047	76,537	59,178	43,496
Total expenses for Program 3.1	398,796	393,271	333,286	154,830	69,148
Outcome 3 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	292,772	290,224	256,749	95,652	25,652
Special appropriations	nfp	nfp	nfp	nfp	-
Expenses not requiring appropriation in the budget year	528	-	-	-	-
Administered Total	293,300	290,224	256,749	95,652	25,652
Departmental expenses					
Departmental appropriation	101,306	100,487	73,983	56,264	40,582
Special accounts	2,646	203	-	-	-
Expenses not requiring appropriation in the budget year (b)	1,544	2,357	2,554	2,914	2,914
Departmental Total	105,496	103,047	76,537	59,178	43,496
Total expenses for Outcome 3	398,796	393,271	333,286	154,830	69,148
	2021-22	2022-23			
Average staffing level (number)	309	308			

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

(a) The financial impact is not for publication (nfp) due to commercial-in-confidence considerations.

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

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 2022-23 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		
<p>This program aims 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.</p> <p>The department will measure and report on its progress towards the following intended results of the activity:</p> <ul style="list-style-type: none"> • Working with states, territories and industry, to ensure energy affordability, reliability, security and efficiency, including by: <ul style="list-style-type: none"> - 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. 		
Key Activities (a)	Activity 4.1: Supporting reliable, secure and affordable energy	
Year	Performance measures	Expected Performance Results
Current year 2021–22	Lower energy prices	<p>Work to maintain wholesale price < \$70 per MWh in the National Electricity Market</p> <p>Domestic gas market prices lower than liquefied natural gas (LNG) netback price.</p> <p>Result: On track overall. Achieved for gas prices for the period 1 July to 30 December 2021.</p>
	The liquid fuel market is in supply-demand balance	<p>The Liquid Fuel Emergency Act is not triggered.</p> <p>Result: On track. This had not been triggered during the period 1 July to 30 December 2021.</p>
Year	Performance measures	Planned Performance Results
Budget Year	Australia’s security of supply of quality	Average days of stocks of petrol, diesel

2022–23	liquid fuels	and jet fuel that meet the Australian fuel quality standards are not lower than the 2018 and 2019 average, and by 2024-25 are 40% higher than the 2018 and 2019 average for diesel
	Lower energy prices	Work to maintain wholesale price < \$70 per MWh in the National Electricity Market Domestic gas market prices lower than liquefied natural gas (LNG) netback price)
	Change in average Mega Joules (MJ) per m2 consumed by office buildings as they obtain successive Building Energy Efficiency Certificates (BEECs) under the Commercial Building Disclosure (CBD) program	Reduction in MJ per m2 consumed across all office buildings rated in the current period, compared with their previous BEECs under the CBD program
Forward Estimates 2023–26	As per 2022–23	As per 2022–23
Material changes to Program 3.1 resulting from 2022–23 Budget Measures: Nil		

(a) 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 2022–23 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.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2022-23 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

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 2022-23 is \$762.1 million.

Expenses

Total departmental expenses budgeted for in 2022-23 are \$841.4 million, comprising \$430.3 million for employee expenses, \$324.9 million for suppliers, \$76.3 million for depreciation and amortisation, \$6.8 million for grants and \$3.2 million for finance costs and other expenses.

Income

Total departmental own-source income budgeted for in 2022-23 is \$78.6 million, comprising \$69.3 million from sales of goods and rendering of services, \$2.8 million from rental income and \$6.5 million from other independent sources.

Revenue from government for 2022-23 is budgeted at \$715.4 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 2022-23 are \$668.8 million, comprising \$516.0 million non-financial assets and \$152.8 million financial assets.

Non-financial assets include \$335.3 million for land and buildings, \$126.5 million for intangibles, \$43.9 million for property, plant and equipment, \$2.1 million for inventories, and \$8.2 million in other assets. Financial assets consist of \$109.8 million for receivables, \$28.9 million for cash, and \$14.1 million in other financial assets.

Liabilities

Total departmental liabilities budgeted for in 2022-23 are \$444.6 million, comprising \$250.2 million in interest-bearing liabilities, \$129.9 million in provisions and \$64.5 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 2022-23 are \$4.3 billion, represented by \$1.7 billion in payments to corporate entities, \$2.0 billion in grants and subsidies, \$567.4 million in suppliers, \$8.8 million in employee benefits, \$2.9 million in write-downs and impairments and depreciation and amortisation, and \$0.2 million in finance costs.

Income

Total administered income budgeted for in 2022-23 is \$1.4 billion, represented by \$1.2 billion in royalties, \$172.5 million in dividends, \$56.9 million in fees from regulatory services, \$10.5 million in interest, \$9.9 million in other non-taxation revenue and \$5.2 million in fees.

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 2022-23 are \$29.8 billion, represented by \$23.9 billion in investments, \$5.8 billion in cash and receivables, \$99.6 million in accrued revenue, and \$12.7 million in non-financial assets.

Liabilities

Total administered liabilities budgeted for in 2022-23 are \$451.5 million, represented by \$366.8 million in provisions, \$81.6 million in payables and \$3.1 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**

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	418,937	430,257	367,868	367,871	350,435
Suppliers	327,203	324,878	263,026	211,331	192,147
Grants	7,308	6,800	5,500	5,550	5,200
Depreciation and amortisation	76,344	76,263	65,504	65,560	65,210
Finance costs	3,284	3,060	2,730	2,438	2,123
Other expenses	140	140	140	140	121
Total expenses	833,216	841,398	704,768	652,890	615,236
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	87,291	69,287	63,588	58,148	56,726
Rental Income	3,377	2,823	2,922	3,029	3,120
Other revenue	8,890	6,465	5,547	5,550	5,550
Total own-source revenue	99,558	78,575	72,057	66,727	65,396
Gains					
Other gains	670	675	680	680	680
Total gains	670	675	680	680	680
Total own-source income	100,228	79,250	72,737	67,407	66,076
Net (cost of)/contribution by services	(732,988)	(762,148)	(632,031)	(585,483)	(549,160)
Revenue from Government	664,471	715,411	596,948	551,202	515,784
Surplus/(deficit) attributable to the Australian Government	(68,517)	(46,737)	(35,083)	(34,281)	(33,376)
OTHER COMPREHENSIVE INCOME					
Total other comprehensive income	-	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	(68,517)	(46,737)	(35,083)	(34,281)	(33,376)

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Total comprehensive income/(loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriations, depreciation on ROU assets, principal repayments on leased assets	(21,059)	270	-	-	-
plus: depreciation/amortisation expenses previously funded through revenue appropriations (a)	(42,680)	(42,680)	(32,781)	(32,781)	(32,781)
plus: depreciation/amortisation expenses for ROU assets (b)	(33,664)	(33,583)	(32,723)	(32,779)	(32,429)
less: principal repayments on leased assets (b)	(28,886)	(29,256)	(30,421)	(31,279)	(31,834)
Total comprehensive income/(loss) - as per the statement of comprehensive income	(68,517)	(46,737)	(35,083)	(34,281)	(33,376)

Prepared on Australian Accounting Standards basis.

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

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	28,797	28,862	28,873	28,911	28,949
Trade and other receivables	89,506	109,823	109,364	109,438	109,425
Accrued Revenue	36,861	14,091	14,091	14,091	14,091
Total financial assets	155,164	152,776	152,328	152,440	152,465
Non-financial assets					
Land and buildings	363,651	335,277	303,821	280,655	248,034
Property, plant and equipment	41,913	43,907	39,423	33,636	27,881
Intangibles	101,604	126,536	144,109	154,907	161,795
Inventories	2,118	2,118	2,118	2,118	2,118
Other non-financial assets	8,170	8,170	8,170	8,170	8,170
Total non-financial assets	517,456	516,008	497,641	479,486	447,998
Total assets	672,620	668,784	649,969	631,926	600,463
LIABILITIES					
Payables					
Suppliers	54,783	54,713	54,713	54,713	54,713
Grants	695	695	695	695	695
Other payables	10,221	9,063	8,848	8,960	8,985
Total payables	65,699	64,471	64,256	64,368	64,393
Interest bearing liabilities					
Leases	275,567	250,176	222,599	202,471	171,950
Total interest bearing liabilities	275,567	250,176	222,599	202,471	171,950
Provisions					
Employee provisions	126,964	126,964	126,964	126,964	126,964
Other provisions	2,941	2,941	2,941	2,941	2,941
Total provisions	129,905	129,905	129,905	129,905	129,905
Total liabilities	471,171	444,552	416,760	396,744	366,248
Net assets	201,449	224,232	233,209	235,182	234,215
EQUITY*					
Parent entity interest					
Contributed equity	668,185	737,705	781,765	818,019	850,428
Reserves	20,432	20,432	20,432	20,432	20,432
Retained surplus (accumulated deficit)	(487,168)	(533,905)	(568,988)	(603,269)	(636,645)
Total parent entity interest	201,449	224,232	233,209	235,182	234,215
Total equity	201,449	224,232	233,209	235,182	234,215

Prepared on Australian Accounting Standards basis.

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

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

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2022				
Balance carried forward from previous period	(487,168)	20,432	668,185	201,449
Adjusted opening balance	(487,168)	20,432	668,185	201,449
Comprehensive income				
Surplus/(deficit) for the period	(46,737)	-	-	(46,737)
Total comprehensive income	(46,737)	-	-	(46,737)
of which:				
Attributable to the Australian Government	(46,737)	-	-	(46,737)
Transactions with owners				
Contributions by owners				
Equity injection – Appropriation	-	-	39,114	39,114
Departmental Capital Budget	-	-	30,406	30,406
Subtotal transactions with owners	-	-	69,520	69,520
Estimated closing balance as at 30 June 2023	(533,905)	20,432	737,705	224,232
Closing balance attributable to the Australian Government	(533,905)	20,432	737,705	224,232

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	784,551	793,711	665,593	615,187	575,643
Sale of goods and rendering of services	92,758	72,110	66,510	61,177	59,846
Net GST received	32,543	29,624	20,231	17,055	16,215
Other	6,092	5,307	5,332	5,662	5,575
Total cash received	915,944	900,752	757,666	699,081	657,279
Cash used					
Employees	418,937	430,257	367,868	367,871	350,435
Suppliers	356,916	353,897	281,627	227,706	207,682
Grants	7,308	6,800	5,500	5,550	5,200
s74 External Revenue transferred to the OPA	92,758	72,110	66,510	61,177	59,846
Interest payments on lease liability	3,284	3,060	2,730	2,438	2,123
Other	140	140	140	140	121
Total cash used	879,343	866,264	724,375	664,882	625,407
Net cash from/(used by) operating activities	36,601	34,488	33,291	34,199	31,872
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant, equipment and intangibles	67,841	70,950	44,293	36,254	32,409
Total cash used	67,841	70,950	44,293	36,254	32,409
Net cash from/(used by) investing activities	(67,841)	(70,950)	(44,293)	(36,254)	(32,409)
FINANCING ACTIVITIES					
Cash received					
Appropriations – contributed equity	60,318	65,783	41,434	33,372	32,409
Total cash received	60,318	65,783	41,434	33,372	32,409
Cash used					
Principal payments on lease liability	28,886	29,256	30,421	31,279	31,834
Total cash used	28,886	29,256	30,421	31,279	31,834
Net cash from/(used by) financing activities	31,432	36,527	11,013	2,093	575
Net increase/(decrease) in cash held	192	65	11	38	38
Cash and cash equivalents at the beginning of the reporting period	28,605	28,797	28,862	28,873	28,911
Cash and cash equivalents at the end of the reporting period	28,797	28,862	28,873	28,911	28,949

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Departmental capital budget – Appropriation Bill No. 1	27,432	30,406	28,238	28,460	28,655
Equity injections – Appropriation Bill No. 2	36,328	39,114	15,822	7,794	3,754
Total new capital appropriations	63,760	69,520	44,060	36,254	32,409
<i>Provided for:</i>					
Purchase of non-financial assets	63,760	69,520	44,060	36,254	32,409
Total Items	63,760	69,520	44,060	36,254	32,409
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	39,182	40,544	16,055	7,794	3,754
Funded by capital appropriations – DCB (b)	28,659	30,406	28,238	28,460	28,655
TOTAL	67,841	70,950	44,293	36,254	32,409
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	85,693	74,815	47,137	47,405	33,722
less: ROU Additions	(17,852)	(3,865)	(2,844)	(11,151)	(1,313)
Total cash used to acquire assets	67,841	70,950	44,293	36,254	32,409

Prepared on Australian Accounting Standards basis.

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

(b) Includes purchases from current and previous years' Departmental Capital Budgets (DCBs).

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

	Buildings	Other property, plant & equipment	Computer software and Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022				
Gross book value	124,101	63,251	226,192	413,544
Gross book value - ROU assets	358,141	3,804	-	361,945
Accumulated depreciation/amortisation and impairment	(22,356)	(22,583)	(124,588)	(169,527)
Accumulated depreciation/amortisation and impairment - ROU assets	(96,235)	(2,559)	-	(98,794)
Opening net book balance	363,651	41,913	101,604	507,168
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	11,573	16,875	42,502	70,950
By purchase - other - ROU assets	3,865	-	-	3,865
Total additions	15,438	16,875	42,502	74,815
Other movements				
Depreciation/amortisation expense	(10,830)	(14,280)	(17,570)	(42,680)
Depreciation/amortisation on ROU assets	(32,982)	(601)	-	(33,583)
Total other movements	(43,812)	(14,881)	(17,570)	(76,263)
As at 30 June 2023				
Gross book value	135,674	80,126	268,694	484,494
Gross book value - ROU assets	362,006	3,804	-	365,810
Accumulated depreciation/amortisation and impairment	(33,186)	(36,863)	(142,158)	(212,207)
Accumulated depreciation/amortisation and impairment - ROU assets	(129,217)	(3,160)	-	(132,377)
Closing net book balance	335,277	43,907	126,536	505,720

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injections provided through Appropriation Bill (No. 2) 2022-23 and to funding provided through Appropriation Bill (No. 1) 2022-23 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)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	7,961	8,810	7,928	8,086	8,248
Suppliers	740,734	567,369	445,382	278,742	249,549
Grants and subsidies	1,601,038	2,040,179	1,818,938	907,677	734,905
Finance costs	103	166	255	1,025	820
Depreciation and amortisation	2,333	1,865	1,930	1,749	1,974
Write-down and impairment of assets	1,368	1,002	603	-	-
Payments to corporate Commonwealth entities	1,744,051	1,682,062	1,617,338	1,498,957	1,482,406
Total expenses administered on behalf of Government	4,097,588	4,301,453	3,892,374	2,696,236	2,477,902
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	50,042	56,924	55,775	54,958	55,328
Fees	5,000	5,194	4,850	4,867	4,867
Interest	11,043	10,520	9,626	699	251
Dividends	162,881	172,489	246,600	253,400	269,300
Royalties	1,323,560	1,190,735	1,050,407	883,188	658,304
Other non-taxation revenue	-	9,944	1,198	1,231	1,265
Total non-taxation revenue	1,552,526	1,445,806	1,368,456	1,198,343	989,315
Total own-source revenue administered on behalf of Government	1,553,076	1,446,356	1,369,006	1,198,893	989,865
Gains					
Other Gains	548	-	-	567	656
Total gains administered on behalf of government	548	-	-	567	656
Total income	1,553,624	1,446,356	1,369,006	1,199,460	990,521
Net (cost of)/ contribution by services	(2,543,964)	(2,855,097)	(2,523,368)	(1,496,776)	(1,487,381)
OTHER COMPREHENSIVE INCOME					
Total other comprehensive income	-	-	-	-	-
Total comprehensive income/(loss)	(2,543,964)	(2,855,097)	(2,523,368)	(1,496,776)	(1,487,381)

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash in special accounts	5,944,987	5,558,136	5,442,345	5,293,518	5,179,536
Receivables	226,328	197,003	202,894	64,462	42,585
Other investments	21,533,021	23,934,264	24,359,713	24,714,409	24,662,308
Accrued revenue	110,559	99,598	87,501	73,600	54,860
Total financial assets	27,814,895	29,789,001	30,092,453	30,145,989	29,939,289
Non-financial assets					
Land and buildings	5,033	4,177	4,819	3,599	2,133
Property, plant and equipment	49	625	453	281	364
Intangibles	4,690	7,490	7,731	7,874	8,038
Prepayments	410	410	410	410	410
Total non-financial assets	10,182	12,702	13,413	12,164	10,945
Total assets administered on behalf of Government	27,825,077	29,801,703	30,105,866	30,158,153	29,950,234
LIABILITIES					
Payables					
Suppliers	30,454	28,784	28,784	28,784	28,784
Grants	61,871	51,343	51,343	51,343	51,343
Other payables	1,500	1,500	1,500	1,500	1,500
Total payables	93,825	81,627	81,627	81,627	81,627
Interest bearing liabilities					
Leases	4,149	3,131	4,030	2,930	1,745
Total interest bearing liabilities	4,149	3,131	4,030	2,930	1,745
Provisions					
Employee provisions	2,204	2,204	2,204	2,204	2,204
Rehabilitation provision	477,924	364,560	237,290	112,045	32,098
Total provisions	480,128	366,764	239,494	114,249	34,302
Total liabilities administered on behalf of Government	578,102	451,522	325,151	198,806	117,674
Net assets/(liabilities)	27,246,975	29,350,181	29,780,715	29,959,347	29,832,560

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Interest	405	3,680	274	182	91
Dividends	162,881	172,489	246,600	253,400	269,300
Fees	8,906	550	550	550	550
Royalties	1,275,260	1,201,696	1,056,040	891,116	671,970
Net GST received	214,254	197,663	158,740	88,308	92,079
Other	13,135	20,429	28,513	28,072	47,728
Levy receipts	34,572	41,370	39,774	38,957	39,327
Total cash received	1,709,413	1,637,877	1,530,491	1,300,585	1,121,045
Cash used					
Suppliers	700,053	612,251	469,451	296,777	266,353
Grants and subsidies paid	1,769,141	2,194,895	1,953,609	977,950	810,180
Employees	7,961	8,810	7,928	8,086	8,248
Payments to corporate entities	1,744,051	1,682,062	1,617,338	1,498,957	1,482,406
Interest payments on lease liability	37	30	25	20	17
Other	116,552	113,500	127,500	126,250	80,750
Total cash used	4,337,795	4,611,548	4,175,851	2,908,040	2,647,954
Net cash from/(used by) operating activities	(2,628,382)	(2,973,671)	(2,645,360)	(1,607,455)	(1,526,909)
INVESTING ACTIVITIES					
Cash received					
Repayments of loans and advances	900	34,025	2,025	139,025	170,325
Interest	1,434	1,138	833	491	147
Other (a)	460,000	300,000	605,000	320,000	390,000
Total cash received	462,334	335,163	607,858	459,516	560,472
Cash used					
Advances and loans made	32,000	-	-	-	-
Investments	914,347	1,746,163	166,280	-	-
Purchase of property, plant, equipment and intangibles	2,165	4,385	690	500	755
Investments in Corporate Commonwealth Entities	861,705	973,673	927,913	640,600	567,571
Total cash used	1,810,217	2,724,221	1,094,883	641,100	568,326
Net cash from/(used by) investing activities	(1,347,883)	(2,389,058)	(487,025)	(181,584)	(7,854)

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	985	1,018	1,052	1,100	1,185
Total cash used	985	1,018	1,052	1,100	1,185
Net cash from/(used by) financing activities	(985)	(1,018)	(1,052)	(1,100)	(1,185)
Net increase/ (decrease) in cash held	(3,977,250)	(5,363,747)	(3,133,437)	(1,790,139)	(1,535,948)
Cash and cash equivalents at beginning of reporting period	5,724,109	5,944,987	5,558,136	5,442,345	5,293,518
Cash from Official Public Account for:					
Appropriations	4,207,528	4,470,563	4,023,926	2,759,758	2,543,195
Appropriation - Administered assets and liabilities	1,632,512	2,034,353	386,820	220,000	90,000
Equity appropriation - corporate entities	55,652	116,568	115,808	78,495	35,466
GST appropriations	214,254	197,663	158,740	88,308	92,079
Total cash from Official Public Account	6,109,946	6,819,147	4,685,294	3,146,561	2,760,740
Cash to Official Public Account for:					
Appropriations	(1,696,664)	(1,610,563)	(1,506,883)	(1,414,916)	(1,076,370)
GST appropriations	(214,254)	(197,663)	(158,740)	(88,308)	(92,079)
Return of contributed equity	(900)	(34,025)	(2,025)	(2,025)	(170,325)
Total cash to Official Public Account	(1,911,818)	(1,842,251)	(1,667,648)	(1,505,249)	(1,338,774)
Cash and cash equivalents at end of reporting period	5,944,987	5,558,136	5,442,345	5,293,518	5,179,536

Prepared on Australian Accounting Standards basis.

(a) Return of funds to the Clean Energy Finance Corporation Special Account.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Administered Assets and Liabilities – Act 2 and Bill 4	848,920	1,822,635	158,337	-	-
Total new capital appropriations	848,920	1,822,635	158,337	-	-
Provided for:					
<i>Purchase of non-financial assets</i>	1,410	2,945	540	-	-
<i>Other Items</i>	847,510	1,819,690	157,797	-	-
Total Items	848,920	1,822,635	158,337	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	1,165	3,190	540	-	-
Funded by special accounts	1,000	1,195	150	500	755
TOTAL	2,165	4,385	690	500	755
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	5,918	4,385	2,641	500	755
<i>Less: ROU additions</i>	3,753	-	1,951	-	-
Total cash used to acquire assets	2,165	4,385	690	500	755

Prepared on Australian Accounting Standards basis.

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

	Land	Buildings	Other property, plant & equipmen	Computer software and Intangible	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022					
Gross book value	548	1,200	627	15,897	18,272
Gross book value - ROU assets	-	6,969	-	-	6,969
Accumulated depreciation/amortisation and impairment	-	(864)	(578)	(11,207)	(12,649)
Accumulated depreciation/amortisation and impairment - ROU assets	-	(2,820)	-	-	(2,820)
Opening net book balance	548	4,485	49	4,690	9,772
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
By purchase – appropriation equity (a)	-	-	-	3,190	3,190
By purchase – other - special account	-	400	695	100	1,195
Total additions	-	400	695	3,290	4,385
Other movements					
Depreciation/amortisation expense	-	(316)	(119)	(490)	(925)
Depreciation/amortisation on ROU assets	-	(940)	-	-	(940)
Total other movements	-	(1,256)	(119)	(490)	(1,865)
As at 30 June 2023					
Gross book value	548	1,600	1,322	19,187	22,657
Gross book value - ROU	-	6,969	-	-	6,969
Accumulated depreciation/amortisation and impairment	-	(1,180)	(697)	(11,697)	(13,574)
Accumulated depreciation/amortisation and impairment - ROU assets	-	(3,760)	-	-	(3,760)
Closing net book balance	548	3,629	625	7,490	12,292

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to Administered Assets and Liabilities appropriations provided through Appropriation Bill (No.2) 2022-23.

Australian Institute of Marine Science

Entity resources and planned performance

Australian Institute of Marine Science

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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 2022-23, 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 health for tropical marine ecosystems via AIMS' solutions that mitigate local, regional and cumulative pressures.
- 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:

- Implement the following projects:
 - \$26.5 million to remediate the AIMS Cape Cleveland wharf in Far North Queensland, and ongoing resourcing of \$1.5 million per annum to maintain the wharf.
 - \$37.1 million over three years to ensure AIMS is resourced to continue its significant and critical contribution to marine science that protects and preserves our oceans, including \$5.3 million for the detailed design of a replacement for the Research Vessel Cape Ferguson.
 - \$36.3 million from the National Collaborative Research Infrastructure Strategy (NCRIS) to expand the National Sea Simulator.
- 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 2022-23 as at Budget March 2022

	2021-22 <i>Estimated actual</i> \$'000	2022-23 Estimate \$'000
Opening balance/cash reserves at 1 July	53,165	52,376
Funds from Government		
Annual appropriations - ordinary annual services (a) (b)		
Outcome 1	45,548	63,193
Annual appropriations - other services (c)		
Equity injection	-	17,550
Other	11,563	1,505
Total annual appropriations	57,111	82,248
Total funds from Government	57,111	82,248
Funds from other sources		
Interest	450	322
Sale of goods and services	32,856	34,073
Other	3,320	7,492
Total funds from other sources	36,626	41,887
Total net resourcing for AIMS	146,902	176,511
	2021-22	2022-23
Average staffing level (number)	273	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.

