



Budget 2019-20

Portfolio Budget Statements 2019-20
Budget Related Paper No. 1.7

FINANCE Portfolio

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

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SENATOR THE HON MATHIAS CORMANN

Minister for Finance and the Public Service

Leader of the Government in the Senate

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

I hereby submit Portfolio Budget Statements in support of the 2019-20 Budget for the Finance Portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the funding requirements being sought for the portfolio.

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

Yours sincerely

Mathias Cormann
Minister for Finance and the Public Service

A large, stylized handwritten signature in blue ink, appearing to be 'MC', is written over the signature line and extends upwards into the text area.

March 2019

Abbreviations and conventions

The following notation may be used:

NEC/nec	not elsewhere classified
-	nil
..	not zero, but rounded to zero
na	not applicable (unless otherwise specified)
nfp	not for publication
\$m	\$ million
\$b	\$ billion

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

Enquiries

Should you have any enquiries regarding this publication please contact the Chief Financial Officer, Department of Finance on (02) 6215 2222.

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

CONTENTS

USER GUIDE	VII
FINANCE PORTFOLIO OVERVIEW.....	3
ENTITY RESOURCES AND PLANNED PERFORMANCE	7
DEPARTMENT OF FINANCE	9
AUSTRALIAN ELECTORAL COMMISSION	73
COMMONWEALTH SUPERANNUATION CORPORATION.....	93
FUTURE FUND MANAGEMENT AGENCY	111
INDEPENDENT PARLIAMENTARY EXPENSES AUTHORITY	131
PORTFOLIO GLOSSARY	149

**USER GUIDE
TO THE
PORTFOLIO BUDGET STATEMENTS**

USER GUIDE

The purpose of the 2019-20 *Portfolio Budget Statements* (PB Statements) is to inform Senators and Members of Parliament of the proposed allocation of resources to government outcomes by entities within the portfolio. Entities receive resources from the annual appropriations acts, special appropriations (including standing appropriations and special accounts), and revenue from other sources.

A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills (No. 1 and No. 2) 2019-20 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2019-20 for the parliamentary departments). In this sense, the PB Statements are Budget related papers and are declared by the Appropriation Acts to be 'relevant documents' to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

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

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

The Enhanced Commonwealth Performance Framework

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

Enhanced Commonwealth Performance Framework

Key components of relevant publications

Portfolio Budget Statements (April) *Portfolio based*

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

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

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

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

Corporate Plan (August) *Entity based*

Primary planning document of a Commonwealth entity.

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

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

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

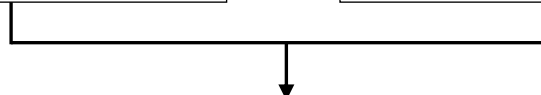


Annual Performance Statement (October following year) *Entity based*

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

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

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



PORTFOLIO OVERVIEW

FINANCE PORTFOLIO OVERVIEW

Ministers and portfolio responsibilities

The Minister for Finance and the Public Service has overall responsibility for the Finance portfolio, and particular responsibility for the following:

- Budget policy advice and process, and review of government programs.
- Government financial accountability, governance and financial management frameworks, including grants and procurement policy and services.
- Shareholder advice on Government Business Enterprises (GBEs) and commercial entities treated as GBEs.
- Policy guidance and management of act of grace requests and waiver of debts owed to the Commonwealth.
- Comcover, the government's self-managed insurance fund, and risk policy.
- General policy guidelines for Commonwealth statutory authorities.
- Superannuation arrangements for Australian Government civilian employees and parliamentarians, and retirement benefits for Governors-General, Federal Judges and Federal Court Judges.
- Asset sales.
- Policy advice on the Future Fund and Australian Government Investment Funds, and authorisation of payments from Australian Government Investment Funds to entities.

The Assistant Minister for Treasury and Finance assists the Finance Minister in performing functions in relation to:

- Whole-of-Australian Government (WoAG) property policy and administration, including non-Defence owned property.
- Requests for act of grace payments and waivers of debt under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).
- Administrative and operational matters for Comcover, the government's self-managed insurance fund.
- Responding to correspondence relating to the administration of government superannuation.