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

(b) 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.

(c) Appropriation Bill (No. 2) 2022-23.

1.3 Budget measures

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

Table 1.2: AIMS 2022-23 Budget measures
Part 1: Measures announced since the 2021-22 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Payment measures						
Australian Institute of Marine Science - additional funding (a)	1					
Departmental Payment		-	10,191	13,335	1,480	1,500
Total		-	10,191	13,335	1,480	1,500
Total payment measures						
Departmental		-	10,191	13,335	1,480	1,500
Total		-	10,191	13,335	1,480	1,500

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

(a) This measure includes a decision taken but not yet announced in the 2021-22 MYEFO, with the following impact: 2021-22 \$6.1 million; 2022-23 \$18.3 million; and 2023-24 \$12.7 million.

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
<ul style="list-style-type: none"> Program 1.1 – Investing in science, technology and commercialisation
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 and commercialisation.
Department of Education, Skills and Employment
Program
<ul style="list-style-type: none"> 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.
Department of Agriculture, Water and the Environment
Program
<ul style="list-style-type: none"> Program 1.1 – Sustainable Management of Natural Resources and the Environment
Contribution to Outcome 1 made by linked program
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 AIMS 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: Growth of knowledge to support protection and sustainable development of Australia's marine resources through innovative marine science and technology

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1.1: Marine Research					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	49,548	59,193	60,172	48,843	49,462
Expenses not requiring appropriation in the budget year (a)	5,464	6,663	7,014	13,736	13,410
Revenues from other independent sources	36,729	41,967	32,503	36,391	37,451
Total expenses for Program 1	91,741	107,823	99,689	98,970	100,323
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	49,548	59,193	60,172	48,843	49,462
Expenses not requiring appropriation in the budget year (a)	5,464	6,663	7,014	13,736	13,410
Revenues from other independent sources	36,729	41,967	32,503	36,391	37,451
Total expenses for Outcome 1	91,741	107,823	99,689	98,970	100,323

	2021-22	2022-23
Average staffing level (number)	273	300

(a) Expenses not requiring appropriation in the Budget year are made up depreciation / amortisation expenses and other expenses not requiring an appropriation.

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

Table 2.1.2: Performance measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – Growth of knowledge to support protection and sustainable development of Australia’s marine resources through innovative marine science and technology		
Program 1 – Marine Research		
<p>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.</p>		
Key Activities	<p>AIMS delivers Program 1 by providing:</p> <ul style="list-style-type: none"> • 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. 	
Year	Performance measures	Expected Performance Results
Current year 2021-22	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, datasets and derived knowledge products that are used by stakeholders and are publicly available.
	Increase research capability, capacity, impact and science diplomacy through participation in formal national and international collaborations, joint ventures, partnerships and strategic alliances.	Maintain or increase the 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 engagement 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 per cent reduction in AIMS' carbon emissions compared with 2017-18. 15 per cent reduction in AIMS' waste to landfill compared with 2018-19.
	Optimal utilisation of research infrastructure assets.	Maintain or increase usage of research infrastructure.
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	AIMS research creates a positive triple bottom line contribution (impact value) to Australia.	Minimum two case studies.
	Deliver strategic and applied research and monitoring that addresses national research priorities and stakeholder needs.	Achieve revenue budget from stakeholder commissioned research.
	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.

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	Increase research capability, capacity, impact and science diplomacy through participation in formal national and international collaborations, joint ventures, partnerships and strategic alliances.	Maintain or increase the number and scale of domestic and international research partnerships, collaborations, joint ventures and strategic alliances. Specialist advice and expertise provided by AIMS is used by relevant advisory panels and committees.
	Improve research outcomes and impact through increasing Traditional Owner engagement in the planning and delivery of coastal research and development.	Improve research outcomes and impact through increasing Traditional Owner engagement in the planning and delivery of coastal research and development.
	Reduce AIMS' environmental footprint.	20% reduction in AIMS' carbon emissions compared with 2017-18. 20% cent reduction in AIMS' waste to landfill compared with 2018-19.
	Optimise use of research infrastructure assets.	Maintain or increase use of research infrastructure.
Forward Estimates 2023-26	As per 2022-23.	As per 2022-23.
Material changes to Program 1 resulting from 2022-23 Budget Measures: Nil		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2022-23 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Explanatory notes and analysis of budgeted financial statements

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).

AIMS' estimated actual, budgeted and forward estimate financial statements are impacted by a number of measures which are a mixture of operational and capital funding to support financial sustainability and maintain and grow key research infrastructure.

1. Financial Sustainability

AIMS is to receive additional appropriation over the 2021-22 to 2023-24 years. This additional funding will ensure AIMS is resourced to continue its significant, and critical, contribution to national marine science.

2. National Sea Simulator

AIMS received a grant from the National Collaborative Research Infrastructure Strategy (NCRIS) to expand and operate the National Sea Simulator. The grant commenced in June 2021 and will fund expansion of the facility, base line operations of the expanded facility and operation of a proportion of the existing facility with fully funded competitive access for meritorious science. The grant will enable research that supports nationally important programs such as the Reef 2050 Long Term Sustainability Plan and the Reef Restoration and Adaption Program.

3. Wharf Remediation

AIMS has received funding to complete detailed design and construction of a new wharf at the Cape Cleveland facility near Townsville, Queensland. The wharf will re-establish critical research infrastructure for AIMS that had been lost due to siltation arising from a major change in coastal sediment transport conditions. It will return to operation the only major research vessel access facility located in a scientific protected zone in Australia.

4. Replacement Vessel

AIMS has received funding to complete the detailed design for replacement of AIMS research vessels, the RV Cape Ferguson. This vessel - a dedicated coastal class research platforms operating in northern Australia - is reaching the end of its design life. The new vessel design will provide a flexible platform that supports future marine monitoring technologies, green operation, and collection of underway data to support long term data sets and knowledge gaps.

Budgeted Departmental Income Statement

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

AIMS is projecting a loss of \$3.4 million in 2022-23. The loss includes unfunded depreciation expenses relating to assets for which capital was previously provided by the Government partially offset by additional financial sustainability revenue from Government.

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.

The National SeaSimulator NCRIS funding is being provided as an equity injection showing a reversal of the previous decline across the remainder of the forward estimates in last years' Portfolio Budget Statements.

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 for the budget year remains strong with the additional funding and declines over the forward estimates in line with the losses in the income statement.

Budgeted Departments 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. It also includes capital expenditure relating to construction of the National Sea Simulator expansion.

3.2 Budgeted financial statements tables

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	38,822	45,275	43,447	37,763	37,974
Suppliers	39,237	47,696	41,034	45,255	46,809
Depreciation and amortisation	13,560	14,754	15,085	15,808	15,483
Finance costs	19	18	16	15	14
Losses from asset sales	103	80	107	129	43
Total expenses	91,741	107,823	99,689	98,970	100,323
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	32,856	34,073	31,695	35,608	36,688
Interest	450	322	301	254	320
Other	3,320	7,492	400	400	400
Total own-source revenue	36,626	41,887	32,396	36,262	37,408
Gains					
Sale of assets	103	80	107	129	43
Total gains	103	80	107	129	43
Total own-source income	36,729	41,967	32,503	36,391	37,451
Net (cost of)/contribution by services	55,012	65,856	67,186	62,579	62,872
Revenue from Government	49,548	59,193	60,172	48,843	49,462
Surplus/(deficit) attributable to the Australian Government	(5,464)	(6,663)	(7,014)	(13,736)	(13,410)
Total comprehensive income/(loss) attributable to the Australian Government	(5,464)	(6,663)	(7,014)	(13,736)	(13,410)
Note: Impact of net cash appropriation arrangements					
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(5,464)	(6,663)	(7,014)	(13,736)	(13,410)
plus: depreciation/amortisation expenses for ROU assets (a)	76	68	51	51	51
less: Lease principal repayments (a)	(108)	(79)	(43)	(45)	(47)
Net Cash Operating Surplus/(Deficit)	(5,496)	(6,674)	(7,006)	(13,730)	(13,406)

Prepared on Australian Accounting Standards basis.

(a) Applies leases under AASB 16 Leases.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	250	250	250	250	250
Trade and other receivables	5,682	6,101	7,216	7,396	8,028
Other investments	56,126	39,182	34,843	17,541	10,508
Other financial assets	4,818	4,750	2,878	3,922	3,481
Total financial assets	66,876	50,283	45,187	29,109	22,267
Non-financial assets					
Land and buildings	102,787	131,124	143,766	140,934	137,646
Property, plant and equipment	49,763	52,718	49,886	53,669	51,416
Intangibles	3,925	3,620	3,350	3,055	2,754
Inventories	302	373	315	342	354
Other non-financial assets	3,947	4,212	3,781	3,806	3,751
Total non-financial assets	160,724	192,047	201,098	201,806	195,921
Total assets	227,600	242,330	246,285	230,915	218,188
LIABILITIES					
Payables					
Suppliers	6,738	8,330	7,035	4,702	4,942
Other payables	6,752	7,076	6,601	7,281	7,488
Total payables	13,490	15,406	13,636	11,983	12,430
Interest bearing liabilities					
Leases	764	685	642	597	550
Total interest bearing liabilities	764	685	642	597	550
Provisions					
Employee provisions	14,787	15,305	15,488	15,552	15,835
Other provisions	17	-	-	-	-
Total provisions	14,804	15,305	15,488	15,552	15,835
Total liabilities	29,058	31,396	29,766	28,132	28,815
Net assets	198,542	210,934	216,519	202,783	189,373
EQUITY*					
Parent entity interest					
Contributed equity	113,142	132,197	144,796	144,796	144,796
Reserves	109,018	109,018	109,018	109,018	109,018
Retained surplus (accumulated deficit)	(23,618)	(30,281)	(37,295)	(51,031)	(64,441)
Total parent entity interest	198,542	210,934	216,519	202,783	189,373
Total equity	198,542	210,934	216,519	202,783	189,373

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 2022-23)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2022				
Balance carried forward from previous period	(23,618)	109,018	113,142	198,542
Adjusted opening balance	(23,618)	109,018	113,142	198,542
Comprehensive income				
Surplus/(deficit) for the period	(6,663)	-	-	(6,663)
Total comprehensive income	(6,663)	-	-	(6,663)
of which:				
Attributable to the Australian Government	(6,663)	-	-	(6,663)
Transactions with owners				
Contributions by owners				
Equity Injection - Appropriation	-	-	17,550	17,550
Equity Injection - Other	-	-	1,505	1,505
Sub-total transactions with owners	-	-	19,055	19,055
Estimated closing balance as at 30 June 2023	(30,281)	109,018	132,197	210,934
Closing balance attributable to the Australian Government	(30,281)	109,018	132,197	210,934

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	49,548	59,193	60,172	48,843	49,462
Sale of goods and rendering of services	27,873	34,023	30,124	35,124	36,264
Interest	411	270	275	228	320
Other	3,572	7,560	2,272	356	841
Total cash received	81,404	101,046	92,843	84,551	86,887
Cash used					
Employees	37,181	44,750	43,257	37,689	37,692
Suppliers	36,001	46,440	41,840	47,640	46,526
Interest payments on lease liability	19	18	16	15	14
Total cash used	73,201	91,208	85,113	85,344	84,232
Net cash from/(used by) operating activities	8,203	9,838	7,730	(793)	2,655
INVESTING ACTIVITIES					
Cash received					
Proceeds from sale of assets	103	80	107	129	43
Transfer from Investments	-	16,944	4,339	17,302	7,033
Total cash received	103	17,024	4,446	17,431	7,076
Cash used					
Purchase of property, plant and equipment and intangibles	16,550	45,838	24,732	16,593	9,684
Transfer to investments	28,126	-	-	-	-
Total cash used	44,676	45,838	24,732	16,593	9,684
Net cash from/(used by) investing activities	(44,573)	(28,814)	(20,286)	838	(2,608)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	11,563	19,055	12,599	-	-
Total cash received	11,563	19,055	12,599	-	-
Cash used					
Principal payments on lease liability	108	79	43	45	47
Total cash received	108	79	43	45	47
Net cash from/(used by) financing activities	11,455	18,976	12,556	(45)	(47)
Net increase/(decrease) in cash held	(24,915)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	25,165	250	250	250	250
Cash and cash equivalents at the end of the reporting period	250	250	250	250	250

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	-	17,550	12,599	-	-
Total new capital appropriations	-	17,550	12,599	-	-
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	-	17,550	12,599	-	-
Total Items	-	17,550	12,599	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded from capital appropriations (a)	2,067	15,483	12,599	-	-
Funded internally from departmental resources (b)	14,483	30,355	12,133	16,593	9,684
TOTAL	16,550	45,838	24,732	16,593	9,684
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	16,550	45,838	24,732	16,593	9,684
Total cash used to acquire assets	16,550	45,838	24,732	16,593	9,684

Prepared on Australian Accounting Standards basis.

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

(b) Includes the following sources of funding:

- own source revenue receipts;
- internally developed assets; and
- proceeds from the sale of assets.

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

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2022				
Gross book value	108,397	58,721	8,437	175,555
Gross book value - ROU assets	962	-	-	962
Accumulated depreciation/ amortisation and impairment	(6,386)	(8,958)	(4,512)	(19,856)
Accumulated depreciation/amortisation and impairment - ROU assets	(186)	-	-	(186)
Opening net book balance	102,787	49,763	3,925	156,475
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - other	34,531	10,990	300	45,821
Total additions	34,531	10,990	300	45,821
Other movements				
Depreciation/amortisation expense	(6,126)	(7,955)	(605)	(14,686)
Depreciation/amortisation on ROU assets	(68)	-	-	(68)
Total other movements	(6,194)	(7,875)	(605)	(14,674)
As at 30 June 2023				
Gross book value	142,928	68,827	8,737	220,492
Gross book value - ROU assets	962	-	-	962
Accumulated depreciation/ amortisation and impairment	(12,512)	(16,109)	(5,117)	(33,738)
Accumulated depreciation/amortisation and impairment - ROU assets	(254)	-	-	(254)
Closing net book balance	131,124	52,718	3,620	187,462

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 2022-23)

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

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

1.1 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.

ANSTO is the centre of nuclear medicine production in Australia. On average ANSTO's radioisotopes provide 10,000-12,000 nuclear medicine procedures that benefit Australians each week battling cancer and other diseases. ANSTO's daily operations are critical to the health and wellbeing of the nation.

In 2022-23, ANSTO will deliver the first part of a multi-phased project for a new world-leading nuclear medicine manufacturing facility to be built at its Lucas Heights campus in Southern Sydney. This will replace the existing facility that is nearing the end of its useful life and thus will safeguard Australia's sovereign capability to produce vital nuclear medicines. The new facility will provide Australian patients with technetium, lutetium, and iodine-based products, and will have the flexibility to respond to market and technological changes. The modern design will also enable greater process automation than is possible with the existing facility, leading to improvements in efficiency, quality, and, importantly, the highest levels of production and personal safety.

The 2022-23 Budget provides ANSTO with additional funding of \$28 million from 2022-23 to 2023-24 to support the production of life saving nuclear medicine to Australians.

In 2022-23, ANSTO will continue to provide expert advice and support to the Nuclear-Powered Submarine Taskforce, baselining and augmenting Australia's nuclear stewardship capabilities and credentials. ANSTO has established a small, multidisciplinary team of experts to support this work. In addition, ANSTO will continue to prioritise activities and research to support Australia's response to the unprecedented challenges the country is facing including:

- ANSTO scientists and its collaborators utilising our unique infrastructure such as the Synchrotron to better understand the structure of viruses, including Covid-19 which, in turn, assists in developing vaccines and treatments.
- Understanding climate change (including contributions to Australia's critical Antarctic research program) and its impact on Australia and its neighbours.
- Conducting research into Australian bushfires to assist with planning, mitigation, and response to extreme bushfire events.
- Prioritising water research and partnering with communities to provide a scientific basis for managing and sustaining Australia's precious groundwater resources.

ANSTO's Australian Synchrotron continues its partner-funded \$95 million BR-GHT beamline expansion program, with eight new beamlines being constructed. This will nearly double the Synchrotron's capacity and enable broader engagement with 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.

More information on ANSTO, its strategic objectives, and major activities can be found in ANSTO's corporate plan at: <https://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 2022-23 as at Budget March 2022

	<i>2021-22 Estimated actual \$'000</i>	2022-23 Estimate \$'000
Opening balance/cash reserves at 1 July	33,153	33,154
Funds from Government		
Annual appropriations - ordinary annual services (a)(c)		
Outcome 1	279,506	289,790
Annual appropriations - other services (b)(c)		
Equity injection	50,187	43,169
Total annual appropriations	329,693	332,959
Total funds from Government	329,693	332,959
Funds from other sources		
Interest	1,144	930
Sale of goods and services	86,491	96,099
Other	35,962	24,667
Total funds from other sources	123,597	121,696
Total net resourcing for ANSTO	486,443	487,809
	<i>2021-22</i>	2022-23
Average staffing level (number)	1,350	1,363

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

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

(b) Appropriation Bill (No. 2) 2022-23.

(c) 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 2022-23 Budget measures
Part 1: Measures announced after the 2021-22 Mid-Year Economic and Fiscal Outlook (MYEFO)

Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Payment measures					
Critical Minerals Strategy - implementation	1				
Departmental payment	-	1,583	1,900	1,427	-
Total	-	1,583	1,900	1,427	-
Total payment measures					
Departmental	-	1,583	1,900	1,427	-
Total	-	1,583	1,900	1,427	-

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.

ANSTO also received \$28 million across 2022-23 and 2023-24 to support nuclear medicine production.

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-publications/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
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Investing in science, technology and commercialisation • Program 1.3 – Supporting a strong resources sector
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of Industry, Science, Energy and Resources contributes to Outcome 1 through its policies and programs supporting science and commercialisation, and the sustainability of development of the resources sector.</p>
Department of Education, Skills and Employment
<p>Programs</p> <ul style="list-style-type: none"> • Program 2.6 – Research Capacity
<p>Contribution to Outcome 1 made by linked programs</p> <p>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.</p>
Department of Defence
<p>Programs</p> <ul style="list-style-type: none"> • Program 2.5 – Navy Capabilities
<p>Contribution to Outcome 1 by linked program</p> <p>The Department of Defence contributes to Outcome 1 through its use of ANSTO’s expertise and advice in the support of the Nuclear-Powered Submarine Taskforce, with a focus on including baselining and augmenting Australia's nuclear stewardship capabilities and credentials.</p>

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1: Science and Technology Solutions					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	279,506	289,790	293,329	275,213	282,445
Expenses not requiring appropriation in the budget year (a)	30,361	(2,632)	(38,694)	(26,344)	(25,668)
Revenues from other independent sources	150,628	121,696	81,216	119,147	119,137
Total expenses for Program 1	460,495	408,854	335,851	368,016	375,914
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	279,506	289,790	293,329	275,213	282,445
Expenses not requiring appropriation in the budget year (a)	30,361	(2,632)	(38,694)	(26,344)	(25,668)
Revenues from other independent sources	150,628	121,696	81,216	119,147	119,137
Total expenses for Outcome 1	460,495	408,854	335,851	368,016	375,914
	2021-22	2022-23			
Average staffing level (number)	1,350	1,363			

(a) 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.

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

Table 2.1.2: Performance measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – 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.		
Key Activities (a)	Key activities reported in the current corporate plan that relate to this program: <ul style="list-style-type: none"> • Ensure the reliable and sustainable supply of nuclear medicines, products and services. • Five-year research and development strategy for successful innovation in health • Current Research Information System and Portal (CRISP) project. • Form strategic partnerships and collaborations to leverage more effective research outcomes for Australia and the world. • Operate world-class research infrastructure, and leverage capabilities to support translational research that delivers real-life benefits and impact. • Develop and produce new radioisotopes through working collaboratively with partners using our nuclear-related expertise. • Use knowledge incubation, research translation, and collaboration within the Innovation Precinct to produce real-world benefits. • Deliver expert advice to Local, State and Federal Governments and related stakeholders to support the national interest. • Participate in global and regional nuclear discussions to ensure that Australia remains a leader in the applications of nuclear science and technology. • Grow a more informed generation of Australians who understand the benefits of nuclear science and technology. • Provide an inclusive environment that empowers our people and supports a culture of collaboration and engagement. • Train and develop the next generation of specialised nuclear professionals. 	
Year	Performance measures	Expected Performance Results
Current year 2021-22	Full utilisation of landmark infrastructure.	OPAL Research Reactor: days at power Target: 290 days Forecast actual: 302 Australian Synchrotron: percentage utilisation Target: 95% Forecast actual: 98%

		<p>Neutron beam instruments: percentage utilisation Target: 85% Forecast actual: 64% (b)</p> <p>Accelerators: percentage of utilisation Target: 65% Forecast actual: 55% (c)</p> <p>National deuteration facility percentage utilisation Target: 90% Forecast actual: 89%</p> <p>User satisfaction (Net Promoter Score) across all facilities: Target: 90% Forecast actual: 91%</p>
	<p>Ensure the reliable and sustainable supply of nuclear medicines.</p>	<p>ANM (Mo-99): delivery in full and on time (d) Target: 95% or greater Forecast actual: 96%</p> <p>ANSTO Nuclear Medicine Production Facility: delivery in full and on time (d) Target: 95% or greater Forecast actual: 93% (e)</p> <p>NTD Silicon delivery in full and on time Target: 95% or greater Forecast actual: 84%</p>
	<p>Deliver and translate research that has scientific and industrial impact.</p>	<p>Publications undertaken with national and international collaborators Target: 95% or greater Forecast actual: 96%</p> <p>Case studies demonstrating the impact of our research Target: eight case studies for reporting period Forecast actual: eight case studies for reporting period</p> <p>Total publications per calendar year (ANSTO only, ANSTO with national and/or international co-authors or both) Target: 600 or greater Forecast actual: 594</p> <p>External revenue from research and research services (excluding National</p>

		<p>Collaborative Research Infrastructure Strategy, NCRIS Grants)</p> <p>Target: \$5m</p> <p>Forecast actual; \$6.3m</p> <p>New jobs created each year within the Innovation Precinct</p> <p>Target: 10</p> <p>Forecast actual: Target achieved</p>
	Ensure a highly reliable, safe and secure environment.	<p>Improvement in safety culture</p> <p>Target: increase in Opportunities for Improvement to Actual Incidents recorded</p> <p>Forecast actual: Target achieved</p> <p>Improvement in site-wide safety</p> <p>Target: year on year decrease in class 1, 2, and 3 incidents.</p> <p>Forecast actual: Target achieved</p> <p>Class 1 – damage that permanently alters a person's life</p> <p>Class 2 – Damage that temporarily alters a person's life</p> <p>Class 3 – inconveniences in person's life or 105 days/shifts off work</p>
	Providing expert advice and being a trusted advisor.	<p>Australian Government Stakeholder satisfaction – Federal, State and Local Government</p> <p>Target: 75%</p> <p>Forecast actual: Target achieved</p> <p>Case studies to highlight and assess the impact of ANSTO's engagement with Government-related stakeholders</p> <p>Target: 4 or more cases studies per annum</p> <p>Forecast actual: Target achieved</p> <p>Facilitation of Australian participation and leadership in International Atomic Energy Agency (IAEA) and Regional Cooperative Agreement (RCA) programs</p> <p>Target: Participation in 80 per cent of RCA active projects</p> <p>Forecast actual: Target achieved</p> <p>Target: leading at least 1 RCA project</p> <p>Forecast actual: Target achieved</p> <p>Target: Participation in at least 10 IAEA coordinated research projects relevant to nuclear applications.</p> <p>Forecast actual: Target achieved</p>

		<p>Case studies to highlight and assess the impact of ANSTO engagement with international stakeholders</p> <p>Target: at least 2 per annum</p> <p>Forecast actual: Target achieved</p>
	Share with the general public research outcomes enabled by ANSTO.	<p>Target: at least 36 stories published on the ANSTO website per annum</p> <p>Forecast Actual: Target achieved</p>
	Offer a range of resources for teachers and student to support the national science curriculum outcomes for years 3 to 12.	<p>Target: Deliver at least six national programs per annum</p> <p>Forecast actual: Target achieved</p>
	Increase accessibility of STEM teacher training programs.	<p>Target: Deliver teacher professional development days in all states and territories</p> <p>Forecast actual: 6 sessions (f)</p>
	Conduct educational tours and science experiences at ANSTO's Sydney and Melbourne campuses.	<p>Target: At least 15,000 visitors per annum</p> <p>Forecast actual: 8,000 (g)</p>
	Leadership teams – representation.	<p>Target:</p> <p>Female: 40%</p> <p>Male: 40%</p> <p>Discretionary: 20%</p> <p>Forecast actual</p> <p>Female: 25%</p> <p>Male: 75%</p>
	ANSTO wide – representation.	<p>Target:</p> <p>Female: 40%</p> <p>Male: 40%</p> <p>Discretionary: 20%</p> <p>Forecast actual</p> <p>Female: 32%</p> <p>Male: 68%</p>
	Postgraduates supervised.	<p>Target: 120</p> <p>Forecast actual: 156</p>
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	Full utilisation of landmark infrastructure.	<p>OPAL Research Reactor: days at power</p> <p>Target: 300 days</p> <p>Australian Synchrotron: percentage utilisation</p> <p>Annual Target: 95%</p> <p>Neutron beam instruments: percentage utilisation</p> <p>Annual Target: 85%</p>

		<p>Accelerators: percentage utilisation Annual Target: 65%</p> <p>National deuteration facility percentage utilisation Annual Target: 90%</p> <p>User satisfaction (Net Promoter Score) across all facilities: Annual Target: 90%</p>
	Ensure the reliable and sustainable supply of nuclear medicines.	<p>ANM (Mo-99): delivery in full and on time Target: 95% or greater</p> <p>ANSTO Nuclear Medicine Production Facility: delivery in full and on time Target: 95% or greater</p> <p>NTD Silicon delivery in full and on time Target: 95% or greater</p>
	Deliver and translate research that has scientific and industrial impact.	<p>Publications undertaken with national and international collaborators Target: 95 per cent or greater</p> <p>Case studies demonstrating the impact of our research Target: eight case studies for reporting period</p> <p>Total publications (ANSTO only, ANSTO with national and/or international co-authors or both) Target: 600 or greater</p> <p>External revenue from research and research services (excluding National Collaborative Research Infrastructure Strategy, NCRIS Grants) Target: \$5.25m</p>
	Ensure a highly reliable, safe and secure environment.	<p>Improvement in safety culture Target: increase in Opportunities for Improvement to Actual Incidents recorded</p> <p>Improvement in site-wide safety Target: year on year decrease in class 1, 2, and 3 incidents.</p>
	Providing expert advice and being a trusted advisor.	<p>Australian Government Stakeholder satisfaction – Federal, State and Local Government Target: 75%</p> <p>Case studies to highlight and assess the</p>

		<p>impact of ANSTO's engagement with Government-related stakeholders Target: 4 or more cases studies per annum</p> <p>Facilitation of Australian participation and leadership in International Atomic Energy Agency (IAEA) and Regional Cooperative Agreement (RCA) programs Target: Participation in 80% of RCA active projects</p> <p>Target: leading at least 1 RCA project</p> <p>Target: Participation in at least 10 IAEA projects relevant to nuclear applications.</p> <p>Case studies to highlight and assess the impact of ANSTO engagement with international stakeholders Target: at least 2 per annum</p>
	Share with the general public research outcomes enabled by ANSTO.	Target: at least 36 stories published on the ANSTO website per annum
	Offer a range of resources for teachers and student to support the national science curriculum outcomes for years 3 to 12.	Target: Deliver at least six national programs per annum
	Increase accessibility of STEM teacher training programs.	Target: Deliver six teacher professional development sessions
	Conduct educational tours and science experiences at ANSTO's Sydney and Melbourne campuses.	Target: At least 15,000 visitors per annum
	Leadership teams - representation.	Target: Female: 40% Male: 40% Discretionary: 20%
	ANSTO wide - representation.	Target: Female: 40% Male: 40% Discretionary: 20%
	Postgraduates supervised.	Target: 120
Forward Estimates 2023-26	As per 2022-23.	<p>OPAL Research Reactor: days at power 2023-24 Target: 200 days (h) 2024-25 Target: 300 days 2025-26 Target: 260 days</p> <p>Australian Synchrotron: percentage utilisation Annual Target: 95%</p>

		<p>Neutron beam instruments: percentage utilisation Annual Target: 85%</p> <p>Accelerators: percentage utilisation Annual Target: 65%</p> <p>National deuteration facility percentage utilisation Annual Target: 90%</p> <p>User satisfaction (Net Promoter Score) across all facilities: Annual Target: 90%</p> <hr/> <p>ANM (Mo-99): delivery in full and on time Annual Target: 95% or greater</p> <p>ANSTO Nuclear Medicine Production Facility: delivery in full and on time Annual Target: 95% or greater</p> <p>NTD Silicon delivery in full and on time Target: 95% or greater</p> <hr/> <p>Publications undertaken with national and international collaborators Annual Target: 95% or greater</p> <p>Case studies demonstrating the impact of our research Annual Target: eight case studies for reporting period</p> <p>Total publications (ANSTO only, ANSTO with national and/or international co-authors or both) Target: 600 or greater</p> <p>External revenue from research and research services (excluding National Collaborative Research Infrastructure Strategy, NCRIS Grants) 2023-24 Target: \$5.5m 2024-25 Target: \$5.75m 2025-26 Target: \$6m</p> <hr/> <p>Improvement in safety culture Target: increase in Opportunities for Improvement to Actual Incidents recorded</p> <p>Improvement in site-wide safety Target: year on year decrease in class 1, 2,</p>
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		and 3 incidents.
		<p>Australian Government Stakeholder satisfaction – Federal, State and Local Government Target: 75%</p> <p>Case studies to highlight and assess the impact of ANSTO’s engagement with Government-related stakeholders Target: 4 or more cases studies per annum</p> <p>Facilitation of Australian participation and leadership in International Atomic Energy Agency (IAEA) and Regional Cooperative Agreement (RCA) programs Target: Participation in 80 per cent of RCA active projects</p> <p>Target: leading at least 1 RCA project</p> <p>Target: Participation in at least 10 IAEA projects relevant to nuclear applications. projects</p> <p>Case studies to highlight and assess the impact of ANSTO engagement with international stakeholders Target: at least 2 per annum</p>
		Target: at least 36 stories published on the ANSTO website per annum
		Target: Deliver at least six national programs per annum
		Target: Deliver teacher professional development days in all states and territories
		Target: At least 15,000 visitors per annum
		<p>Leadership team representation Target: Female: 40% Male: 40% Discretionary: 20%</p>
		<p>ANSTO wide representation Target: Female: 40% Male: 40% Discretionary: 20%</p>
		<p>Postgraduates supervised 2023-24 Target: 140 2024-25 Target: 150 2025-26 Target: 160</p>
Material changes to Program 1 resulting from 2022-23 Budget Measures: Nil		

(a) Further details and a full list of ANSTO’s key activities and performance criteria can be found in ANSTO’s 2021-2022 Corporate Plan.

- (b) The target for ANSTO's nuclear beam instruments will not be achieved due to the impact of COVID-19, including restrictions to user access and travel, and unplanned outages due to aging equipment.
- (c) The target for ANSTO's accelerators will not be achieved due to the impact of COVID-19, including restriction of use to only critical and essential projects.
- (d) ANSTO has revised its performance criteria for nuclear medicine manufacturing away from theoretical patient doses to delivery in full and on time (DIFOT), an industry standard and customer-centric performance indicator of the overall supply performance of ANSTO Nuclear Medicine.
- (e) The ANSTO Nuclear Medicine Production Facility target will not be achieved due to COVID-19 restrictions adversely affecting staffing and supply chain capacity.
- (f) Due to COVID-19 training sessions were run on-line.
- (g) Tours did not operate for five months due to COVID-19.
- (h) The decreased days at power in 2023-24 is due to an extended maintenance shutdown of the OPAL Reactor to replace the cold neutron source.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2022-23 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Explanatory notes and analysis of budgeted financial statements

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 2022-23 are estimated at \$414.1 million compared to the estimate for 2021-22 of \$399.8 million. Total revenue in 2022-23 is estimated to be \$411.5 million (including appropriation) compared to the estimate of \$430.1 million for 2021-22, a decrease of \$18.6 million.

Budgeted Departmental Balance Sheet

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

Financial assets decreased from \$273.5 million in 2021-22 to \$243.9 million in 2022-23. 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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	165,199	170,821	168,998	169,315	169,315
Suppliers	136,419	140,288	136,934	137,273	130,357
Grants	3,158	3,267	3,267	3,267	3,267
Depreciation and amortisation	86,472	91,131	95,326	102,135	115,597
Finance costs	8,525	8,611	8,714	8,714	8,714
Total expense	399,773	414,118	413,239	420,704	427,250
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of service	87,346	88,459	54,671	92,602	92,592
Interest	1,144	930	1,303	1,303	1,303
Rental income	7,195	7,195	7,195	7,195	7,195
Royalties	3,847	4,069	4,069	4,069	4,069
Other	51,096	21,043	13,978	13,978	13,978
Total own-source revenue	150,628	121,696	81,216	119,147	119,137
Total own-source income	150,628	121,696	81,216	119,147	119,137
Net (cost of)/contribution by services	(249,145)	(292,422)	(332,023)	(301,557)	(308,113)
Revenue from Government	279,506	289,790	293,329	275,213	282,445
Surplus/(deficit) attributable to the Australian Government	30,361	(2,632)	(38,694)	(26,344)	(25,668)
Total comprehensive income/(loss)	30,361	(2,632)	(38,694)	(26,344)	(25,668)
Total comprehensive income/(loss) attributable to the Australian Government	30,361	(2,632)	(38,694)	(26,344)	(25,668)

Note: Impact of net cash appropriation arrangements

Total comprehensive income/(loss) - as per statement of Comprehensive Income	30,361	(2,632)	(38,694)	(26,344)	(25,668)
plus: depreciation/amortisation expenses for ROU assets (a)	145	147	149	151	28
less: lease principal repayments (a)	124	126	128	121	121
Net Cash Operating Surplus/ (Deficit)	30,382	(2,611)	(38,673)	(26,314)	(25,761)

(a) Applies leases under AASB 16 Leases.
Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	33,154	33,286	37,976	37,976	37,976
Trade and other receivables	42,293	42,185	55,695	55,695	55,695
Other investments	197,333	167,757	131,628	72,243	76,110
Other financial assets	704	704	704	704	704
Total financial assets	273,484	243,932	226,003	166,618	170,485
Non-financial assets					
Land and buildings	368,836	419,057	466,309	487,073	488,151
Property, plant and equipment	891,087	929,004	941,627	910,795	892,049
Intangibles	66,335	61,853	62,074	64,696	67,467
Inventories	48,985	48,985	48,985	48,985	48,985
Tax assets	802	802	802	802	802
Other non-financial assets	9,050	9,050	9,050	9,050	9,050
Total non-financial assets	1,385,095	1,468,751	1,528,847	1,521,401	1,506,504
Total assets	1,658,579	1,712,683	1,754,850	1,688,019	1,676,989
LIABILITIES					
Payables					
Suppliers	25,511	25,490	25,469	25,439	25,532
Other payables	27,046	27,046	27,046	27,046	27,046
Total payables	52,557	52,536	52,515	52,485	52,578
Interest bearing liabilities					
Leases	3,657	3,668	3,679	3,558	3,437
Total interest bearing liabilities	3,657	3,668	3,679	3,558	3,437
Provisions					
Employee provisions	54,337	54,337	54,337	54,337	54,337
Other provisions	785,634	799,211	831,281	770,556	770,556
Total provisions	839,971	853,548	885,618	824,893	824,893
Total liabilities	896,185	909,752	941,812	880,936	880,908
Net assets	762,394	802,931	813,038	807,083	796,081
EQUITY*					
Parent entity interest					
Contributed equity	971,521	1,014,690	1,063,491	1,083,880	1,098,546
Reserves	513,405	513,405	513,405	513,405	513,405
Retained surplus (accumulated deficit)	(722,532)	(725,164)	(763,858)	(790,202)	(815,870)
Total parent entity interest	762,394	802,931	813,038	807,083	796,081
Total equity	762,394	802,931	813,038	807,083	796,081

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 2022-23)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2022					
Balance carried forward from previous period	(722,532)	503,406	9,999	971,521	762,394
Adjusted opening balance	(722,532)	503,406	9,999	971,521	762,394
Comprehensive income					
Surplus/(deficit) for the period	(2,632)	-	-	-	(2,632)
Total comprehensive income	(2,632)	-	-	-	(2,632)
of which:					
Attributable to the Australian Government	(2,632)	-	-	-	(2,632)
Contributions by owners					
Equity injection - Appropriation	-	-	-	43,169	43,169
Sub-total transactions with owners	-	-	-	43,169	43,169
Estimated closing balance as at 30 June 2023	(725,164)	503,406	9,999	1,014,690	802,931
Closing balance attributable to the Australian Government	(725,164)	503,406	9,999	1,014,690	802,931

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Receipts from Government	279,506	289,790	293,329	275,213	282,445
Sale of goods and rendering of services	86,491	96,099	61,866	99,797	99,787
Interest	1,144	930	1,303	1,303	1,303
Other	35,962	24,667	18,047	18,047	18,047
Total cash received	403,103	411,486	374,545	394,360	401,582
Cash used					
Employees	165,199	170,821	168,998	169,315	169,315
Suppliers	136,440	140,309	136,955	137,303	130,264
Interest payments on lease liability	13	13	13	13	13
Other	7,006	7,335	7,336	7,336	3,267
Total cash used	308,658	318,478	313,302	313,967	302,859
Net cash from/(used by) operating activities	94,445	93,008	61,243	80,393	98,723
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of financial instruments	436,343	436,343	423,453	430,000	450,000
Total cash received	436,343	436,343	423,453	430,000	450,000
Cash used					
Purchase of property, plant and equipment and intangibles	128,781	165,603	127,845	160,046	109,401
Purchase of financial instruments	442,316	406,767	387,324	370,615	453,867
Total cash used	571,097	572,370	515,169	530,661	563,268
Net cash from/(used by) investing activities	(134,754)	(136,027)	(91,716)	(100,661)	(113,268)

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
FINANCING ACTIVITIES					
Cash received					
Contributed equity	50,187	43,169	48,801	20,389	14,666
Total cash received	50,187	43,169	48,801	20,389	14,666
Cash used					
Principal payments on lease liability	124	126	128	121	121
Total cash used	124	126	128	121	121
Net cash from/(used by) financing activities	50,063	43,043	48,673	20,268	14,545
Net increase/(decrease) in cash held	9,754	24	18,200	-	-
Cash and cash equivalents at the beginning of the reporting period	33,153	33,154	33,286	37,976	37,976
Cash and cash equivalents at the end of the reporting period	33,154	33,286	37,976	37,976	37,976

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	50,187	43,169	47,269	20,389	14,666
Total new capital appropriations	50,187	43,169	47,269	20,389	14,666
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	<i>(50,187)</i>	<i>(43,169)</i>	<i>(47,269)</i>	<i>(20,389)</i>	<i>(14,666)</i>
Total items	(50,187)	(43,169)	(47,269)	(20,389)	(14,666)
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	(50,187)	(43,169)	(47,269)	(20,389)	(14,666)
Funded internally from departmental resources (b)	(86,399)	(134,056)	(108,014)	(74,300)	(86,034)
TOTAL	(136,586)	(177,225)	(155,283)	(94,689)	(100,700)
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	(136,586)	(177,225)	(155,283)	(94,689)	(100,700)
Total cash used to acquire assets	(136,586)	(177,225)	(155,283)	(94,689)	(100,700)

Prepared on Australian Accounting Standards basis.

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

(b) Includes the following s74 external receipts:

- sponsorship, subsidy, gifts or similar contribution;
- internally developed assets;
- own-source revenue; and
- proceeds from the sale of assets.

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

	Land	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022					
Gross book value	201,500	193,477	993,629	135,603	1,524,209
Gross book value - ROU assets	-	4,019	-	-	4,019
Accumulated depreciation/amortisation and impairment	-	(29,721)	(102,542)	(69,268)	(201,531)
Accumulated depreciation/amortisation and impairment - ROU assets	-	(439)	-	-	(439)
Opening net book balance	201,500	167,336	891,087	66,335	1,326,258
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase - appropriation equity (a)	-	59,169	113,481	2,000	174,650
By purchase - appropriation equity - ROU assets	-	137	-	-	137
Total additions	-	59,306	113,481	2,000	174,787
Other movements					
Depreciation/amortisation expense	-	(8,938)	(75,564)	(6,482)	(90,984)
Depreciation/amortisation on ROU assets	-	(147)	-	-	(147)
Total other movements		(9,085)	(75,564)	(6,482)	(91,131)
As at 30 June 2023					
Gross book value	201,500	252,646	1,107,110	137,603	1,698,859
Gross book value - ROU assets	-	4,156	-	-	4,156
Accumulated depreciation/amortisation and impairment	-	(38,659)	(178,106)	(75,750)	(292,515)
Accumulated depreciation/amortisation and impairment - ROU assets	-	(586)	-	-	(586)
Closing net book balance	201,500	217,557	929,004	61,853	1,409,914

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022-23.

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 2022-23)

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

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

1.1 Strategic direction statement

The Australian Renewable Energy Agency (ARENA) is a corporate Commonwealth entity. ARENA's purpose is to support improvements in the competitiveness and supply of renewable energy and other low emissions technologies by providing financial assistance and sharing knowledge, to accelerate innovation that benefits all Australians.

Since the 2021-22 Budget, the Government has expanded the mandate of ARENA through the Australian Renewable Energy Agency (Implementing the Technology Investment Roadmap) Regulations 2021 (the Regulations). The Regulations prescribe a function of providing financial assistance in relation to priority low emissions technologies, with a focus on the five priority low emissions technologies and the corresponding stretch goals identified in the Government's first Low Emissions Technology Statement (LETS). The Regulations also prescribe a function of providing financial assistance in relation to five targeted programs announced in the 2020-21 Budget: Freight Efficiency Assistance Grants, the Freight Energy Productivity Trial Program, the Future Fuels Fund, the Industrial Energy Transformation Studies Program and the Regional Australia Microgrid Pilots Program.

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.
- Supporting low emissions technologies, as outlined in the Government's first Low Emissions Technology Statement.
- The storage and sharing of knowledge and information about renewable energy and other low emissions technologies.

ARENA also collects, analyses, interprets and disseminates information and knowledge about renewable energy and other low emission technologies; and provides advice to the Minister for Industry, 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 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 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 2022-23 as at Budget March 2022

	2021-22 Estimated actual \$'000	2022-23 Estimate \$'000
Opening balance/cash reserves at 1 July	139,033	261,820
Funds from Government		
Annual appropriations - ordinary annual services (a) (b)		
Outcome 1	117,173	289,450
Total annual appropriations	117,173	289,450
Amounts received from related entities		
Amounts from portfolio department (c)	304,836	-
Total amounts received from related entities	304,836	-
Total funds from Government	422,009	289,450
Funds from other sources		
Interest	600	800
Other	1,600	500
Total funds from other sources	2,200	1,300
Total net resourcing for ARENA	563,242	552,570
	2021-22	2022-23
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.

- (a) Appropriation Bill (No. 1) 2022-23.
- (b) 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.
- (c) ARENA receives funding through a special appropriation which is administered through the Department of Industry, Science, Energy and Resources.
- (d) 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 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 2022-23 budget measures
Part 1: Measures announced after the 2021-22 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Payment measures						
Energy and Emissions Reduction	1.1					
Departmental payment		-	165	19,657	30,887	33,250
Total		-	165	19,657	30,887	33,250
Total payment measures						
Departmental		-	165	19,657	30,887	33,250
Total		-	165	19,657	30,887	33,250

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 and annual performance statement for ARENA 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

<p>Department of the Industry, Science, Energy and Resources</p> <hr style="border-top: 1px dotted black;"/> <p>Programs</p> <ul style="list-style-type: none"> • 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
<p>Contribution to Outcome 1 made by linked programs</p> <p>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.</p>
<p>Clean Energy Finance Corporation</p> <hr style="border-top: 1px dotted black;"/> <p>Program</p> <ul style="list-style-type: none"> • Program 1.1 – Clean Energy Finance Corporation
<p>Contribution to Outcome 1 made by linked program</p> <p>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 other low emissions technologies.</p>

Budgeted expenses for Outcome 1

This table shows how much ARENA 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: 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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1.1: Australian Renewable Energy Agency					
Revenue from Government					
Payment from related entities	304,031	292,303	275,569	258,429	239,880
Expenses not requiring appropriation in the budget year (a)	1,453	1,167	1,167	1,167	1,100
Revenues from other independent sources	2,200	1,400	1,300	1,300	1,000
Total expenses for Program 1	307,684	294,870	278,036	260,896	241,980
Outcome 1 totals by resource type					
Revenue from Government					
Payment from related entities	304,031	292,303	275,569	258,429	239,880
Expenses not requiring appropriation in the budget year (a)	1,453	1,167	1,167	1,167	1,100
Revenues from other independent sources	2,200	1,400	1,300	1,300	1,000
Total expenses for Outcome 1	307,684	294,870	278,036	260,896	241,980
	2021-22	2022-23			
Average staffing level (number) (b)	2	2			

(a) 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.

(b) 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 and made available to the agency by the Secretary of the Department.

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

Table 2.1.2: Performance measure for Outcome 1

Table 2.1.2 details the performance measure for each program associated with Outcome 1. It provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the related activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1: Support improvements in the competitiveness and supply of renewable energy and other low emissions technologies 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 researchers, 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.		
Key activities (a)	<p>Activity 1.1: Provide financial assistance to Australian researchers, innovators and businesses for projects that align with our strategic priorities.</p> <p>Activity 1.2: Maximise the value of ongoing projects through effective project delivery, knowledge sharing and supporting collaboration.</p>	
Year	Performance measure	Expected Performance Results
Current year 2021-22	For Activity 1.1 - Financial assistance: ARENA -funded project 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. On track
	For Activity 1.2 – 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 (b). On track
Year	Performance measure	Planned Performance Results
Budget year 2022-23	For Activity 1.1 - Financial assistance: ARENA -funded project increase supply of renewable energy.	Each year ARENA contractually commits to at least 5 deployment and demonstration projects that increase the supply of renewable energy or renewable energy storage. Financial assistance expected result: More competitive renewable energy choices for Australian consumers and businesses.
	For Activity 1.2 – Knowledge sharing and collaboration: ARENA shares knowledge to enhance the	At least 50% of survey responses note that knowledge shared by ARENA has informed part of their decision-making

	competitiveness of renewable energy technologies.	processes (c) Knowledge sharing and collaboration expected result: Industry learns more quickly. Government, regulatory bodies and the public are better informed to navigate the energy transition.
Forward estimates 2023-26	As per 2022–23	As per 2022–23
Material changes to Program 1.1 resulting from 2022-23 Budget Measures: Nil		

- (a) Refers to updated key activities that will be reflected in the 2022-23 ARENA Corporate Plan.
- (b) Survey data for the 2021-22 financial year will be available in May 2022 and reported in the 'Annual Performance Statement' in the 2021-22 ARENA Annual Report.
- (c) ARENA has revised the methodology used to interpret survey responses. The target of 75% has been revised to 50% for the 2022-23 to reflect the revised methodology. Additional details will be provided in the 2022-23 ARENA Corporate Plan.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2022-23 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Explanatory notes and analysis of budgeted financial statements

ARENA receives funding through a special account for funds legislated under the ARENA Act and an annual appropriation for ongoing and lapsing programs. The legislated funding available to ARENA will be fully drawn down by 30 June 2022, to support grant payments to projects funded through its Advancing Renewables Program.

Funds received via annual appropriation for other programs are received as scheduled based on estimates on grant payments for each program over the program's duration.

While grant payments are set out in the funding agreement entered into with the grant recipients, the timing of these payments can vary significantly due to complexities in the technological, regulatory and social environments in which the grant projects are undertaken. The timing variances affect the expenditure side of ARENA's financial statements.

ARENA reviews its grant payments forecast regularly to ensure that the budgeted financial statements reflect the latest grant expense profile in the budget and forward estimates. The movements in the grant expense profile create periodic surpluses or deficits in the forward estimate periods. These periodic surpluses or deficits are expected to balance out over the lifetime of ARENA's funding, which currently ends in 2031-32.

Table 3.1 provides the latest forecast in grants and operating expenses.

3.2 Budgeted financial statements tables

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	1,298	1,350	1,377	1,405	1,432
Suppliers	29,147	30,041	32,780	33,812	33,836
Grants	275,774	262,300	242,700	224,500	205,600
Depreciation and amortisation	1,453	1,167	1,167	1,167	1,100
Finance costs	12	12	12	12	12
Total expenses	307,684	294,870	278,036	260,896	241,980
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	600	900	800	800	500
Other	1,600	500	500	500	500
Total own-source revenue	2,200	1,400	1,300	1,300	1,000
Gains					
Other	5,193	5,560	5,587	4,624	4,721
Total gains	5,193	5,560	5,587	4,624	4,721
Total own-source income	7,393	6,960	6,887	5,924	5,721
Net (cost of)/contribution by services	300,291	287,910	271,149	254,972	236,259
Revenue from Government	422,009	289,450	229,186	228,222	200,676
Surplus/(deficit) attributable to the Australian Government	121,718	1,540	(41,463)	(26,750)	(35,583)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	500	500	500	-	-
Total other comprehensive income	500	500	500	-	-
Total comprehensive income/(loss)	122,218	2,040	(41,464)	(26,750)	(35,583)
Total comprehensive income/(loss) attributable to the Australian Government	122,218	2,040	(41,463)	(26,750)	(35,583)

Note: Impact of net cash appropriation arrangements

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	122,218	2,040	(41,463)	(26,750)	(35,583)
plus: depreciation/amortisation expenses for ROU assets (a)	1,020	1,050	1,050	1,050	1,050
less: lease principal repayments (a)	12	12	12	12	12
Net Cash Operating Surplus/ (Deficit)	123,226	3,078	(40,425)	(25,712)	(34,545)

Prepared on Australian Accounting Standards basis.

(a) Applies leases under AASB 16 Leases.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	261,820	267,584	227,038	200,455	164,612
Trade and other receivables	3,500	1,500	1,500	1,500	1,500
Other investments	32,111	32,611	33,111	33,111	33,111
Total financial assets	297,431	301,695	261,649	235,066	199,223
Non-financial assets					
Land and buildings	5,000	4,000	3,000	2,000	1,000
Property, plant and equipment	191	524	357	190	390
Other non-financial assets	141	41	41	41	41
Total non-financial assets	5,332	4,565	3,398	2,231	1,431
Total assets	302,763	306,260	265,047	237,297	200,654
LIABILITIES					
Payables					
Suppliers	675	650	650	650	650
Grants	1,292	3,750	5,000	5,000	5,000
Other payables	61	65	65	65	65
Total payables	2,028	4,465	5,715	5,715	5,715
Interest bearing liabilities					
Leases	5,000	4,000	3,000	2,000	1,000
Total interest bearing liabilities	5,000	4,000	3,000	2,000	1,000
Provisions					
Employee provisions	340	360	360	360	360
Total provisions	340	360	360	360	360
Total liabilities	7,368	8,825	9,075	8,075	7,015
Net assets	295,395	297,435	255,972	229,222	193,639
EQUITY*					
Parent entity interest					
Reserves	247	247	247	247	247
Retained surplus / (accumulated deficit)	295,148	297,188	255,725	228,975	193,392
Total parent entity interest	295,395	297,435	255,972	229,222	193,639
Total Equity	295,395	297,435	255,972	229,222	193,639

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 2022-23)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Total equity \$'000
Opening balance as at 1 July 2022			
Balance carried forward from previous period	295,148	247	295,395
Adjusted opening balance	295,148	247	295,395
Comprehensive income			
Other Comprehensive income	500	-	500
Surplus/(deficit) for the period	1,540	-	1,540
Total comprehensive income	2,040	-	2,040
of which:			
Attributable to the Australian Government	2,040	-	2,040
Estimated closing balance as at 30 June 2023	297,188	247	297,435
Closing balance attributable to the Australian Government	297,188	247	297,435

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Receipts from Government	422,009	289,450	229,186	228,222	200,676
Interest	650	925	750	850	650
Net GST received	29,500	29,207	24,078	22,252	19,962
Other	1,600	500	300	500	500
Total cash received	453,759	320,082	254,314	251,824	221,788
Cash used					
Employees	1,281	1,325	1,351	1,377	1,408
Suppliers	23,954	24,481	27,193	29,188	29,115
Grants	274,389	260,000	240,000	224,500	205,600
Net GST paid	29,833	26,450	24,754	22,280	20,146
Interest payments on lease liability	12	12	12	12	12
Total cash used	329,469	312,268	293,310	277,357	256,281
Net cash from/(used by) operating activities	124,290	7,814	(38,996)	(25,533)	(34,493)
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant, and equipment and intangibles	-	500	-	-	300
Investments	500	500	500	-	-
Total cash used	500	1,000	500	-	300
Net cash from/(used by) investing activities	(500)	(1,000)	(500)	-	(300)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	1,003	1,050	1,050	1,050	1,050
Total cash used	1,003	1,050	1,050	1,050	1,050
Net cash from/(used by) financing activities	(1,003)	(1,050)	(1,050)	(1,050)	(1,050)
Net increase/(decrease) in cash held	122,787	5,764	(40,546)	(26,583)	(35,843)
Cash and cash equivalents at the beginning of the reporting period	139,033	261,820	264,584	227,038	200,455
Cash and cash equivalents at the end of the reporting period	261,820	267,584	227,038	200,455	164,611

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources (a)	-	500	-	-	300
TOTAL	-	500	-	-	300
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	-	500	-	-	300
Total cash used to acquire assets	-	500	-	-	300

Prepared on Australian Accounting Standards basis.

(a) 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.

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

	Buildings \$'000	Other property, plant and equipment \$'000	Total \$'000
As at 1 July 2022			
Gross book value	5,000	2,405	7,405
Accumulated depreciation/amortisation and impairment - ROU assets	-	(2,214)	(2,214)
Opening net book balance	5,000	191	5,191
CAPITAL ASSET ADDITIONS			
Estimated expenditure on new or replacement assets			
By purchase - appropriation ordinary annual services (a)	-	500	500
Total additions	-	500	500
Other movements			
Depreciation/amortisation expenses		(167)	(167)
Depreciation/amortisation on ROU assets	(1,000)	-	(1,000)
Total other movements	(1,000)	(167)	(1,167)
As at 30 June 2022			
Gross book value	-	2,905	2,905
Gross book value - ROU assets	5,000	-	5,000
Accumulated depreciation/amortisation and impairment	-	(2,381)	(2,381)
Accumulated depreciation/amortisation and impairment - ROU assets	(1,000)	-	(1,000)
Closing net book balance	4,000	524	4,524

Prepared on Australian Accounting Standards basis.

(a) "Appropriation ordinary annual services" refers to funding provided through Appropriation Bill (No.1) 2022-2023 for depreciation/amortisation expenses, DCB or other operational expenses.

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 2022-23)

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

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, 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 a 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.

To support the Government's Technology Investment Roadmap (Roadmap) and related Low Emissions Technology Statements (LETS), the Corporation has structured the business to align with the Roadmap, including incorporating the Roadmap and LETS into its corporate plans.

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 using 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.

Significant changes since the 2021-22 Budget include the proposed \$500 million Low Emissions Technology Commercialisation Fund (LETFCF) to support commercialisation of technologies identified through the Government’s Technology Investment Roadmap and Low Emissions Technology Statements. The LETFCF is expected to be funded by a new \$500 million Special Account appropriation.

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, through the Clean Energy Innovation Fund and through the recently created specialist fund manager, Virescent Ventures.
- 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.

Coronavirus (COVID-19) impact

The coronavirus (COVID-19) pandemic, as well as measures to slow the spread of the virus, has had a significant impact on global economies, supply chains, and equity, debt and commodity markets. CEFC has considered these impacts in preparing its forecasts, but these estimates and outcomes are subject to change as better information becomes available.

Market impacts of Ukraine conflict

The Russian invasion of Ukraine and associated sanctions measures are already having an impact on both energy market prices (e.g. oil and gas price dependent commodities) and in financial markets. The primary work on estimates was prepared before the war began. Given its interplay at the nexus of energy and finance, the CEFC believes that there will be some impacts on the current portfolio and pipeline of future investments; however, with events continuing to rapidly unfold, it is too early to make a completely informed judgement as to the duration, full impact and extent of these.

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 2022-23 as at Budget March 2022

	2021-22 <i>Estimated actual</i> \$'000	2022-23 Estimate \$'000
Opening balance/cash reserves at 1 July (a) (b)	774,351	335,636
Funds from Government		
Amounts received from related entities		
Amounts from portfolio department (c)(d)	4,532	8,821
Total amounts received from related entities	4,532	8,821
Total funds from Government	4,532	8,821
Funds from other sources		
Interest and dividends	166,882	178,501
Total funds from other sources	166,882	178,501
Total net resourcing for CEFC	945,765	522,958
	2021-22	2022-23
Average staffing level (number)	150	155

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

- (a) The Corporation is not directly appropriated as it is a corporate Commonwealth entity as defined under the *Public Governance, Performance and Accountability Act 2013*.
- (b) 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 amounted to \$5.174 billion at 1 July 2021.
- (c) Amounts forecast to be received from the Department of Industry, Science, Energy and Resources relate to funding of the estimated expenses associated with the GRF and, in 2022-23, LETCF.
- (d) An additional \$2,607K, to fund the estimated expenses associated with the LETCF in 2021-22, is expected to be received through the 2021-22 Annual Appropriation Bill No.3. The annual appropriation received from this bill will be recognised in a future Portfolio Budget statement but only after the Bill has received Royal Assent.

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-2021/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
<p>Programs</p> <ul style="list-style-type: none"> • 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
<p>Contribution to Outcome 1 made by linked programs</p> <p>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.</p> <p>The department also supports 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.</p> <p>The Clean Energy Finance Corporation contributes to these programs by facilitating increased flows of finance into the clean energy sector.</p>
Department of Agriculture, Water and the Environment
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Sustainable Management of Natural Resources and the Environment • Program 1.6 – Management of Hazardous Wastes, Substances and Pollutants
<p>Contribution to Outcome 1 made by linked programs</p> <p>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.</p>

<p>Australian Renewable Energy Agency</p> <hr/> <p>Program</p> <ul style="list-style-type: none"> • Program 1.1 – Australian Renewable Energy Agency
<p>Contribution to Outcome 1 made by linked program</p> <p>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.</p>
<p>Great Barrier Reef Marine Park Authority</p> <hr/> <p>Program</p> <ul style="list-style-type: none"> • Program 1.1 – Great Barrier Reef Marine Park Authority
<p>Contribution to Outcome 1 made by linked program</p> <p>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' <i>Reef 2050 Plan</i>.</p>

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1: Clean Energy Finance Corporation					
Revenue from Government					
Ordinary annual services (a)	7,139	8,821	9,053	8,390	3,019
Expenses not requiring appropriation in the budget year (b)	79,472	92,805	107,053	95,475	119,669
Revenues from other independent sources	47,128	55,559	57,331	60,453	67,822
Total expenses for Program 1.1	133,739	157,185	173,437	164,318	190,510
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (a)	7,139	8,821	9,053	8,390	3,019
Expenses not requiring appropriation in the budget year (b)	79,472	92,805	107,053	95,475	119,669
Revenues from other independent sources	47,128	55,559	57,331	60,453	67,822
Total expenses for Outcome 1	133,739	157,185	173,437	164,318	190,510

	2021-22	2022-23
Average staffing level (number)	150	155

(a) Amounts relate to funding for estimated incremental operating expenses associated with the Grid Reliability Fund and the Low Emissions Technology Commercialisation Fund.

(b) 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.

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

Table 2.1.2: Performance measure for Outcome 1

Table 2.1.2 below details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

<p>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</p>	
<p>Program 1.1- Clean Energy Finance Corporation</p> <p>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:</p> <ul style="list-style-type: none"> 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. 	
<p>Key Activities</p>	<p>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.</p> <p>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.</p> <p>The Corporation shares knowledge and expertise with project sponsors, lenders, and the broader industry, helping build capacity within the private sector.</p> <p>The Corporation is being directed to focus particular attention on investing debt and equity in:</p> <ol style="list-style-type: none"> 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. <p>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</p>

	<p>amount that has been credited to the Special Account under section 46 of the Act.</p> <p>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.</p>	
Year	Performance measures	Expected Performance Results
Current year 2021-22	<p>Be financially sustainable and maintain an investment portfolio that, over the longer term, facilitates emissions reductions, generates positive financial returns within risk appetite.</p> <p>Free Cash Flows from Operations (FCFO) after implied costs of government funding – ‘paying our way’.</p> <p><i>Target: \$20m - \$30m</i></p>	\$20m - \$30m
	<p>Total Operating Result adjusted for: (1) GRF and Innovation Fund revaluations, (2) loan modification and concessionality charges and associated unwinds, (3) bond revaluations.</p> <p><i>Target: \$95m - \$120m</i></p>	\$115m - \$125m
	<p>Increase investment in clean energy technologies and infrastructure.</p> <p>Commitments to renewable energy, energy efficiency and low emission technology transactions (including grid, Investment Mandate areas of focus and the Technology Roadmap)</p> <p><i>Target: \$1.0bn - \$1.5bn</i></p>	\$1.1b - \$1.5b
	<p>Carbon emission reduction from FY2022 new investments.</p> <p><i>Target: 0.6MtCO_{2e} p.a. - 1.0MtCO_{2e} p.a.</i></p>	1.3MtCO _{2e} p.a. - 1.4MtCO _{2e} p.a.
	<p>Increase private sector capital flowing to the Australian clean energy sector and attract new investor classes into the sector.</p> <p><i>Target: 2.5:1 - 3:1</i></p>	2.5:1 - 3:1
	<p>Amount of new capital leveraged / unlocked that invests in Australian clean energy technology, business model or financial structures / products for the first time.</p> <p><i>Target: \$250m – \$400m</i></p>	\$300m – \$400m

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Year	Performance measures	Planned Performance Results
Budget Year 2022-23	Be financially sustainable and maintain an investment portfolio that, over the longer term, facilitates emissions reductions, generates positive financial returns within risk appetite. <ul style="list-style-type: none"> Free Cash Flows from Operations (FCFO) after implied costs of government funding – ‘paying our way’. Total Operating Result adjusted for: (1) GRF, LETCF and Innovation Fund revaluations, (2) loan modification and concessionality charges and associated unwinds, (3) bond revaluations. 	<p>> \$0m</p> <p>\$100m - \$120m</p>
	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).	\$1.0b - \$1.5b
	Carbon emission reduction from FY2023 new investments.	0.6MtCO2e p.a. - 0.8MtCO2e p.a.
	Increase private sector capital flowing to the Australian clean energy sector and attract new investor classes into the sector.	2.5:1 - 3:1
	<i>Expected to be updated if the Grid Reliability Fund and the Low Emissions Technology Commercialisation Fund are legislated and to reflect consequential investment mandate directions anticipated to be received during 2021-22.</i>	
Forward Estimates 2023-26	As per 2022-23. <i>Expected to be updated if the Grid Reliability Fund and the Low Emissions Technology Commercialisation Fund are legislated and to reflect consequential investment mandate directions anticipated to be received during 2021-22.</i>	
Material changes to Program 1.1 resulting from 2022-23 Budget Measures: Nil		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2022-23 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

The 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). Although market interest rates have begun to increase recently, any resulting increase in CEFC's revenue is delayed due to the significant portion of the Corporation's existing interest-bearing investments earning fixed interest rates.

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

(a) 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.

(b) 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 then 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**

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	38,817	43,140	44,241	46,301	48,169
Suppliers	15,440	21,219	22,127	22,532	22,662
Depreciation and amortisation	3,972	5,555	5,303	5,239	6,198
Concessional loan discount	35,000	42,854	66,708	46,708	56,708
Other financing costs	10	21	16	10	10
Write-down and impairment of assets	40,500	44,396	35,042	43,528	56,763
Total expenses	133,739	157,185	173,437	164,318	190,510
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Unwind of concessional loan discount	12,261	13,748	16,201	17,091	21,744
Interest	147,619	146,051	153,134	157,224	162,483
Dividends	30,320	38,789	41,888	43,868	47,633
Total own-source revenue	190,200	198,588	211,223	218,183	231,860
Gains					
Fair Value Gain on Investments	41,000	-	-	-	-
Total gains	41,000	-	-	-	-
Total own-source income	231,200	198,588	211,223	218,183	231,860
Net (cost of)/contribution by services	97,461	41,403	37,786	53,865	41,350
Revenue from Government	7,139	8,821	9,053	8,390	3,019
Surplus/(deficit) attributable to the Australian Government	104,600	50,224	46,839	62,255	44,369
Total comprehensive income/(loss) attributable to the Australian Government	104,600	50,224	46,839	62,255	44,369

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	104,600	50,224	46,839	62,255	44,369
plus: depreciation/amortisation expenses for ROU assets (a)	2,051	2,555	2,373	2,363	3,165
less: lease principal repayments (a)	(1,960)	(2,499)	(2,357)	(2,431)	(2,388)
Net Cash Operating Surplus/ (Deficit)	104,691	50,280	46,855	62,187	45,146

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	104,600	50,224	46,839	62,255	44,369
Add concessional loan discount	35,000	42,854	66,708	46,708	56,708
Less unwind of concessional loan discount	(12,261)	(13,748)	(16,201)	(17,091)	(21,744)
Net non-cash concessionality impact	22,739	29,106	50,507	29,617	34,964
Add write-down and impairment of assets	40,500	44,396	35,042	43,528	56,763
Less Fair Value Gains	(41,000)	-	-	-	-
Net adjustments to investment carrying values	(500)	44,396	35,042	43,528	56,763
Total comprehensive income attributable to the Australian Government after eliminating significant non-cash adjustments	126,839	123,726	132,388	135,400	136,096

Prepared on Australian Accounting Standards basis.

(a) Applies leases under AASB 16 Leases.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	335,636	314,684	331,535	255,122	337,960
Advances and loans	2,961,651	3,318,688	3,332,498	3,601,117	3,719,546
Investment in shares	1,243,053	1,313,853	1,427,771	1,652,336	1,667,870
Investments in other interest bearing securities	1,125,525	1,254,769	1,347,666	1,240,213	1,255,580
Investment in derivative financial instruments	11,303	11,303	11,303	11,303	11,303
Trade and other receivables	23,056	30,452	30,042	29,882	30,548
Investments accounted for under the equity method	441,949	505,106	533,017	526,352	480,942
Total financial assets	6,142,173	6,748,855	7,013,832	7,316,325	7,503,749
Non-financial assets					
Land and buildings	4,574	9,269	6,896	4,733	7,568
Property, plant and equipment	2,276	4,749	4,113	3,221	2,356
Intangibles	713	590	424	385	417
Other non-financial assets	407	407	407	407	407
Total non-financial assets	7,970	15,015	11,840	8,746	10,748
Total assets	6,150,143	6,763,870	7,025,672	7,325,071	7,514,497
LIABILITIES					
Payables					
Suppliers	2,860	2,860	2,860	2,860	3,242
Employee payables	12,939	13,398	13,890	14,336	14,336
Other payables	39,267	40,324	49,890	46,682	44,625
Total payables	55,066	56,582	66,640	63,878	62,203
Interest bearing liabilities					
Leases	4,924	9,675	7,318	5,087	8,699
Derivative Liabilities	5,002	5,002	5,002	5,002	5,002
Total interest bearing liabilities	9,926	14,677	12,320	10,089	13,701
Provisions					
Employee provisions	4,502	4,633	4,790	4,822	5,365
Other provisions	8,158	8,158	8,158	8,158	8,630
Total provisions	12,660	12,791	12,948	12,980	13,995
Total liabilities	77,652	84,050	91,908	86,947	89,899
Net assets	6,072,491	6,679,820	6,933,764	7,238,124	7,424,598
EQUITY*					
Parent entity interest					
Contributed equity	5,259,416	5,816,521	6,023,626	6,265,731	6,407,836
Reserves	(1,428)	(1,428)	(1,428)	(1,428)	(1,428)
Retained surplus / (accumulated deficit)	814,503	864,727	911,566	973,821	1,018,190
Total parent entity interest	6,072,491	6,679,820	6,933,764	7,238,124	7,424,598
Total Equity	6,072,491	6,679,820	6,933,764	7,238,124	7,424,598

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 2022-23)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/capital \$'000	Total equity \$'000
Opening balance as at 1 July 2022					
Balance carried forward from previous period	814,503	(1,428)		5,259,416	6,072,491
Adjusted opening balance	814,503	(1,428)	-	5,259,416	6,072,491
Comprehensive income					
Surplus/(deficit) for the period	50,224	-	-	-	50,224
Total comprehensive income	50,224	-	-	-	50,224
of which:					
Attributable to the Australian Government	50,224				50,224
Transactions with owners					
Distribution to owners					
Return to CEFC Special Account held by portfolio department	-	-	-	(300,000)	(300,000)
Contributions by owners					
Equity Injection from CEFC Special Account	-	-	-	530,000	530,000
Equity Injection from GRF Special Account (a)	-	-	-	285,000	285,000
Equity Injection from LETCF Special Account (a)	-	-	-	42,105	42,105
Sub-total transactions with owners	-	-	-	557,105	557,105
Estimated closing balance as at 30 June 2023	864,727	(1,428)	-	5,816,521	6,679,820
Closing balance attributable to the Australian Government	864,727	(1,428)	-	5,816,521	6,679,820

Prepared on Australian Accounting Standards basis.

(a) Budgeted drawings from the Grid Reliability Fund and Low Emissions Technology Commercialisation Fund Special Accounts to be established upon passing of the relevant Legislation.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Receipts from Government	7,139	8,821	9,053	8,390	3,019
Interest	122,070	139,422	164,064	155,546	159,701
Dividends	33,354	38,789	41,888	43,868	47,633
Total cash received	162,563	187,032	215,005	207,804	210,353
Cash used					
Employees	36,712	42,550	43,592	45,823	47,626
Suppliers	15,440	21,219	22,127	22,532	22,280
Interest payments on lease liability	10	21	16	10	10
Total cash used	52,162	63,790	65,735	68,365	69,916
Net cash from/(used by) operating activities	110,401	123,242	149,270	139,439	140,437
INVESTING ACTIVITIES					
Cash received					
Repayments of loans and advances	1,013,701	382,436	840,861	565,605	661,723
Other investing cash receipts for policy purposes	375,195	215,514	295,912	340,883	617,860
Total cash received	1,388,896	597,950	1,136,773	906,488	1,279,583
Cash used					
Purchase of property plant, and equipment and intangibles	2,083	5,350	2,128	1,945	2,200
Advances and loans made	1,212,529	775,817	921,186	879,311	832,469
Other investing cash payments for policy purposes	1,067,493	515,583	550,626	480,758	642,230
Total cash used	2,282,105	1,296,750	1,473,940	1,362,014	1,476,899
Net cash from/(used by) investing activities	(893,209)	(698,800)	(337,167)	(455,526)	(197,316)

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
FINANCING ACTIVITIES					
Cash received					
Contributed equity					
from CEFC Special Account	600,000	530,000	550,000	300,000	400,000
from GRF Special Account	185,000	285,000	220,000	220,000	90,000
from LETCF Special Account	21,053	42,105	42,105	42,105	42,105
Total cash received	806,053	857,105	812,105	562,105	532,105
Cash used					
Principal payments on lease liability	1,960	2,499	2,357	2,431	2,388
Return to CEFC Special Account held by portfolio department	460,000	300,000	605,000	320,000	390,000
Total cash used	461,960	302,499	607,357	322,431	392,388
Net cash from/(used by) financing activities	344,093	554,606	204,748	239,674	139,717
Net increase/(decrease) in cash held	(438,715)	(20,952)	16,851	(76,413)	82,838
Cash and cash equivalents at the beginning of the reporting period	774,351	335,636	314,684	331,535	255,122
Cash and cash equivalents at the end of the reporting period	335,636	314,684	331,535	255,122	337,960

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources	2,083	5,350	2,128	1,945	2,200
TOTAL	2,083	5,350	2,128	1,945	2,200
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	2,083	5,350	2,128	1,945	2,200
Total cash used to acquire assets	2,083	5,350	2,128	1,945	2,200

Prepared on Australian Accounting Standards basis.

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

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2022				
Gross book value	-	4,639	2,568	7,207
Gross book value - ROU assets	8,682	-	-	8,682
Accumulated depreciation/ amortisation and impairment	-	(2,363)	(1,855)	(4,218)
Accumulated depreciation/amortisation and impairment - ROU assets	(4,108)	-	-	(4,108)
Opening net book balance	4,574	2,276	713	7,563
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - other	-	3,900	1,450	5,350
By purchase - other - ROU assets	7,250	-	-	7,250
Total additions	7,250	3,900	1,450	12,600
Other movements				
Depreciation/amortisation expense	-	(1,427)	(1,573)	(3,000)
Depreciation/amortisation on ROU assets	(2,555)	-	-	(2,555)
ROU assets gross book value	(2,679)	-	-	(2,679)
ROU assets accumulated depreciation	2,679	-	-	2,679
Total other movements	(2,555)	(1,427)	(1,573)	(5,555)
As at 30 June 2023				
Gross book value	-	8,539	4,018	12,557
Gross book value - ROU assets	13,253	-	-	13,253
Accumulated depreciation/ amortisation and impairment	-	(3,790)	(3,428)	(7,218)
Accumulated depreciation/amortisation and impairment - ROU assets	(3,984)	-	-	(3,984)
Closing net book balance	9,269	4,749	590	14,608

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 2022-23)

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

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 following Outcomes:

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.

Outcome 2: Contribute to the sustainable management of Australia's biodiversity through the administration of market-based mechanisms that incentivise the preservation and improvement of diverse ecosystems.

The following schemes administered by CER work together to provide economic incentives, backed up 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 address 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.
- The Safeguard Mechanism ensures that emissions reductions paid for through the Emissions Reduction Fund are not offset by significant increases in emissions above business-as-usual levels. Together with the reporting obligations under the *National Greenhouse and Energy Reporting Act 2007*, the Safeguard Mechanism provides 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, reduce 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 is also responsible for the following new initiatives, one of which is a new biodiversity regulatory scheme and the others which actively leverage the existing schemes of the agency to build a vibrant voluntary carbon market and streamline participation.

- The Agriculture Biodiversity Stewardship Market Bill when passed by Parliament will establish the legal framework for a national voluntary agriculture biodiversity stewardship market. It introduces a tradeable biodiversity certificate to Australian farmers who use their land to improve biodiversity. The CER will support the lead agency, the Department of Agriculture, Water and the Environment, and administer this scheme.
- A Guarantee of Origin certification scheme to enable Australian businesses to sell verified low emissions hydrogen from renewable sources, and fossil fuels with substantial carbon capture and storage, domestically and to the world.
- An Australian Carbon Exchange to accelerate the emergence of an online exchange trade market for emissions offsets. This may include the provision of trading, clearing and settlement services, and a register of offset units, to complement the current 'over the counter' market.
- The Corporate Emissions Reduction Transparency report, a voluntary initiative for participating National Greenhouse and Energy Reporting corporations to demonstrate the net annual emissions and energy position, support their climate action claims and encourage voluntary participation in Australian's carbon markets.

CER's strategies for delivering these outcomes and achieving its purpose are to:

- Invest in knowing scheme participants and communicating with them in a way which meets their needs. Use education and guidance materials to help potential participants understand how to participate in and comply with our schemes. Set clear and consistent expectations with participants. Further develop tools that assist them to self-select only if they have adequate capacity and capability to meet the requirements and achieve the anticipated results. Manage non-compliance and influence participants 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 our people and encourage innovation to benefit us and our clients.
- Build and sustain CER's reputation and impact through sound stakeholder relationships and partnerships with other relevant institutions and regulatory

bodies. Promote the value of our assets, the quality of our results and the strength of our 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 we hold for the public good, in line with the secrecy and privacy provisions of our legislation.

- Ensure our 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 our schemes, including greenhouse and energy data, contracts, units and certificates.

Further information on CER's purpose, objectives, planning priorities and key performance indicators is detailed in the Clean Energy Regulator Corporate Plan 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 and Outcome 2' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: CER resource statement – Budget estimates for 2022-23 as at Budget March 2022

	<i>2021-22 Estimated actual \$'000</i>	<i>2022-23 Estimate \$'000</i>
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	28,079	21,438
Departmental appropriation (c)	86,503	120,710
s74 External Revenue (d)	-	6,100
Departmental capital budget (e)	1,143	1,153
Prior year appropriations available (b)	1,927	-
Equity injection (f)	6,681	16,637
Total departmental annual appropriations	124,333	166,038
Total departmental resourcing	124,333	166,038
Administered		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	47,331	47,331
Outcome 1	240,732	242,209
Total administered annual appropriations	288,063	289,540
Total administered special appropriations	395,674	523
Special accounts (g)		
Opening balance	68	68
Non-appropriation receipts	3,500	3,500
Total special account receipts	3,568	3,568
Total administered resourcing	687,305	293,631
Total resourcing for CER	811,638	459,669
	<i>2021-22</i>	<i>2022-23</i>
Average staffing level (number) (h)	335	347

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

- (a) Appropriation Bill (No. 1) 2022-23.
- (b) There is no appropriation subject to administrative quarantine by Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).
- (c) Excludes departmental capital budget (DCB) and \$0.411m which will be received through the 2021-22 Annual Appropriation Bill No.3. The annual appropriations received from these bills will be recognised in a future PB Statement but only after the Bills have received Royal Assent.
- (d) Estimated External Revenue receipts under section 74 of the PGPA Act.
- (e) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (f) Appropriation Bill (No. 2) 2022-23.
- (g) For further information on special accounts, please refer to Budget Paper No. 4 - Agency Resourcing.
- (h) 1.7 ASL will be received through the 2021-22 Annual Appropriation Bill No.3. The annual appropriations received from these bills will be recognised in a future PB Statement but only after the Bills have received Royal Assent.

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 2022-23 budget measures
Part 1: Measures announced after the 2021-22 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Receipt measures						
Energy and Emissions Reduction (a)	1.1					
Administered receipt		nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
Total receipt measures						
Administered		nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
Payment measures						
Commonwealth's Deregulation Agenda (b)	1.1					
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Energy and Emissions Reduction	1.1					
Departmental payment		-	11,600	800	500	-
Total		-	11,600	800	500	-
Total payment measures						
Departmental		-	11,600	800	500	-
Total		-	11,600	800	500	-

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.

(a) The financial impact for this measure is not for publication (nfp) due to commercial sensitivities.

(b) This measure was a decision taken but not yet announced in the 2021-22 MYEFO, with the following impact: 2021-22 \$6.5 million; 2022-23 \$13.3 million; 2023-24 \$8.2 million; 2024-25 \$5.8 million and 2025-26 \$1.0 million. The lead entity for this measure is the Prime Minister and Cabinet.

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 CER 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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1: Clean Energy Regulator					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	240,732	242,209	255,909	300,512	226,203
Special appropriations					
<i>Renewable Energy (Electricity) Act 2000</i>	276,482	523	509	509	509
Administered total	517,214	242,732	256,418	301,021	226,712
Departmental expenses					
Departmental appropriation	92,732	111,637	90,807	87,670	81,190
s74 External Revenue (a)	-	6,100	-	-	-
Expenses not requiring appropriation in the budget year (b)	3,132	2,740	3,421	5,834	6,285
Departmental total	95,864	120,477	94,228	93,504	87,475
Total expenses for Program 1	613,078	363,209	350,646	394,525	314,187
Outcome 1 totals by resource type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	240,732	242,209	255,909	300,512	226,203
Special appropriations					
<i>Renewable Energy (Electricity) Act 2000</i>	276,482	523	509	509	509
Administered total	517,214	242,732	256,418	301,021	226,712
Departmental expenses					
Departmental appropriation	92,732	111,637	90,807	87,670	81,190
s74 External Revenue (a)	-	6,100	-	-	-
Expenses not requiring appropriation in the budget year (b)	3,132	2,740	3,421	5,834	6,285
Departmental total	95,864	120,477	94,228	93,504	87,475
Total expenses for Outcome 1	613,078	363,209	350,646	394,525	314,187

	2021-22	2022-23
Average staffing level (number)	335	337

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

(b) Expenses not requiring appropriation in the Budget year are 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.

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

Table 2.1.2: Performance measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – 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.		
Key Activities (a)	Key activities reported in the current corporate plan that relate to this program.	
Year	Performance measures (b)	Expected Performance Results
Current year 2021-22	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.
Year	Performance measures (b)	Planned Performance Results
Budget Year 2022-23	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.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23
Material changes to Program 1.1 resulting from 2022-23 Budget Measures: Nil		

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

(b) Performance measures for Outcome 1 are derived from the key performance indicators identified in the Clean Energy Regulator Corporate Plan 2022-26.

2.2 Budgeted expenses and performance for Outcome 2

Outcome 2 – Contribute to the sustainable management of Australia’s biodiversity through the administration of market based mechanisms that incentivise the preservation and improvement of diverse ecosystems

Linked programs

Department of Agriculture, Water and the Environment
Programs <ul style="list-style-type: none"> • Program 1.1 – Sustainable Management of Natural Resources and the Environment. • Program 3.2 – Sustainable Management – Natural Resources
Contribution to Outcome 2 made by linked programs <p>The Department of Agriculture, Water and the Environment will work with the CER to establish legislation to underpin a voluntary biodiversity stewardship market. This will enable farmers who undertake biodiversity activities to gain access to new income streams whilst contributing to environmental outcomes.</p>

Budgeted expenses for Outcome 2

This table shows how much CER 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

Outcome 2: Contribute to the sustainability management of Australia's biodiversity through the administration of market based mechanisms that incentivise the preservation and improvement of diverse ecosystems.

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1: Clean Energy Regulator					
Departmental expenses					
Departmental appropriation	-	3,255	-	-	-
Expenses not requiring appropriation in the budget year (a)	-	-	802	802	802
Departmental total	-	3,255	802	802	802
Total expenses for Program 1	-	3,255	802	802	802
Outcome 2 totals by resource type					
Departmental expenses					
Departmental appropriation	-	3,255	-	-	-
Expenses not requiring appropriation in the budget year (a)	-	-	802	802	802
Departmental total	-	3,255	802	802	802
Total expenses for Outcome 1	-	3,255	802	802	802
	2021-22	2022-23			
Average staffing level (number)	-	10			

(a) 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.

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

Table 2.2.2: Performance measure for Outcome 2

Table 2.2.2 details the performance measures for each program associated with Outcome 2. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 2 – Contribute to the sustainable management of Australia’s biodiversity through the administration of market based mechanisms that incentivise the preservation and improvement of diverse ecosystems		
Program 2.1		
Effective and efficient regulation of the voluntary biodiversity market based scheme that contributes to improving Australia’s biodiversity.		
Key Activities (a)	Key activities reported in the current corporate plan that relate to this program.	
Year	Performance measures (b)	Expected Performance Results
Current year 2021-22	N/A	N/A
Year	Performance measures (b)	Planned Performance Results
Budget Year 2022-23	Biodiversity stewardship projects are established and administered in accordance with approved protocols and legislative requirements.	75% of biodiversity projects are registered within legislated deadlines.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23
Material changes to Program 2.1 resulting from 2022-23 Budget Measures: Nil		

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

(b) Performance measures for Outcome 2 are derived from the key performance indicators identified in the Clean Energy Regulator Corporate Plan 2022-26.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2022-23 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

The entity resource statement (Table 1.1) provides a consolidated view of all the resources in 2022-23. 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 2022-23 is \$117.2 million (2021-22: \$95.4 million).

Budgeted Revenue from Government in 2022-23 is estimated at \$114.9 million (2021-22: \$92.7 million).

Budgeted Departmental Balance Sheet

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

The net assets position in 2022-23 is estimated to increase by \$15.5 million to \$40.6 million due to continued investment by the government in the replacement and development of new IT system capability. Total net assets and equity continue to increase in 2023-24 and then stabilise remaining years as a result of contributed equity received for recent budget measures.

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 2022-23 is estimated to be \$17.8 million.

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.

3.2 Budgeted financial statements tables

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	42,307	44,916	42,359	41,865	41,865
Suppliers	46,587	72,711	45,033	42,320	35,770
Depreciation and amortisation (a)	6,819	5,575	7,158	9,681	10,252
Finance costs	151	530	480	440	390
Losses from asset sales					
Total expenses	95,864	123,732	95,030	94,306	88,277
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	-	6,100	-	-	-
Total own-source income	-	6,100	-	-	-
Gains					
Other	425	425	425	425	425
Total gains	425	425	425	425	425
Total own-source income	425	6,525	425	425	425
Net (cost of)/contribution by services	(95,439)	(117,207)	(94,605)	(93,881)	(87,852)
Revenue from Government	92,732	114,892	90,807	87,670	81,190
Surplus/(deficit) attributable to the Australian Government	(2,707)	(2,315)	(3,798)	(6,211)	(6,662)
Total comprehensive income/(loss)	(2,707)	(2,315)	(3,798)	(6,211)	(6,662)
Total comprehensive income/(loss) attributable to the Australian Government	(2,707)	(2,315)	(3,798)	(6,211)	(6,662)

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**

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(2,707)	(2,315)	(3,798)	(6,211)	(6,662)
plus: depreciation/amortisation expenses previously funded through revenue appropriations (a)	3,013	3,185	4,768	7,291	7,862
plus: depreciation/amortisation expenses for ROU assets (b)	3,806	2,390	2,390	2,390	2,390
less: lease principal repayments (b)	4,112	3,260	3,360	3,470	3,590
Net Cash Operating Surplus/ (Deficit)	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

(b) Applies leases under AASB 16 Leases.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	335	335	335	335	335
Trade and other receivables	20,789	21,527	21,527	21,527	21,527
Other financial assets	5,818	5,818	5,818	5,818	5,818
Total financial assets	26,942	27,680	27,680	27,680	27,680
Non-financial assets					
Land and buildings	36,906	33,302	29,698	26,094	22,490
Property, plant and equipment	2,430	2,159	1,888	1,617	1,346
Intangibles	11,524	26,876	33,707	30,953	25,753
Other non-financial assets	568	568	568	568	568
Total non-financial assets	51,428	62,905	65,861	59,232	50,157
Total assets	78,370	90,585	93,541	86,912	77,837
LIABILITIES					
Payables					
Suppliers	3,223	3,223	3,223	3,223	3,223
Other payables	994	994	994	994	994
Total payables	4,217	4,217	4,217	4,217	4,217
Interest bearing liabilities					
Leases	35,739	32,479	29,119	25,649	22,059
Total interest bearing liabilities	35,739	32,479	29,119	25,649	22,059
Provisions					
Employee provisions	13,245	13,245	13,245	13,245	13,245
Total provisions	13,245	13,245	13,245	13,245	13,245
Total liabilities	53,201	49,941	46,581	43,111	39,521
Net assets	25,169	40,644	46,960	43,801	38,316
EQUITY*					
Parent entity interest					
Contributed equity	96,338	114,128	124,242	127,294	128,471
Reserves	9,598	9,598	9,598	9,598	9,598
Retained surplus / (accumulated deficit)	(80,767)	(83,082)	(86,880)	(93,091)	(99,753)
Total parent entity interest	25,169	40,644	46,960	43,801	38,316
Total Equity	25,169	40,644	46,960	43,801	38,316

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 2022-23)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2022				
Balance carried forward from previous period	(80,767)	9,598	96,338	25,169
Comprehensive income				
Surplus/(deficit) for the period	(2,315)	-	-	(2,315)
Total comprehensive income	(2,315)	-	-	(2,315)
Transactions with owners				
Contributions by owners				
Equity injection - Appropriation	-	-	16,637	16,637
Departmental Capital Budget (DCB)	-	-	1,153	1,153
Sub-total transactions with owners	-	-	17,790	17,790
Estimated closing balance as at 30 June 2023	(83,082)	9,598	114,128	40,644
Closing balance attributable to the Australian Government	(83,082)	9,598	114,128	40,644

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	95,482	114,892	90,807	87,670	81,190
Sale of goods and rendering of services	-	6,100	-	-	-
Net GST received	2,662	2,629	2,679	3,685	3,395
Total cash received	98,144	123,621	93,486	91,355	84,585
Cash used					
Employees	42,307	44,916	42,359	41,865	41,865
Suppliers	48,824	74,915	47,287	45,580	38,740
Interest payments on lease liability	151	530	480	440	390
Total cash used	91,282	120,361	90,126	87,885	80,995
Net cash from/(used by) operating activities	6,862	3,260	3,360	3,470	3,590
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	11,312	17,052	10,114	3,052	1,177
Total cash used	11,312	17,052	10,114	3,052	1,177
Net cash from/(used by) investing activities	(11,312)	(17,052)	(10,114)	(3,052)	(1,177)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	8,562	17,052	10,114	3,052	1,177
Total cash received	8,562	17,052	10,114	3,052	1,177
Cash used					
Principal payments on lease liability	4,112	3,260	3,360	3,470	3,590
Other	-	-	-	-	-
Total cash used	4,112	3,260	3,360	3,470	3,590
Net cash from/(used by) financing activities	4,450	13,792	6,754	(418)	(2,413)
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	335	335	335	335	335
Cash and cash equivalents at the end of the reporting period	335	335	335	335	335

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	1,143	1,153	1,159	1,169	1,177
Equity injections - Bill 2	6,681	16,637	8,955	1,883	-
Total new capital appropriations	7,824	17,790	10,114	3,052	1,177
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	<i>7,824</i>	<i>17,790</i>	<i>10,114</i>	<i>3,052</i>	<i>1,177</i>
Total Items	7,824	17,790	10,114	3,052	1,177
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	6,681	15,899	8,955	1,883	-
Funded by capital appropriation - DCB (b)	1,143	1,153	1,159	1,169	1,177
Funded internally from departmental resources (c)	3,488	-	-	-	-
TOTAL	11,312	17,052	10,114	3,052	1,177
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	47,122	17,052	10,114	3,052	1,177
less: ROU Additions	25,060	-	-	-	-
less: gifted assets / lease incentives	10,750	-	-	-	-
Total cash used to acquire assets	11,312	17,052	10,114	3,052	1,177

Prepared on Australian Accounting Standards basis.

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

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

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2022				
Gross book value	12,750	4,285	72,160	89,195
Gross book value - ROU assets	25,060	-	-	25,060
Accumulated depreciation/ amortisation and impairment	(304)	(1,855)	(60,636)	(62,795)
Accumulated depreciation/amortisation and impairment - ROU assets	(600)	-	-	(600)
Opening net book balance	36,906	2,430	11,524	50,860
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	-	-	17,052	17,052
Total additions	-	-	17,052	17,052
Other movements				
Depreciation/amortisation expense	(1,214)	(271)	(1,700)	(3,185)
Depreciation/amortisation on ROU	(2,390)	-	-	(2,390)
Total other movements	(3,604)	(271)	(1,700)	(5,575)
As at 30 June 2023				
Gross book value	12,750	4,285	89,212	106,247
Gross book value - ROU assets	25,060	-	-	25,060
Accumulated depreciation/ amortisation and impairment	(1,518)	(2,126)	(62,336)	(65,980)
Accumulated depreciation/amortisation and impairment - ROU assets	(2,990)	-	-	(2,990)
Closing net book balance	33,302	2,159	26,876	62,337

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022-23.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Suppliers	280,299	4,340	4,326	4,326	4,326
Other expenses	236,915	238,392	252,092	296,695	222,386
Total expenses administered on behalf of Government	517,214	242,732	256,418	301,021	226,712
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Taxation revenue					
Other taxes	277,213	1,229	1,229	1,229	1,229
Total taxation revenue	277,213	1,229	1,229	1,229	1,229
Non-taxation revenue					
Sale of goods and rendering of services	28,632	26,930	24,418	24,418	24,697
Other revenue	nfp	nfp	nfp	nfp	nfp
Total non-taxation revenue	28,632	26,930	24,418	24,418	24,697
Total own-source revenue administered on behalf of Government	305,845	28,159	25,647	25,647	25,926
Net (cost of)/contribution by services	(211,369)	(214,573)	(230,771)	(275,374)	(200,786)
Total comprehensive income/(loss)	(211,369)	(214,573)	(230,771)	(275,374)	(200,786)

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	68	68	68	68	68
Taxation receivables	1,042	1,042	1,042	1,042	1,042
Trade and other receivables	103	103	103	103	103
Total financial assets	1,213	1,213	1,213	1,213	1,213
Non-financial assets					
Other non-financial assets	69	69	69	69	69
Total non-financial assets	69	69	69	69	69
Total assets administered on behalf of Government	1,282	1,282	1,282	1,282	1,282
LIABILITIES					
Payables					
Suppliers	111	111	111	111	111
Other payables	47,114	47,114	47,114	47,114	47,114
Total payables	47,225	47,225	47,225	47,225	47,225
Provisions					
Other provisions	860,625	860,625	860,625	860,625	860,625
Total provisions	860,625	860,625	860,625	860,625	860,625
Total liabilities administered on behalf of Government	907,850	907,850	907,850	907,850	907,850
Net assets/(liabilities)	(906,568)	(906,568)	(906,568)	(906,568)	(906,568)

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	28,632	26,930	24,418	24,418	24,697
Taxes	277,213	1,229	1,229	1,229	1,229
Net GST received	382	382	382	382	382
Other	nfp	nfp	nfp	nfp	nfp
Total cash received	306,227	28,541	26,029	26,029	26,308
Cash used					
Suppliers	280,299	4,340	4,326	4,326	4,326
Net GST paid	382	382	382	382	382
Other	356,107	238,392	252,092	296,695	222,386
Total cash used	636,788	243,114	256,800	301,403	227,094
Net cash from / (used by) operating activities	(330,561)	(214,573)	(230,771)	(275,374)	(200,786)
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 cash from/(used by) financing activities	-	-	-	-	-
Net increase/(decrease) in cash held	(330,561)	(214,573)	(230,771)	(275,374)	(200,786)
Cash and cash equivalents at beginning of reporting period	68	68	68	68	68
Cash from Official Public Account for:					
- Appropriations	636,788	243,114	256,800	301,403	227,094
Total cash from Official Public Account	636,788	243,114	256,800	301,403	227,094
Cash to Official Public Account for:					
- Appropriations	(305,845)	(28,159)	(25,647)	(25,647)	(25,926)
- GST Appropriation	(382)	(382)	(382)	(382)	(382)
Total cash to Official Public Account	(306,227)	(28,541)	(26,029)	(26,029)	(26,308)
Cash and cash equivalents at end of reporting period	68	68	68	68	68

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 2022-23)

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

Climate Change Authority

Entity resources and planned performance

Climate Change Authority

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Climate Change Authority

Section 1: Entity overview and resources

1.1 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 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.

The CCA has amended its Outcome Statement to more accurately reflect, consistent with its legislation, that it can research and provide advice on all climate change matters.

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: CCA resource statement – Budget estimates for 2022-23 as at Budget March 2022

	2021-22 <i>Estimated actual \$'000</i>	2022-23 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	-	200
Departmental appropriation	2,584	2,610
s74 external revenue (b)	500	-
Total departmental annual appropriations	3,084	2,810
Total departmental resourcing	3,084	2,810
Total resourcing for CCA	3,084	2,810
	2021-22	2022-23
Average staffing level (number)	11	11

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

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

(b) Estimated External Revenue receipts under section 74 of the PGPA Act 2013.

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-plans>

The most recent annual performance statement can be found in the annual report at:
<https://www.climatechangeauthority.gov.au/annual-reports>

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Provide expert advice to the Australian Government on climate change 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 <ul style="list-style-type: none"> • 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 policy advice to the Government, including in relation to the energy sector.
Bureau of Meteorology
Program <ul style="list-style-type: none"> • Program 1.1 – Bureau of Meteorology
Contribution to Outcome 1 made by linked program The Climate Change Authority has a strategic relationship agreement with the Bureau for climate research and advice.

Budgeted expenses for Outcome 1

This table shows how much CCA 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: Provide expert advice to the Australian Government on climate change initiatives, including through conducting regular and specifically commissioned reviews and through undertaking climate change research

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1.1: Reviewing Climate Change Policies					
Departmental expenses					
Departmental appropriation	2,584	2,610	2,650	1,673	1,684
s74 External Revenue (a)	500	-	-	-	-
Departmental total	3,084	2,610	2,650	1,673	1,684
Total expenses for Program 1	3,084	2,610	2,650	1,673	1,684
Outcome 1 totals by resource type					
Departmental expenses					
Departmental appropriation	2,584	2,610	2,650	1,673	1,684
s74 External Revenue (a)	500	-	-	-	-
Departmental total	3,084	2,610	2,650	1,673	1,684
Total expenses for Outcome 1	3,084	2,610	2,650	1,673	1,684
Average staffing level (number)					
	2021-22	2022-23			
	11	11			

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

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

Table 2.1.2: Performance measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides information on the related key activities as expressed in the current corporate plan, where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – Provide expert advice to the Australian Government on climate change initiatives, including through conducting regular and specifically commissioned reviews and undertaking climate change research		
Program 1.1- Reviewing climate change policies		
The Climate Change Authority's objective is to provide rigorous, independent and balanced advice to the Minister for Industry, 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.		
Key Activities	Key activities reported in the current corporate plan that relate to this program include: <ul style="list-style-type: none"> • Complete self-initiated research on enhancing Australia's competitiveness in a decarbonising world. • Complete reviews of the Carbon Credits legislation and the National Greenhouse and Energy Reporting legislation by December 2023. • Complete other Special Reviews as requested by the Government or the Parliament. • Identify and undertake other self-generated research on climate change matters. 	
Year	Performance measures	Expected Performance Results
Current year 2021-22	The Authority's reviews and research reports are timely, of high quality and used in public policy forums and discussions.	<p>Reviews and research reports draw on the best available knowledge and are informed by a broad range of perspectives. Forecast: On-track</p> <p>The Authority's analysis, findings and advice are communicated clearly and effectively. Forecast: On-track</p> <p>Reviews and research reports are provided by the due date. Forecast: On-track</p> <p>Research and review reports are relevant to the government and stakeholders of the day, and influence the public debate on climate change policy. Forecast: On-track</p>

		Government considers the Authority's findings and recommendations in developing and implementing policy. Forecast: On-track
	The Authority's public consultation processes are transparent, accessible and are highly regarded by stakeholders.	Public consultation is comprehensive, representative and transparent. Forecast: On-track
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	The Authority's reviews and research reports are timely, of high quality and used in public policy forums and discussions.	Reviews and research reports draw on the best available knowledge and are informed by a broad range of perspectives. Forecast: On-track The Authority's analysis, findings and advice are communicated clearly and effectively. Forecast: On-track Reviews and research reports are provided by the due date. Forecast: On-track Research and review reports are relevant to the government and stakeholders of the day, and influence the public debate on climate change policy. Forecast: On-track Government considers the Authority's findings and recommendations in developing and implementing policy. Forecast: On-track
	The Authority's public consultation processes are transparent, accessible and are highly regarded by stakeholders.	Public consultation is comprehensive, representative and transparent. Forecast: On-track
Forward Estimates 2023-26	As per 2022-23	As per 2022-23
Material changes to Program 1.1 resulting from 2022-23 Budget Measures: Nil		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2022-23 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Explanatory notes and analysis of budgeted financial statements

The financial statements reflect the Authority's operations to 30 June 2026.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	2,190	1,853	1,882	1,188	1,196
Suppliers	894	757	769	485	488
Total expenses	3,084	2,610	2,650	1,673	1,684
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	500	-	-	-	-
Total own-source revenue	500	-	-	-	-
Net (cost of)/contribution by services	2,584	2,610	2,650	1,673	1,684
Revenue from Government	2,584	2,610	2,650	1,673	1,684
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)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	83	83	83	83	83
Trade and other receivables	1,222	1,222	1,222	1,222	1,222
Total financial assets	1,305	1,305	1,305	1,305	1,305
Non-financial assets					
Other non-financial assets	8	8	8	8	8
Total non-financial assets	8	8	8	8	8
Total assets	1,313	1,313	1,313	1,313	1,313
LIABILITIES					
Payables					
Suppliers	243	243	243	243	243
Other payables	128	128	128	128	128
Total payables	371	371	371	371	371
Provisions					
Employee provisions	399	399	399	399	399
Total provisions	399	399	399	399	399
Total liabilities	770	770	770	770	770
Net assets	543	543	543	543	543
EQUITY*					
Parent entity interest					
Contributed equity	1,088	1,088	1,088	1,088	1,088
Retained surplus (accumulated deficit)	(545)	(545)	(545)	(545)	(545)
Total parent entity interest	543	543	543	543	543
Total equity	543	543	543	543	543

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 2022-23)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2022					
Balance carried forward from previous period	(545)	-	-	1,088	543
Adjusted opening balance	(545)	-	-	1,088	543
Estimated closing balance as at 30 June 2023	(545)	-	-	1,088	543
Closing balance attributable to the Australian Government	(545)	-	-	1,088	543

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	2,584	2,610	2,650	1,673	1,684
Sale of goods and rendering of services	500	-	-	-	-
Total cash received	3,084	2,610	2,650	1,673	1,684
Cash used					
Employees	2,190	1,853	1,882	1,188	1,196
Suppliers	894	757	769	485	488
Total cash used	3,084	2,610	2,650	1,673	1,684
Cash and cash equivalents at the beginning of the reporting period	83	83	83	83	83
Cash and cash equivalents at the end of the reporting period	83	83	83	83	83

Prepared on Australian Accounting Standards basis.

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

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

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

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 2022-23)

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

**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, universities and others in the innovation system, to support existing industries to 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 are the following:

- Through leading science and technology, collaborative relationships and differentiated capability we encourage the translation of Australia's world-class scientific research in order to deliver impactful solutions at scale.
- 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.

- Stimulating innovation for Australian industry, academia and government through investments that create new ventures and other outcomes by developing strategic R&D partnerships, STEM capability and delivering excellent customer experiences.
- Establishing stronger connections with top global research and technology peers.
- Providing the Australian Government with independent scientific and technical advice as required, and informing the policy making process to assist the Government in deciding 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.
- Promoting careers in science, investing in research training, and improving 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.

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 2022-23 as at Budget March 2022

	<i>2021-22 Estimated actual \$'000</i>	<i>2022-23 Estimate \$'000</i>
Opening balance/cash reserves at 1 July	496,423	512,974
Funds from Government		
Annual appropriations - ordinary annual services (a) (b)		
Outcome 1	946,001	991,289
Annual appropriations - other services (c)		
Equity injection	4,000	49,700
Total annual appropriations (d)	950,001	1,040,989
Total funds from Government	950,001	1,040,989
Funds from other sources		
Interest	2,017	2,255
Royalties	46,545	44,635
Sale of goods and services	423,484	449,888
Rental income	6,801	5,298
Proceeds from asset sales	44,350	35,200
Other	52,922	65,718
Total funds from other sources	576,119	602,994
Total net resourcing for CSIRO	2,022,543	2,156,957
	<i>2021-22</i>	<i>2022-23</i>
Average staffing level (number)	5,100	5,448

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

- (a) Appropriation Bill (No. 1) 2022-23.
- (b) \$3.0 million will be received through Appropriation Bill (No.3) 2021-22. The annual appropriation received from this bill will be recognised in a future Portfolio Budget statement after the Bill has received Royal Assent.
- (c) Appropriation Bill (No. 2) 2022-23.
- (d) CSIRO 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 CSIRO and are considered departmental for all purposes.

1.3 Budget measures

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

Table 1.2: CSIRO 2022-23 budget measures
Part 1: Measures announced after the 2021-22 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Payment measures						
Comprehensive Strategic Partnership with India - new initiatives (a)	1					
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Critical Minerals Strategy - implementation	1					
Departmental payment		-	2,628	2,572	3,401	-
Total		-	2,628	2,572	3,401	-
Investing in Australia's University Research Commercialisation (b)	1					
Departmental payment		-	9,255	9,250	9,389	9,520
Total		-	9,255	9,250	9,389	9,520
Support for the Australian Space Industry (c)	1					
Departmental payment		nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
Total payment measures						
Departmental		nfp	11,883	11,822	12,790	9,520
Total		nfp	11,883	11,822	12,790	9,520

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.

- This measure was a decision taken but not yet announced in the 2021-22 MYEFO, with the following impact: 2021-22 \$1.6 million; 2022-23 \$7.4 million; 2023-24 \$11.1 million; 2024-25 \$16.5 million and 2025-26 \$6.7 million.
- This measure was part of a decision taken but not yet announced in the 2021-22 MYEFO, with the following impact: 2021-22 \$15.9 million; 2022-23 \$32.8 million; 2023-24 \$49.8 million; 2024-25 \$52.3 million and 2025-26 \$25.2 million. The lead entity for this measure is the Department of Education, Skills and Employment.
- The payment for this measure is not for publication (nfp) due to commercial sensitivities.

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>

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
<p>Programs</p> <ul style="list-style-type: none"> • 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
<p>Contribution to Outcome 1 made by linked programs</p> <p>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 Industry Innovation and Science Australia and through policies, programs and the provision of funding in the areas of greenhouse gas emission reductions, climate science research and clean energy technology.</p>
Department of Agriculture, Water and the Environment
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 - Sustainable Management of Natural Resources and the Environment • Program 1.2 - Environmental Information and Research • Program 2.1 - Antarctica: Science, Policy and Presence • Program 4.2 - Plant and Animal Health
<p>Contribution to Outcome 1 made by linked programs</p> <p>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 contributions to the operating costs of the Australian Centre for Disease Preparedness (formerly the Australian Animal Health Laboratory).</p>

Department of Education, Skills and Employment
Program
<ul style="list-style-type: none"> • 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
<ul style="list-style-type: none"> • 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 Climate Systems Hub of which CSIRO is the host organisation, and as a partner in the Australian Climate Service to deliver world-leading climate and natural disaster science, information and expertise.
Geoscience Australia
Program
<ul style="list-style-type: none"> • Program 1 – Geoscientific and Spatial Information Services
Contribution to Outcome 1 made by linked program
Geoscience Australia contributes to Outcome 1 as a partner in earth observation, marine and geological sciences.

Budgeted expenses for Outcome 1

This table shows how much CSIRO 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: 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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1: Science and Industrial Research and Infrastructure					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	949,037	991,289	985,625	899,332	907,477
Expenses not requiring appropriation in the budget year (a)	44,340	36,306	40,797	39,402	37,294
Revenues from other independent sources	512,382	512,085	550,733	585,150	592,031
Total expenses for Program 1	1,505,759	1,539,680	1,577,155	1,523,884	1,536,802
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	949,037	991,289	985,625	899,332	907,477
Expenses not requiring appropriation in the budget year (a)	44,340	36,306	40,797	39,402	37,294
Revenues from other independent sources	512,382	512,085	550,733	585,150	592,031
Total expenses for Outcome 1	1,505,759	1,539,680	1,577,155	1,523,884	1,536,802
Average staffing level (number)	2021-22	2022-23			
	5,100	5,448			

(a) Expenses not requiring appropriation in the Budget year consists of approved operating losses.

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

Table 2.1.2: Program components for Outcome 1

Program 1.1: Scientific and Industrial Research and Infrastructure					
	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
<i>Program 1: Science and Industrial Research and Infrastructure</i>					
Annual departmental expenses:					
Research - Science	789,719	827,013	823,995	741,444	758,323
Research - National Facilities and Collections	159,318	164,276	161,630	157,888	149,154
Revenues from other independent sources	512,382	512,085	550,733	585,150	592,031
Expenses not requiring appropriation in the Budget year (a)	44,340	36,306	40,797	39,402	37,294
Total program expenses	1,505,759	1,539,680	1,577,155	1,523,884	1,536,802

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

Table 2.1.3: Performance measures for Outcome 1

Table 2.1.3 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

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	
<p>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 focusing on identifying pathways for adoption and delivery of impacts.</p> <p>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.</p> <p>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 accessible to industry.</p> <p>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 <i>Science and Industry Endowment Act 1926</i>), for the purpose of funding research activities, commercialisation of technologies and assistance to industry through research collaboration and capacity building.</p>	
Key Activities	<p>CSIRO delivers Program 1 by:</p> <ul style="list-style-type: none"> • 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. • 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. • Collaborating with businesses (including large corporations and small and medium enterprises), public sector organisations (Federal, State & Local) and other publicly funded research agencies (PFRAs), universities, Cooperative Research Centres and Research Development Corporations. • Investing in proposals from universities, PFRAs and their partners to bring forward the commercialisation of research-based solutions aligned with the

	<p>Government's Science and Research Priorities.</p> <ul style="list-style-type: none"> • Administering the Innovation Fund to support start-up businesses and a culture of innovation and entrepreneurship in Australia. • Education and outreach activities to develop increased knowledge of science and its applications for students, teachers and the Australian community. • 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. • Investing SIEF funds in programs aligned with published strategic objectives that address national challenges and contribute to Australia's sustainable future. 	
Year	Performance measures	Expected Performance Results
Current year 2021-22	Demonstrated value of benefits underpinned by an increasing annual portfolio of externally validated impact case studies capturing triple bottom line impacts	<ul style="list-style-type: none"> • Evidence of maintained or increased impact demonstrated by a minimum of 20 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.	<ul style="list-style-type: none"> • 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.
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	Demonstrated value of benefits underpinned by an increasing annual portfolio of externally validated impact case studies capturing triple bottom line impacts.	<ul style="list-style-type: none"> • Evidence of maintained or increased impact demonstrated by a minimum of 20 externally validated case studies.
	Facilities and collections achieve a threshold rate of successful usage, with lost time minimised.	<ul style="list-style-type: none"> • 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.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23
Material changes to Program 1 resulting from 2022-23 Budget Measures: Nil		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2022-23 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

The 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 2022-23 is \$991.3 million. This has increased from \$957.5 million as reported in the Portfolio Additional Estimates Statements 2021-22 due to announced measures and the impact of an indexation update.

CSIRO is expecting an operating surplus in 2022-23 and 2024-25 predominantly due to revenue funding for the purchase of non-financial assets. CSIRO is expecting an operating loss in 2023-24 and 2025-26 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

Other investments are estimated to increase in 2022-23 and the forward estimates as a result of expanding the CSIRO Innovation Fund Main Sequence Ventures as part of the measure, Investing in Australia's University Research Commercialisation.

Land and buildings are estimated to decrease in 2022-23 from 2021-22 due to planned site divestment in line with the CSIRO 2019-29 Property Strategy and leased assets depreciating at a higher rate as the leases near their close.

Property, plant and equipment assets are estimated to increase in 2022-23 from 2021-22 due to an increase in budgeted asset acquisitions funded under the National Research Infrastructure Investment Plan announced in the 2018-19 Budget.

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 2022-23 is \$180.6 million; an increase from the \$179.3 million reported in the Portfolio Additional Estimates Statements 2021-22. The movement is mainly due to an announced measure and an increase in estimated external revenue for the purchase of assets.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	843,586	858,701	874,257	874,744	874,898
Suppliers	477,987	504,096	527,095	474,897	488,188
Depreciation and amortisation	182,453	176,030	175,232	173,775	173,346
Finance costs	1,238	853	571	468	370
Write-down and impairment of assets	500	-	-	-	-
Losses from asset sales	(5)	-	-	-	-
Total expenses	1,505,759	1,539,680	1,577,155	1,523,884	1,536,802
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	449,408	449,888	477,493	498,066	496,532
Interest	1,904	2,196	2,686	4,711	7,526
Rental income	6,801	5,298	8,521	7,984	7,984
Royalties and licence fees	46,545	44,635	47,860	50,260	50,260
Other revenue	52,922	65,718	38,773	127,229	38,329
Total own-source revenue	557,580	567,735	575,333	688,250	600,631
Gains					
Other	98,389	13,637	-	-	-
Total gains	98,389	13,637	-	-	-
Total own-source income	655,969	581,372	575,333	688,250	600,631
Net (cost of)/contribution by services	(849,790)	(958,308)	(1,001,822)	(835,634)	(936,171)
Revenue from Government	949,037	991,289	985,625	899,332	907,477
Surplus/(deficit) attributable to the Australian Government	99,247	32,981	(16,197)	63,698	(28,694)
Total comprehensive income/(loss) attributable to the Australian Government	99,247	32,981	(16,197)	63,698	(28,694)

Note: Impact of net cash appropriation arrangements

Total comprehensive income/(loss) - as per statement of Comprehensive Income	99,247	32,981	(16,197)	63,698	(28,694)
plus: depreciation/amortisation expenses on ROU assets (a)	27,818	15,840	15,604	14,803	15,129
less: lease principal repayments (a)	33,273	18,584	14,088	14,342	12,901
Net Cash Operating Surplus/(Deficit)	93,792	30,237	(14,681)	64,159	(26,466)

(a) Applies leases under AASB 16 Leases.
Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and equivalents	512,974	561,127	554,474	572,505	622,656
Trade and other receivables	86,549	86,490	86,490	86,490	86,490
Other investments	319,956	349,956	394,956	439,956	457,956
Total financial assets	919,479	997,573	1,035,920	1,098,951	1,167,102
Non-financial assets					
Land and buildings	1,561,383	1,518,874	1,497,623	1,451,533	1,375,381
Property, plant and equipment	567,333	599,189	600,607	688,756	676,394
Heritage and cultural assets	9,952	9,952	9,952	9,952	9,952
Investment property	49,016	49,016	49,016	49,016	49,016
Intangibles	20,390	21,064	21,738	22,412	23,098
Inventories	1,315	1,315	1,315	1,315	1,315
Other non-financial assets	12,416	12,416	12,416	12,416	12,416
Total non-financial assets	2,221,805	2,211,826	2,192,667	2,235,400	2,147,572
Assets held for sale	5,200	-	-	-	-
Total assets	3,146,484	3,209,399	3,228,587	3,334,351	3,314,674
LIABILITIES					
Payables					
Suppliers	213,294	213,252	213,252	213,252	213,252
Other payables	16,034	16,034	16,034	16,034	16,034
Deposits	21,800	21,800	21,800	21,800	21,800
Total payables	251,128	251,086	251,086	251,086	251,086
Interest bearing liabilities					
Lease liabilities	53,481	36,757	23,542	10,502	1,719
Total interest bearing liabilities	53,481	36,757	23,542	10,502	1,719
Provisions					
Employee provisions	268,771	268,771	268,771	268,771	268,771
Other provisions	59,776	56,776	53,776	50,776	47,776
Total provisions	328,547	325,547	322,547	319,547	316,547
Total liabilities	633,156	613,390	597,175	581,135	569,352
Net assets	2,513,328	2,596,009	2,631,412	2,753,216	2,745,322
EQUITY*					
Parent entity equity					
Contributed equity	331,384	381,084	432,684	490,790	511,590
Reserves	1,572,466	1,572,466	1,572,466	1,572,466	1,572,466
Retained surplus (accumulated deficit)	609,478	642,459	626,262	689,960	661,266
Total parent entity equity	2,513,328	2,596,009	2,631,412	2,753,216	2,745,322
Total equity	2,513,328	2,596,009	2,631,412	2,753,216	2,745,322

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 2022-23)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2022					
Balance carried forward from previous period	609,478	1,572,725	(259)	331,384	2,513,328
Adjusted opening balance	609,478	1,572,725	(259)	331,384	2,513,328
Comprehensive income					
Surplus/(deficit) for the period					
Total comprehensive income	32,981	-	-	-	32,981
of which:	32,981	-	-	-	32,981
Attributable to the Australian Government	32,981	-	-	-	32,981
Transactions with owners					
Contributions by owners					
Equity Injection - Appropriation	-	-	-	49,700	49,700
Sub-total transactions with owners	-	-	-	49,700	49,700
Estimated closing balance as at 30 June 2023	642,459	1,572,725	(259)	381,084	2,596,009
Closing Balance attributable to the Australian Government	642,459	1,572,725	(259)	381,084	2,596,009

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Receipts from Government	949,037	991,289	985,625	899,332	907,477
Sale of goods and rendering of services	614,119	624,208	632,812	754,893	654,856
Interest	2,017	2,255	2,686	4,711	7,526
Total cash received	1,565,173	1,617,752	1,621,123	1,658,936	1,569,859
Cash used					
Employees	839,515	858,701	874,257	874,744	874,898
Suppliers	529,448	555,019	580,193	522,753	538,217
Net GST paid	9,910	10,788	10,067	26,498	14,722
Interest payments on lease liabilities	1,238	853	571	468	370
Total cash used	1,380,111	1,425,361	1,465,088	1,424,463	1,428,207
Net cash from/(used by) operating activities	185,062	192,391	156,035	234,473	141,652
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property plant and equipment	44,350	35,200	30,000	30,000	30,000
Total cash received	44,350	35,200	30,000	30,000	30,000
Cash used					
Purchase of property, plant and equipment and intangibles	151,588	180,554	185,200	245,206	111,400
Purchase of financial instruments	32,000	30,000	45,000	45,000	18,000
Total cash used	183,588	210,554	230,200	290,206	129,400
Net cash from/(used by) investing activities	(139,238)	(175,354)	(200,200)	(260,206)	(99,400)

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
FINANCING ACTIVITIES					
Cash received					
Contributed equity	4,000	49,700	51,600	58,106	20,800
Total cash received	4,000	49,700	51,600	58,106	20,800
Cash used					
Principal payments on lease liabilities	33,273	18,584	14,088	14,342	12,901
Total cash used	33,273	18,584	14,088	14,342	12,901
Net cash from/(used by) financing activities	(29,273)	31,116	37,512	43,764	7,899
Net increase/(decrease) in cash held	16,551	48,153	(6,653)	18,031	50,151
Cash and cash equivalents at the beginning of the reporting period	496,423	512,974	561,127	554,474	572,505
Cash and cash equivalents at the end of the reporting period	512,974	561,127	554,474	572,505	622,656

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	4,000	49,700	51,600	58,106	20,800
Total new capital appropriations	4,000	49,700	51,600	58,106	20,800
Provided for:					
<i>Purchase of non-financial assets</i>	-	700	2,600	9,106	1,800
<i>Other Items</i>	4,000	49,000	49,000	49,000	19,000
Total Items	4,000	49,700	51,600	58,106	20,800
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	-	700	2,600	9,106	1,800
Funded internally from departmental resources (b)	151,588	179,854	182,600	236,100	109,600
TOTAL	151,588	180,554	185,200	245,206	111,400
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	151,588	180,554	185,200	245,206	111,400
Total cash used to acquire assets	151,588	180,554	185,200	245,206	111,400

Prepared on Australian Accounting Standards basis.

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

(b) 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; and
- proceeds from the sale of assets.

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

	Land \$'000	Buildings \$'000	Property, plant and equipment \$'000	Heritage and cultural \$'000	Investment property \$'000	Intangibles \$'000	Land held for sale \$'000	Total \$'000
As at 1 July 2022								
Gross book value	367,496	2,831,787	1,321,362	150,061	49,016	64,808	5,200	4,789,730
Gross book value - ROU assets	-	291,546	4,710	-	-	-	-	296,256
Accumulated depreciation/ amortisation and impairment	-	(1,757,893)	(756,525)	(140,109)	-	(44,418)	-	(2,698,945)
Accumulated depreciation/amortisation and impairment - ROU assets	-	(171,553)	(2,214)	-	-	-	-	(173,767)
Opening net book balance	367,496	1,193,887	567,333	9,952	49,016	20,390	5,200	2,213,274
Capital asset additions								
Estimated expenditure on new or replacement assets								
By purchase - appropriation equity (a)	-	-	700	-	-	-	-	700
By purchase - appropriation ordinary annual services (b)	-	26,500	49,500	-	-	4,000	-	80,000
By purchase - other - ROU assets	-	1,177	683	-	-	-	-	1,860
By purchase - other	-	58,204	41,650	-	-	-	-	99,854
Assets received as gifts/donations	-	-	13,637	-	-	-	-	13,637
Total additions	-	85,881	106,170	-	-	4,000	-	196,051
Other movements								
Depreciation/amortisation expense	-	(83,514)	(73,350)	-	-	(3,326)	-	(160,190)
Depreciation/amortisation on ROU assets	-	(14,876)	(964)	-	-	-	-	(15,840)
Disposals	(30,000)	-	-	-	-	-	(5,200)	(35,200)
Total other movements	(30,000)	(98,390)	(74,314)	-	-	(3,326)	(5,200)	(211,230)

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

	Land \$'000	Buildings \$'000	Property, plant and equipment \$'000	Heritage and cultural \$'000	Investment property \$'000	Intangibles \$'000	Land held for sale \$'000	Total \$'000
As at 30 June 2023								
Gross book value	337,496	2,916,491	1,426,849	150,061	49,016	68,808	-	4,948,721
Gross book value - ROU assets	-	292,723	5,393	-	-	-	-	298,116
Accumulated depreciation/ amortisation and impairment	-	(1,841,407)	(829,875)	(140,109)	-	(47,744)	-	(2,859,135)
Accumulated depreciation/ amortisation and impairment - ROU assets	-	(186,429)	(3,178)	-	-	-	-	(189,607)
Closing net book balance	337,496	1,181,378	599,189	9,952	49,016	21,064	-	2,198,095

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022-23.

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2022-23 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 2022-23)

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

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. Geoscience Australia delivers Earth sciences for Australia's future.

During the budget and forward years Geoscience Australia will implement and progress Australian Government priorities and key budget measures.

The Australian Government has committed additional funding in the budget and forward years to improve global positioning information. Through the Positioning Australia program, Geoscience Australia is implementing a national system for open, reliable and high-accuracy positioning across Australia. A national network of ground stations and a Satellite Based Augmentation System will deliver positioning data accurate to 10 cm across Australia, and 3 to 5 cm in areas of mobile phone coverage.

The 4 year (2020-2024), \$124.5 million Exploring for the Future (phase two) program will continue to deliver high quality data and information that improves the understanding of the nation's resource potential. This is driving the next generation of mineral, energy and groundwater discoveries in Australia and identifying resources vital to meeting future challenges.

Geoscience Australia is supporting the Australian Government's gas fired recovery agenda by delivering the Data Driven Discoveries initiative for the Cooper and Adavale basins. In November 2021, as part of the Government's Cooper-Adavale Strategic Basin Plan, Geoscience Australia was allocated \$30.9 million over four years to collect and publish new geoscientific data to drive exploration investment and unlock new Australian resources, supporting the Government's objective of ensuring developments benefit all Australians including regional communities, domestic energy users and the broader Australian public.

Geoscience Australia has partnered with the Bureau of Meteorology, CSIRO and the Australian Bureau of Statistics to establish the Australian Climate Service. Funding announced in May 2021 of \$209.7 million over 4 years to establish the Australian Climate Service will better connect and leverage the government's extensive data, information and capabilities to inform climate and disaster risk management.

In the 2021-22 Budget, the Australian Government committed \$40.2 million over 4 years to develop a Digital Atlas of Australia, as part of its commitment to making Australia a leading digital economy by 2030. The Digital Atlas of Australia will be a free, interactive geospatial map that will provide valuable data on Australia's population, economy, employment, infrastructure, health, land and the environment. This will support governments, businesses and the community to make more informed decisions about planning, infrastructure and investment at the local and national level.

Geoscience Australia is continuing to support implementation of the Australian Government's Civil Space Strategy by helping ensure the benefits of space data are realised on Earth, including through its work to connect the space and spatial sectors of the economy. Geoscience Australia is working with the Australian Space Agency and other partners to support implementation of the National Space Mission for Earth Observations, including supporting the development of a series of Australian land imaging satellites. Geoscience Australia will continue to work with the Australian Space Agency to develop an equivalent technology roadmap for Positioning, Navigation and Timing.

Geoscience Australia is continuing to support implementation of the Australian Government's Civil Space Strategy by helping ensure the benefits of space data are realised on Earth, including through its work to connect the space and spatial sectors of the economy. The organisation is working with the Australian Space Agency and other partners to support implementation of the Earth Observations from Space Technology Roadmap, a document that provides the Australian space industry with guidance on opportunities for satellite technology development. In 2022, Geoscience Australia will work with the Australian Space Agency to develop an equivalent technology roadmap for Positioning, Navigation and Timing.

Through the Digital Earth Australia program, Geoscience Australia will continue to provide free and open satellite data and derived information products to support Australian governments to make better decisions on policy, investment, management and operations, and Australian industry and business to create new capabilities that increase efficiency, productivity and employment opportunities across the Australian economy.

As part of the Australian Government's National Critical Minerals Research and Development Centre, funding of \$9.2 million has been allocated over three years to undertake research that will identify benefits to Australia's critical mineral sector. The Centre will provide a national perspective to critical minerals research and

development and in addressing technical challenges by bringing together Australia’s world-leading research capabilities of Geoscience Australia, CSIRO, and the Australian Nuclear Science and Technology Organisation.

Geoscience Australia will achieve its impacts with a focus on science excellence, optimising its data, fostering collaboration and strong partnerships, 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 2022-23 as at Budget March 2022

	<i>2021-22 Estimated actual \$'000</i>	<i>2022-23 Estimate \$'000</i>
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	50,189	156,839
Departmental appropriation (b)	261,064	345,316
s74 External Revenue (c)	70,626	68,797
Departmental capital budget (d)	4,583	7,692
Annual appropriations - other services - non-operating		
Prior year appropriation available	11,520	11,520
Equity injection (e)	7,127	9,594
Total departmental annual appropriations	405,109	599,758
Total departmental resourcing	405,109	599,758
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	405,128	599,777
	<i>2021-22</i>	<i>2022-23</i>
Average staffing level (number)	605	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.

- (a) Appropriation Bill (No. 1) 2022-23.
- (b) Excludes departmental capital budget (DCB).
- (c) Estimated external revenue receipts under section 74 of the PGPA Act.
- (d) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (e) Appropriation Bill (No. 2) 2022-23.

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 2022-23 Budget measures
Part 1: Measures announced after the 2021-22 Mid-Year Economic and Fiscal Outlook (MYEFO)**

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Payment Measures						
Critical Minerals Strategy - implementation	1					
Departmental payment		-	3,543	3,420	2,277	-
Total		-	3,543	3,420	2,277	-
Support for the Australian Space Industry (a)	1					
Departmental payment		nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
Total payment measures						
Departmental		nfp	3,543	3,420	2,277	nfp
Total		nfp	3,543	3,420	2,277	nfp

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

(a) The payment for this measure is not for publication (nfp) due to commercial sensitivities.

Part 2: Other measures not previously reported in a portfolio statement

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Measures						
Critical Minerals - support for supply chains	1					
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Strategic Basin Plans - additional funding	1					
Departmental payment		1,380	7,402	8,024	14,098	-
Total		1,380	7,402	8,024	14,098	-
Satellite Based Augmentation System – additional funding (a)	1					
Departmental payment		(8,358)	13,407	140,463	104,351	66,274
Departmental receipt		nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
Total measures						
Departmental		nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp

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

(a) The receipt for this measure are not for publication (nfp) due to legal sensitivities

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>

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: 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
<p>Programs</p> <ul style="list-style-type: none"> • 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
<p>Contribution to Outcome 1 made by linked programs</p> <p>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.</p>
Bureau of Meteorology
<p>Program</p> <ul style="list-style-type: none"> • Program 1 – Bureau of Meteorology
<p>Contribution to Outcome 1 made by linked program</p> <p>The Bureau of Meteorology partners with Geoscience Australia to provide the Joint Australian Tsunami Warning Centre and to deliver world-leading science, information and expertise on climate and natural disaster risk through the Australian Climate Service.</p>
Commonwealth Scientific and Industrial Research Organisation
<p>Program</p> <ul style="list-style-type: none"> • Program 1 – Scientific and Industrial Research and Infrastructure
<p>Contribution to Outcome 1 made by linked program</p> <p>CSIRO partners with Geoscience Australia to progress the Australian Space Agency’s Earth Observation from Space Technology Roadmap, as part of the Advancing Space: Australian Civil Space Strategy 2019-28.</p>

Budgeted expenses for Outcome 1

This table shows how much Geoscience Australia 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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1: 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 appropriations	261,064	345,316	305,591	266,791	256,210
s74 External Revenue (a)	72,885	71,567	55,168	50,703	49,016
Expenses not requiring appropriation in the Budget year (b)	13,986	13,879	12,820	12,107	10,674
Departmental total	347,935	430,762	373,579	329,601	315,900
Total expenses for program 1.1	347,954	427,238	370,178	327,343	315,919
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 appropriations	261,064	345,316	305,591	266,791	256,210
s74 External Revenue (a)	72,885	71,567	55,168	50,703	49,016
Expenses not requiring appropriation in the Budget year (b)	13,986	13,879	12,820	12,107	10,674
Departmental total	347,935	430,762	373,579	329,601	315,900
Total expenses for Outcome 1	347,954	430,781	373,598	329,620	315,919
	2021-22	2022-23			
Average staffing level (number)	605	600			

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

(b) Expenses not requiring appropriation in the Budget years are made up of depreciation expenses, amortisation expenses, make good expenses, audit fees and accounting treatment of accommodation lease expenses.

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

Table 2.1.2: Performance measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – Informed 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.		
Key Activities	Geoscience Australia’s key activities, as reported in its corporate plan, are based on delivering value across six areas of national interest, with a seventh area focused on building internal performance and enabling functions. Geoscience Australia’s key activities: <ul style="list-style-type: none"> • Building Australia’s resources 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 • Trusted, sustainable and high performing 	
Year	Performance measures	Expected Performance Results
Current year 2021-22	Geoscience Australia’s products and services are underpinned by quality science, are fit-for purpose and meet stakeholder needs.	On Track Geoscience Australia delivered a range of valued products and services that were fit-for-purpose, based on quality science and met stakeholder needs. The development and delivery of Geoscience Australia’s work is guided by its science strategy and founded on the principles of science excellence. Geoscience Australia delivered information on Australia’s geology and geography for government, industry and community decision making. This work supports and enables informed decisions regarding the nation’s use of natural resources, the management of the environment, and community safety.
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	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; stakeholders are satisfied with the information, data, products and services delivered.

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Forward Estimates 2023-26	As per 2022-23	As per 2022-23
Material changes to Program 1 resulting from 2022-23 Budget Measures: Nil		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2022-23 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Explanatory notes and analysis of budgeted financial statements

Budgeted Departmental Income Statement

Total revenues for 2022-23 are budgeted at \$416.9 million, an increase of \$82.9 million from estimated actual revenue in 2021-22. This is mainly due to an increase in appropriation revenue from the Australian Government, mainly comprised of:

- Satellite-Based Augmentation System – net increase of \$65.2 million.
- Exploring for the Future (phase two) – increase of \$6.3 million.
- Strategic Basin Plans – increase of \$6.0 million.
- National Space Mission for Earth Observation – not for publication.
- Critical Minerals – virtual research and development centre – increase of \$3.5 million.

The budgeted deficit for 2022-23 is \$13.9 million. The deficit represents depreciation and amortisation of \$10.2 million, which is not funded under the Government's net cash appropriation arrangements, and depreciation and amortisation on right-of-use assets of \$27.4 million, less principal payments on leased assets of \$23.7 million.

Budgeted Departmental Balance Sheet

Geoscience Australia's budgeted total assets of \$503.7 million and total liabilities of \$439.2 million in 2022-23 represent an increase of \$89.0 million and \$85.6 million respectively from 2021-22. This reflects an expected increase in appropriations receivable and supplier payables associated with recent measures.

Budgeted Capital Budget Statement

Planned capital expenditure for Geoscience Australia in 2022-23 is \$17.3 million. This comprises capital expenditure funded from equity injections of \$9.6 million and the departmental capital budget of \$7.7 million.

Budgeted Administered Income Statement

Geoscience Australia will make one payment on behalf of the Australian Government in 2022-23, being a grant of \$0.02 million for the International Geoscience Program.

Budgeted Administered Balance Sheet

Geoscience Australia does not expect to hold any administered assets or liabilities in 2021-22 and 2022-23.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	81,828	80,956	80,654	80,956	80,956
Suppliers	225,519	308,885	252,254	207,853	194,727
Depreciation and amortisation (a)	36,977	37,604	37,663	38,107	37,870
Finance costs	3,611	3,317	3,008	2,685	2,347
Total expenses	347,935	430,762	373,579	329,601	315,900
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	69,855	68,535	52,134	47,667	45,987
Sublease income	401	401	401	401	401
Other	2,629	2,631	2,633	2,635	2,628
Total own-source revenue	72,885	71,567	55,168	50,703	49,016
Total own-source income	72,885	71,567	55,168	50,703	49,016
Net (cost of)/contribution by services	(275,050)	(359,195)	(318,411)	(278,898)	(266,884)
Revenue from Government	261,064	345,316	305,391	266,791	256,210
Surplus/(deficit) attributable to the Australian Government	(13,986)	(13,879)	(12,820)	(12,107)	(10,674)
Total comprehensive income/(loss)	(13,986)	(13,879)	(12,820)	(12,107)	(10,674)
Total comprehensive income/(loss) attributable to the Australian Government	(13,986)	(13,879)	(13,020)	(12,107)	(10,674)

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	-	-	-	-	-
plus: depreciation/amortisation expenses previously funded through revenue appropriations (a)	9,253	10,232	10,291	10,736	10,500
plus: depreciation/amortisation expenses for ROU assets (b)	27,724	27,372	27,372	27,371	27,370
less: Lease principal repayments (b)	22,991	23,725	24,843	26,000	27,196
Net Cash Operating Surplus/ (Deficit)	13,986	13,879	12,820	12,107	10,674

(a) 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.

(b) Applies leases under AASB 16 Leases.

Prepared on Australian Accounting Standards basis

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	500	500	500	500	500
Trade and other receivables	70,293	176,944	128,149	82,448	85,702
Other financial assets	2,897	5,560	4,935	4,256	4,423
Total financial assets	73,690	183,004	133,584	87,204	90,625
Non-financial assets					
Land and buildings	289,753	260,687	231,635	202,575	173,480
Property, plant and equipment	47,008	55,913	68,310	68,009	74,935
Intangibles	734	577	384	393	578
Other non-financial assets	3,577	3,577	3,577	3,577	3,577
Total non-financial assets	341,072	320,754	303,906	274,554	252,570
Total assets	414,762	503,758	437,490	361,758	343,195
LIABILITIES					
Payables					
Suppliers	10,270	118,008	67,321	19,365	21,214
Other payables	27,235	27,544	27,544	27,853	28,158
Total payables	37,505	145,552	94,865	47,218	49,372
Interest bearing liabilities					
Leases	284,605	260,880	236,037	210,037	182,841
Total interest bearing liabilities	284,605	260,880	236,037	210,037	182,841
Provisions					
Employee provisions	27,430	28,549	29,668	30,787	31,906
Other provisions	4,043	4,191	4,339	4,487	4,635
Total provisions	31,473	32,740	34,007	35,274	36,541
Total liabilities	353,583	439,172	364,909	292,529	268,754
Net assets	61,179	64,586	72,581	69,229	74,441
EQUITY*					
Parent entity interest					
Contributed equity	63,334	80,620	101,435	110,190	126,076
Reserves	15,211	15,211	15,211	15,211	15,211
Retained surplus (accumulated deficit)	(17,366)	(31,245)	(44,065)	(56,172)	(66,846)
Total parent entity interest	61,179	64,586	72,581	69,229	74,441
Total equity	61,179	64,586	72,581	69,229	74,441

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 2022-23)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2022				
Balance carried forward from previous period	(17,366)	15,211	63,334	61,179
Adjusted opening balance	(17,366)	15,211	63,334	61,179
Comprehensive income				
Other comprehensive income				
Surplus/(deficit) for the period	(13,879)	-	-	(13,879)
Total comprehensive income	(13,879)	-	-	(13,879)
Transactions with owners				
Contributions by owners				
Equity injection - Appropriation	-	-	9,594	9,594
Departmental Capital Budget (DCB)	-	-	7,692	7,692
Sub-total transactions with owners	-	-	17,286	17,286
Estimated closing balance as at 30 June 2023	(31,245)	15,211	80,620	64,586
Closing balance attributable to the Australian Government	(31,245)	15,211	80,620	64,586

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	291,343	268,784	384,474	342,580	283,045
Sale of goods and rendering of services	68,138	66,302	53,160	48,747	46,221
Net GST received	11,530	11,281	9,399	7,782	8,604
Other	2,487	2,495	2,526	2,526	2,525
Total cash received	373,498	348,862	449,559	401,635	340,395
Cash used					
Employees	80,399	79,528	79,535	79,528	79,532
Suppliers	224,726	200,943	302,833	255,699	192,775
Net GST paid	11,530	11,281	9,399	7,782	8,604
Interest payments on lease liability	3,561	3,267	2,958	2,635	2,297
s74 External Revenue transferred to the OPA	30,127	30,118	30,089	30,089	30,089
Other	-	-	(98)	(98)	(98)
Total cash used	350,343	325,137	424,716	375,635	313,199
Net cash from/(used by) operating activities	23,155	23,725	24,843	26,000	27,196
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	11,710	17,286	20,815	8,755	15,886
Total cash used	11,710	17,286	20,815	8,755	15,886
Net cash from/(used by) investing activities	(11,710)	(17,286)	(20,815)	(8,755)	(15,886)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	11,710	17,286	20,815	8,755	15,886
Total cash received	11,710	17,286	20,815	8,755	15,886
Cash used					
Principal payments on lease liability	22,991	23,725	24,843	26,000	27,196
Total cash used	22,991	23,725	24,843	26,000	27,196
Net cash from/(used by) financing activities	(11,281)	(6,439)	(4,028)	(17,245)	(11,310)
Net increase/(decrease) in cash held	164	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	336	500	500	500	500
Cash and cash equivalents at the end of the reporting period	500	500	500	500	500

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	4,583	7,692	7,752	7,836	7,936
Equity injections - Bill 2	7,127	9,594	13,063	919	7,950
Total new capital appropriations	11,710	17,286	20,815	8,755	15,886
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	<i>11,710</i>	<i>17,286</i>	<i>20,815</i>	<i>8,755</i>	<i>15,886</i>
Total items	11,710	17,286	20,815	8,755	15,886
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	7,127	9,594	13,063	919	7,950
Funded by capital appropriation - DCB (b)	4,583	7,692	7,752	7,836	7,936
TOTAL	11,710	17,286	20,815	8,755	15,886

Prepared on Australian Accounting Standards basis.

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

(b) Includes purchases from current and previous years' Departmental Capital Budgets (DCBs).

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

	Land	Buildings	Other property, plant and equipment	Heritage and cultural	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022						
Gross book value	1,165	23,558	53,856	3,196	7,919	89,694
Gross book value - ROU assets	824	351,385	172	-	-	352,381
Accumulated depreciation/ amortisation and impairment	-	(4,511)	(10,105)	-	(7,185)	(21,801)
Accumulated depreciation/amortisation and impairment - ROU assets	(142)	(82,526)	(111)	-	-	(82,779)
Opening net book balance	1,847	287,906	43,812	3,196	734	337,495
Capital asset additions						
Estimated expenditure on new or replacement assets						
By purchase - appropriation equity (a)	-	500	16,586	-	200	17,286
Total additions	-	500	16,586	-	200	17,286
Other movements						
Depreciation/amortisation expense	-	(2,209)	(7,666)	-	(357)	(10,232)
Depreciation/amortisation expense on ROU assets	(56)	(27,301)	(15)	-	-	(27,372)
Total other movements	(56)	(29,510)	(7,681)	-	(357)	(37,604)
As at 30 June 2023						
Gross book value	1,165	24,058	70,442	3,196	8,119	106,980
Gross book value - ROU assets	824	351,385	172	-	-	352,381
Accumulated depreciation/ amortisation and impairment	-	(6,720)	(17,771)	-	(7,542)	(32,033)
Accumulated depreciation/ amortisation and impairment - ROU assets	(198)	(109,827)	(126)	-	-	(110,151)
Closing net book balance	1,791	258,896	52,717	3,196	577	317,177

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022-23 including Collection Development Acquisition Budget.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
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)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash used					
Grant	19	19	19	19	19
Total cash used	19	19	19	19	19
Net cash from/(used by) operating activities	(19)	(19)	(19)	(19)	(19)
Net increase/(decrease) in cash held	(19)	(19)	(19)	(19)	(19)
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 2022-23)

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

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 registrable intellectual property (IP) rights system, specifically patents, trade marks, designs and plant breeder's rights. IP Australia is a listed non-corporate Commonwealth entity and recovers more than 98 per cent of its costs by charging fees for its IP rights services in accordance with the Australian Government Charging Framework.

Granting exclusive IP rights fosters increased innovation, investment and trade in Australia, and by Australians overseas, 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's Strategic Corporate Plan (the plan) guides the agency's strategic direction in pursuit of its vision to create a world leading IP system building prosperity for Australia. The plan provides an overview of IP Australia's purpose to ensure Australians benefit from great ideas; outlines the strategic objectives the agency wants to achieve; and details the key activities intended to deliver those objectives. The plan can be found at www.ipaustralia.gov.au.

IP Australia is committed to delivering and maintaining a world leading intellectual property system and services that are modern, effective, efficient and accessible. IP Australia promotes awareness of IP, regulates the IP attorney profession, provides advice to government on policy relating to the IP rights system and contributes to bilateral and multilateral negotiations and the development of cooperation programs to support the global IP system.

IP Australia's key focus areas for the budget and forward estimates include:

- Supporting jobs and growth by contributing to Australia's economic recovery objectives.
- Delivering and maintaining high-quality and timely patents, trade marks, designs and plant breeder's rights.

- Increasing the digital capabilities and dexterity of our workforce to support continuous improvement in the delivery of world leading and contemporary digital IP services.
- Providing targeted education and awareness offerings that demonstrate the benefits of IP rights ownership and facilitate greater understanding of the IP system.
- Continuing the policy work on the Australian designs and plant breeder's rights systems to ensure they are fit for purpose and support the Australian economy now and in the future.
- Improving Australia's IP system to promote the cultural integrity and economic potential of Indigenous Knowledge.
- Continuing to support Australians to export and invest through the agency's international engagement activities.
- Enhancing 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 core business and customers.
- Establishing a sustainable innovation model that explores, tests and develops innovative solutions to benefit IP Australia's customers.

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 2022-23 as at Budget March 2022

	2021-22 <i>Estimated actual \$'000</i>	2022-23 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Departmental appropriation	356	360
Total departmental annual appropriations	356	360
Special accounts (b)		
Opening balance	52,937	65,316
Appropriation receipts (c)	356	360
Non-appropriation receipts	245,631	246,893
Total special accounts	298,924	312,569
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	356	360
Total departmental resourcing	298,924	312,569
Total resourcing for IP Australia	298,924	312,569
	2021-22	2022-23
Average staffing level (number)	1,054	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.

- (a) Appropriation Bill (No. 1) 2022-23.
- (b) 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.
- (c) 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/ip-australia-corporate-plan-2021-22>.

The most recent annual performance statement can be found at:
<https://www.industry.gov.au/data-and-publications/annual-report-2020-21>.

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 IP Australia 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: 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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1: IP Rights Administration and Professional Registration					
Departmental expenses					
Special accounts	214,873	218,413	225,141	230,017	235,587
Expenses not requiring appropriation in the Budget year (a)	155	160	165	170	175
Departmental total	215,028	218,573	225,306	230,187	235,762
Total expenses for program 1	215,028	218,573	225,306	230,187	235,762
Program 2: Education and Awareness					
Departmental expenses					
Special accounts	2,327	2,366	2,438	2,491	2,552
Departmental total	2,327	2,366	2,438	2,491	2,552
Total expenses for program 2	2,327	2,366	2,438	2,491	2,552
Program 3: Advice to Government and International Engagement					
Departmental expenses					
Departmental appropriation	356	360	361	363	365
Special accounts	15,003	15,252	15,732	16,079	16,475
Departmental total	15,359	15,612	16,093	16,442	16,840
Total expenses for program 3	15,359	15,612	16,093	16,442	16,840
Outcome 1 Totals by appropriation type					
Departmental expenses					
Departmental appropriation	356	360	361	363	365
Special accounts	232,203	236,031	243,311	248,587	254,614
Expenses not requiring appropriation in the Budget year (a)	155	160	165	170	175
Departmental total	232,714	236,551	243,837	249,120	255,154
Total expenses for Outcome 1	232,714	236,551	243,837	249,120	255,154
	2021-22	2022-23			
Average staffing level (number)	1,054	1,054			

(a) Expenses not requiring appropriation in the Budget year are made up of audit fees.

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

Table 2.1.2: Performance measures for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1: Increased 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		
IP Australia will deliver robust intellectual property (IP) rights that satisfy IP Australia's customers in terms of timeliness and quality, and administer the professional registration system for persons practicing as Patent and/or Trade Marks Attorneys.		
Key Activities	<ul style="list-style-type: none"> • Administer patents, trade marks, designs and plant breeder's rights legislation. • Administer the Trans-Tasman IP attorney regime for Australian and New Zealand patents attorneys, and Australian trade marks attorneys. 	
Year	Performance measures	Expected Performance Results
Current year 2021-22	Customer Service Charter and legislative commitments are met.	IP Australia expects to meet seven of nine 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.
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	IP Australia's timeliness, quality, satisfaction, and availability commitments are met.	Meet the key organisational performance metrics for timeliness, quality, satisfaction and availability published in IP Australia's 2022–23 Corporate Plan.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23
Material changes to Program 1 resulting from 2022-23 Budget Measures: Nil		
Program 2 – Education and Awareness		
IP Australia will facilitate understanding among its stakeholders of the value of IP, and access to the domestic and international intellectual property system in line with Australia's interests.		
Key Activities	<ul style="list-style-type: none"> • Deliver proactive outreach programs that inform and educate Australian businesses, with emphasis on small and medium enterprises. • Build and leverage partnerships with government, industry partners and universities to promote the IP system and maximise impact. 	

Year	Performance measures	Expected Performance Results
Current year 2021-22	Improved awareness of the IP rights system measured by: <ol style="list-style-type: none"> 1. 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; and 2. Increase the level of customers' knowledge of Australia's IP system on the 2020-21 baseline (56%). 	<ol style="list-style-type: none"> 1. IP Australia expects to achieve this measure as demonstrated by an upward trend of engagement across social media, an increase in newsletter subscribers, an increase in access to the IP Australia website education and resources page; and increased appetite for engagement and education sessions with identified partners across government, peak industry bodies and the university sector. 2. IP Australia expects to report a 4% increase to the percentage of customers who respond that their level of knowledge of the IP system is either adequate or extensive from the 2020-21 baseline of 56%.
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	Improved awareness of the IP rights system demonstrated by: <ol style="list-style-type: none"> 1. 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; and 2. Maintaining or increasing the level of customers' knowledge of Australia's IP system from the 2021-22 result. 	<ol style="list-style-type: none"> 1. Meet the key performance metrics for public education and awareness programs published in IP Australia's 2022-23 Corporate Plan. 2. An increase to the percentage of customers who respond that their level of knowledge of the IP system is either adequate or extensive from the 2021-22 result.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23
Material changes to Program 2 resulting from 2022-23 Budget 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.		
Key Activities	<ul style="list-style-type: none"> • Provide high quality advice to the Government on the development of IP policy and legislation. • Engage internationally, working with bodies such as the World Intellectual Property Organization and other IP offices to influence IP policy and practice. 	
Year	Performance measures	Expected Performance Results
Current year 2021-22	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.
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	Provision of high-quality advice to the Australian Government on policy, legislation, ministerial correspondence and briefs.	Less than 10% of ministerial briefs and correspondence requested to be redrafted. 100% of ministerial briefs and correspondence requested by the Minister's Office are delivered within the agreed timeframes.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23
Material changes to Program 3 resulting from 2022-23 Budget Measures: Nil		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2022-23 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Explanatory notes and analysis of budgeted financial statements

IP Australia is budgeting for an operating surplus of \$11.0 million for 2022-23.

Budgeted Departmental Income Statement

Departmental revenue from contracts with customers in 2022-23 is estimated to be \$243.3 million. The increase from the 2021-22 estimated actual of \$242.5 million reflects forecasted growth in demand for IP Rights.

Rental income of \$3.7 million is budgeted for 2022-23 and reflects income received from sub-leasing arrangements at Discovery House.

Revenue from Government for 2022-23 is budgeted at \$0.4 million and reflects an appropriation for non-regulatory charging activities undertaken by IP Australia.

Total departmental expenses budgeted in 2022-23 are \$236.6 million, comprising \$139.2 million for employee benefits, \$61.7 million for suppliers, \$34.1 million for depreciation and amortisation and \$1.6 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 2022-23 are \$356.5 million, comprising \$81.5 million in financial assets and \$274.9 million in non-financial assets.

Financial assets consist of \$78.1 million for cash and \$3.5 million for receivables. Non-financial assets include \$138.3 million for land and buildings, \$122.3 million for intangibles, \$3.4 million for property, plant and equipment and \$10.9 million in other assets.

Liabilities

Total departmental liabilities budgeted for in 2022-23 are \$232.0 million, comprising \$56.3 million in payables, \$120.6 million in interest bearing liabilities (leases) and \$55.0 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**

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	137,900	139,209	143,168	147,299	151,630
Suppliers	58,145	61,665	63,727	63,829	64,926
Depreciation and amortisation	34,948	34,087	35,472	36,665	37,420
Finance costs	1,721	1,590	1,470	1,327	1,178
Total expenses	232,714	236,551	243,837	249,120	255,154
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Revenue from contracts with customers	242,464	243,337	248,617	253,893	256,920
Rental income	739	3,694	3,694	3,694	3,694
Other	155	160	165	170	175
Total own-source revenue	243,358	247,191	252,476	257,757	260,789
Total own-source income	243,358	247,191	252,476	257,757	260,789
Net (cost of)/contribution by services	10,644	10,640	8,639	8,637	5,635
Revenue from Government	356	360	361	363	365
Surplus/(deficit) attributable to the Australian Government	11,000	11,000	9,000	9,000	6,000
Total comprehensive income/(loss)	11,000	11,000	9,000	9,000	6,000
Total comprehensive income/(loss) attributable to the Australian Government	11,000	11,000	9,000	9,000	6,000

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	65,316	78,063	84,565	93,233	99,376
Trade and other receivables	2,959	3,456	3,833	4,066	4,197
Total financial assets	68,275	81,519	88,398	97,299	103,573
Non-financial assets					
Land and buildings	153,948	138,331	122,484	106,441	90,274
Property, plant and equipment	3,291	3,449	3,414	3,212	2,904
Intangibles	115,911	122,283	132,693	142,273	151,328
Other non-financial assets	10,255	10,876	11,240	11,258	11,451
Total non-financial assets	283,405	274,939	269,831	263,184	255,957
Total assets	351,680	356,458	358,229	360,483	359,530
LIABILITIES					
Payables					
Suppliers	6,572	6,970	7,203	7,215	7,339
Other payables	48,970	49,362	49,791	50,220	50,648
Total payables	55,542	56,332	56,994	57,435	57,987
Interest bearing liabilities					
Leases	131,170	120,595	109,497	98,327	86,601
Total interest bearing liabilities	131,170	120,595	109,497	98,327	86,601
Provisions					
Employee provisions	51,480	55,043	58,250	62,233	66,454
Total provisions	51,480	55,043	58,250	62,233	66,454
Total liabilities	238,192	231,970	224,741	217,995	211,042
Net assets	113,488	124,488	133,488	142,488	148,488
EQUITY*					
Parent entity interest					
Contributed equity	5,908	5,908	5,908	5,908	5,908
Reserves	2,949	2,949	2,949	2,949	2,949
Retained surplus (accumulated deficit)	104,631	115,631	124,631	133,631	139,631
Total parent entity interest	113,488	124,488	133,488	142,488	148,488
Total equity	113,488	124,488	133,488	142,488	148,488

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 2022-23)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/capital \$'000	Total equity \$'000
Opening balance as at 1 July 2022				
Balance carried forward from previous period	104,631	2,949	5,908	113,488
Adjusted opening balance	104,631	2,949	5,908	113,488
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 2023	115,631	2,949	5,908	124,488
Closing balance attributable to the Australian Government	115,631	2,949	5,908	124,488

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	356	360	361	363	365
Sale of goods and rendering of services	244,650	246,989	252,400	257,785	260,930
Net GST received	(280)	(63)	(37)	(2)	(19)
Total cash received	244,726	247,286	252,724	258,146	261,276
Cash used					
Employees	136,227	135,646	139,961	143,316	147,409
Suppliers	58,976	61,728	63,693	63,665	64,820
Interest payments on lease liability	1,721	1,590	1,470	1,327	1,178
Total cash used	196,924	198,964	205,124	208,308	213,407
Net cash from/(used by) operating activities	47,802	48,322	47,600	49,838	47,869
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	25,000	25,000	30,000	30,000	30,000
Total cash used	25,000	25,000	30,000	30,000	30,000
Net cash from/(used by) investing activities	(25,000)	(25,000)	(30,000)	(30,000)	(30,000)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	10,423	10,575	11,098	11,170	11,726
Total cash used	10,423	10,575	11,098	11,170	11,726
Net cash from/(used by) financing activities	(10,423)	(10,575)	(11,098)	(11,170)	(11,726)
Net increase/(decrease) in cash held	12,379	12,747	6,502	8,668	6,143
Cash and cash equivalents at the beginning of the reporting period	52,937	65,316	78,063	84,565	93,233
Cash and cash equivalents at the end of the reporting period	65,316	78,063	84,565	93,233	99,376

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources (a)	25,000	25,000	30,000	30,000	30,000
TOTAL	25,000	25,000	30,000	30,000	30,000
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	25,000	25,000	30,000	30,000	30,000
Total cash used to acquire assets	25,000	25,000	30,000	30,000	30,000

Prepared on Australian Accounting Standards basis.

(a) Includes the source of funding for own-source revenue receipts.

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

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2022				
Gross book value	34,750	11,738	250,669	297,157
Gross book value - ROU assets	159,898	1,081	-	160,979
Accumulated depreciation/ amortisation and impairment	(3,675)	(8,430)	(134,758)	(146,863)
Accumulated depreciation/amortisation and impairment - ROU assets	(37,025)	(1,098)	-	(38,123)
Opening net book balance	153,948	3,291	115,911	273,150
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - other	300	3,200	21,500	25,000
Total additions	300	3,200	21,500	25,000
Other movements				
Depreciation/amortisation expense	(3,587)	(3,042)	(15,128)	(21,757)
Depreciation/amortisation on ROU assets	(12,330)	-	-	(12,330)
Total other movements	(15,917)	(3,042)	(15,128)	(34,087)
As at 30 June 2023				
Gross book value	35,050	14,938	272,169	322,157
Gross book value - ROU assets	159,898	1,081	-	160,979
Accumulated depreciation/ amortisation and impairment	(7,262)	(11,472)	(149,886)	(168,620)
Accumulated depreciation/amortisation and impairment - ROU assets	(49,355)	(1,098)	-	(50,453)
Closing net book balance	138,331	3,449	122,283	264,063

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 2022-23)

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

**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 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 three nautical miles from the territorial sea baseline². NOPSEMA regulates petroleum operations in coastal waters only where a state or territory has conferred regulatory powers and functions on NOPSEMA³. 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 2022-23, 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 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.

² 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.

³ Currently, only Victoria has conferred powers and functions for the regulation of health and safety and well integrity to NOPSEMA

- 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 2021-26 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, together with information about the history of NOPSEMA.

In addition to regulating offshore petroleum activities, following passage of the *Offshore Electricity Infrastructure Act 2021* NOPSEMA has been given the role and functions of the Offshore Infrastructure Regulator (the Regulator). The Regulator has primary responsibility for work health and safety, environmental management, infrastructure integrity and financial security for offshore infrastructure activities. The Regulator will also provide specialist technical advice to the Department of Agriculture, Water and the Environment to support the assessment of offshore renewable energy proposals under the *Environment Protection and Biodiversity Conservation Act 1999*. The Regulator will provide guidance and advice on how to comply with the regulatory requirements.

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: NOPSEMA resource statement – Budget estimates for 2022-23 as at Budget March 2022

	<i>2021-22 Estimated actual \$'000</i>	<i>2022-23 Estimate \$'000</i>
Opening balance/cash reserves at 1 July	20,461	17,348
Funds from Government		
Annual appropriations - ordinary annual services (a)		
Outcome 1	667	2,149
Annual appropriations - other services (b)		
Equity injection		6,149
Total annual appropriations	667	8,298
Amounts received from related entities		
Amounts from portfolio department (c)	34,572	41,370
Total amounts received from related entities	34,572	41,370
Total funds from Government	35,239	49,668
Funds from other sources		
Interest	207	187
Other	633	1,259
Total funds from other sources	840	1,446
Total net resourcing for NOPSEMA	56,540	68,462
	<i>2021-22</i>	<i>2022-23</i>
Average staffing level (number)	135	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.

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

(b) Appropriation Bill (No. 2) 2022-23.

(c) 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. \$0.8 million will be received through the 2021-22 Annual Appropriation Bill No.3 and \$1.5 million will be received through 2021-22 Annual Appropriation Bill No.4. The annual appropriations received from these bills will be recognised in a future PB Statement but only after the Bills have received Royal Assent.

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/sites/default/files/documents/2021-08/A794061.pdf>

The most recent annual performance statement can be found at:

<https://www.transparency.gov.au/annual-reports/national-offshore-petroleum-safety-and-environmental-management-authority/reporting-year/2020-21>

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
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.2 – Growing innovative and competitive businesses, industries and regions • Program 1.3 – Supporting a strong resources sector
<p>Contribution to Outcome 1 made by linked programs</p> <p>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 <i>Offshore Petroleum and Greenhouse Gas Storage Act 2006</i> and associated regulations.</p>
Department of Agriculture, Water and the Environment
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.2 – Environmental Information and Research • Program 2.1 – Antarctica: Science Policy and Presence
<p>Contribution to Outcome 1 made by linked programs</p> <p>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.</p> <p>Scientific capacity within the Australian Antarctic Division can be accessed to support regulatory functions.</p>

Budgeted expenses for Outcome 1

This table shows how much the NOPSEMA 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: 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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1: 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)	667	2,149	200	-	-
Payment from related entities	34,572	41,370	39,774	38,957	39,327
Expenses not requiring appropriation in the budget year (a)	3,272	(2,504)	1,928	4,204	4,576
Revenues from other independent	700	1,329	895	695	695
Total expenses for Program 1	39,211	42,344	42,797	43,856	44,598
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	667	2,149	200	-	-
Payment from related entities	34,572	41,370	39,774	38,957	39,327
Expenses not requiring appropriation in the budget year (a)	3,272	(2,504)	1,928	4,204	4,576
Revenues from other independent	700	1,329	895	695	695
Total expenses for Outcome 1	39,211	42,344	42,797	43,856	44,598
	2021-22	2022-23			
Average staffing level (number)	135	135			

(a) Expenses not requiring appropriation in the Budget year consist of an approved operating loss.

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

Table 2.1.2: Performance measure for Outcome 1

Table 2.1.3 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

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.		
Key Activities	NOPSEMA delivers Program 1 by: <ul style="list-style-type: none"> • 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. 	
Year	Performance measures	Expected Performance Results
Current year 2021-22	Assessments are undertaken in line with risk-based elements as per NOPSEMA policies	100%
	Risk-based inspections are conducted to meet policy targets	100%
	Enforcement actions are undertaken in accordance with the Enforcement Management Model	100%
	Incidents are investigated in accordance with NOPSEMA policies	100%
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	As per 2021-22	As per 2021-22
Forward Estimates 2023-26	As per 2021-22	As per 2021-22
Material changes to Program 1 resulting from 2022-23 Budget Measures: Nil		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2022-23 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Explanatory notes and analysis of budgeted financial statements

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 NOPSEMA 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 \$34.8 million for 2022-23 has decreased by \$8.3 million since the 2021-22 Portfolio Additional Estimates Statements were prepared.

Budgeted expenditure of \$39.2 million for 2022-23 has increased by \$1.4 million since the 2021-22 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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	30,563	33,953	32,897	33,555	34,226
Suppliers	4,954	5,590	5,293	5,174	5,256
Depreciation and amortisation	3,554	2,684	4,439	4,988	5,005
Finance Costs	140	117	168	139	111
Total expenses	39,211	42,344	42,797	43,856	44,598
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	50	40	40	40	40
Sublease interest income	17	30	41	33	26
Other	633	1,259	814	622	629
Total own-source revenue	700	1,329	895	695	695
Total own-source income	700	1,329	895	695	695
Net (cost of)/contribution by services	(38,511)	(41,015)	(41,902)	(43,161)	(43,903)
Revenue from Government (a)	36,072	43,519	39,974	38,957	39,327
Surplus/(deficit) attributable to the Australian Government	(2,439)	2,504	(1,928)	(4,204)	(4,576)
Total comprehensive income/(loss)	(2,439)	2,504	(1,928)	(4,204)	(4,576)
Total comprehensive income/(loss) attributable to the Australian Government	(2,439)	2,504	(1,928)	(4,204)	(4,576)

Note: Impact of net cash appropriation arrangements

Total comprehensive income/(loss) - as per statement of Comprehensive Income	(2,439)	(2,504)	1,928	4,204	4,576
plus: depreciation/amortisation expenses for ROU assets (b)	2,534	1,051	1,639	1,639	1,639
less: lease principal repayments (b)	3,533	1,676	2,555	2,617	2,746
Net Cash Operating Surplus/ (Deficit)	(3,438)	(3,129)	1,012	3,226	3,469

Prepared on Australian Accounting Standards basis.

(a) 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.

(b) Applies leases under AASB 16.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	17,348	24,407	21,539	14,213	9,042
Trade and other receivables	4,867	6,690	6,008	6,524	5,781
Other financial assets	1,999	1,999	1,999	1,999	1,999
Total financial assets	24,214	33,096	29,546	22,736	16,822
Non-financial assets					
Land and buildings	6,271	10,974	9,301	9,705	8,942
Property, plant and equipment	437	437	437	437	437
Intangibles	1,820	3,700	8,934	11,078	10,566
Other non-financial assets	607	607	607	607	607
Total non-financial assets	9,135	15,718	19,279	21,827	20,552
Total assets	33,349	48,814	48,825	44,563	37,374
LIABILITIES					
Payables					
Suppliers	445	445	445	445	445
Other payables	1,612	1,612	1,612	1,612	1,612
Total payables	2,057	2,057	2,057	2,057	2,057
Interest bearing liabilities					
Leases	7,408	14,220	11,819	11,761	9,148
Total interest bearing liabilities	7,408	14,220	11,819	11,761	9,148
Provisions					
Employee provisions	6,814	6,814	6,814	6,814	6,814
Other provisions	940	940	940	940	940
Total provisions	7,754	7,754	7,754	7,754	7,754
Total liabilities	17,219	24,031	21,630	21,572	18,959
Net assets	16,130	24,783	27,195	22,991	18,415
EQUITY*					
Parent entity interest					
Contributed equity	896	7,045	11,385	11,385	11,385
Retained surplus (accumulated deficit)	15,234	17,738	15,810	11,606	7,030
Total parent entity interest	16,130	24,783	27,195	22,991	18,415
Total equity	16,130	24,783	27,195	22,991	18,415

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 2022-23)

	Retained earnings	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000
Opening balance as at 1 July 2022			
Balance carried forward from previous period	15,234	896	16,130
Adjusted opening balance	15,234	896	16,130
Comprehensive income			
Surplus/(deficit) for the period	2,504	-	2,504
Total comprehensive income	2,504	-	2,504
of which:			
Attributable to the Australian Government	2,504	-	2,504
Contributions by owners			
Equity injection - Appropriation	-	6,149	6,149
Sub-total transactions with owners	-	6,149	6,149
Estimated closing balance as at 30 June 2023	17,738	7,045	24,783
Closing balance attributable to the Australian Government	17,738	7,045	24,783

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Receipts from Government	36,072	43,519	39,974	38,957	39,327
Sale of goods and rendering of services	1,155	941	911	33	26
Interest	50	40	40	40	40
Other	633	1,259	814	622	629
Total cash received	37,910	45,759	41,739	39,652	40,022
Cash used					
Employees	30,563	33,953	32,897	33,555	34,226
Suppliers	5,787	5,590	5,293	5,174	5,256
Interest payments on lease liability	140	117	168	139	111
Total cash used	36,490	39,660	38,358	38,868	39,593
Net cash from/(used by) operating activities	1,420	6,099	3,381	784	429
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	1,000	3,513	8,034	5,493	2,854
Total cash used	1,000	3,513	8,034	5,493	2,854
Net cash from/(used by) investing activities	(1,000)	(3,513)	(8,034)	(5,493)	(2,854)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	-	6,149	4,340	-	-
Total cash received	-	6,149	4,340	-	-
Cash used					
Principal payments on lease liability	3,533	1,676	2,555	2,617	2,746
Total cash used	3,533	1,676	2,555	2,617	2,746
Net cash from/(used by) financing activities	(3,533)	4,473	1,785	(2,617)	(2,746)
Net increase/(decrease) in cash held	(3,113)	7,059	(2,868)	(7,326)	(5,171)
Cash and cash equivalents at the beginning of the reporting period	20,461	17,348	24,407	21,539	14,213
Cash and cash equivalents at the end of the reporting period	17,348	24,407	21,539	14,213	9,042

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	-	6,149	4,340	-	-
Funded internally from departmental resources (b) (c)	1,000	1,000	1,000	1,000	1,000
TOTAL	1,000	7,149	5,340	1,000	1,000
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	1,000	7,149	5,340	1,000	1,000
Total cash used to acquire assets	1,000	7,149	5,340	1,000	1,000

Prepared on Australian Accounting Standards basis.

(a) Appropriation Bill (No. 2) 2022-23.

(b) Includes the following s74 external receipts:

- sponsorship, subsidy, gifts or similar contribution;
- internally developed assets;
- own-source revenue; and
- proceeds from the sale of assets.

(c) 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 departmental asset movements (Budget year 2022-23)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2022				
Gross book value	4,960	3,782	9,769	18,511
Gross book value - ROU assets	13,164	-	-	13,164
Accumulated depreciation/ amortisation and impairment	(1,717)	(3,345)	(7,949)	(13,011)
Accumulated depreciation/ amortisation and impairment - ROU assets	(10,136)	-	-	(10,136)
Opening net book balance	6,271	437	1,820	8,528
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - other	-	600	2,913	3,513
By purchase - other - ROU assets	8,488	-	-	8,488
Total additions	8,488	600	2,913	12,001
Other movements				
Depreciation/amortisation expense	(1,051)	(600)	(1,033)	(2,684)
Other - ROU assets	(2,734)			(2,734)
Total other movements	(3,785)	(600)	(1,033)	(5,418)
As at 30 June 2023				
Gross book value	4,960	4,382	12,682	22,024
Gross book value - ROU assets	18,918	-	-	18,918
Accumulated depreciation/ amortisation and impairment	(2,768)	(3,945)	(8,982)	(15,695)
Accumulated depreciation/amortisation and impairment - ROU assets	(10,136)	-	-	(10,136)
Closing net book balance	10,974	437	3,700	15,111

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)

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 2022-23)

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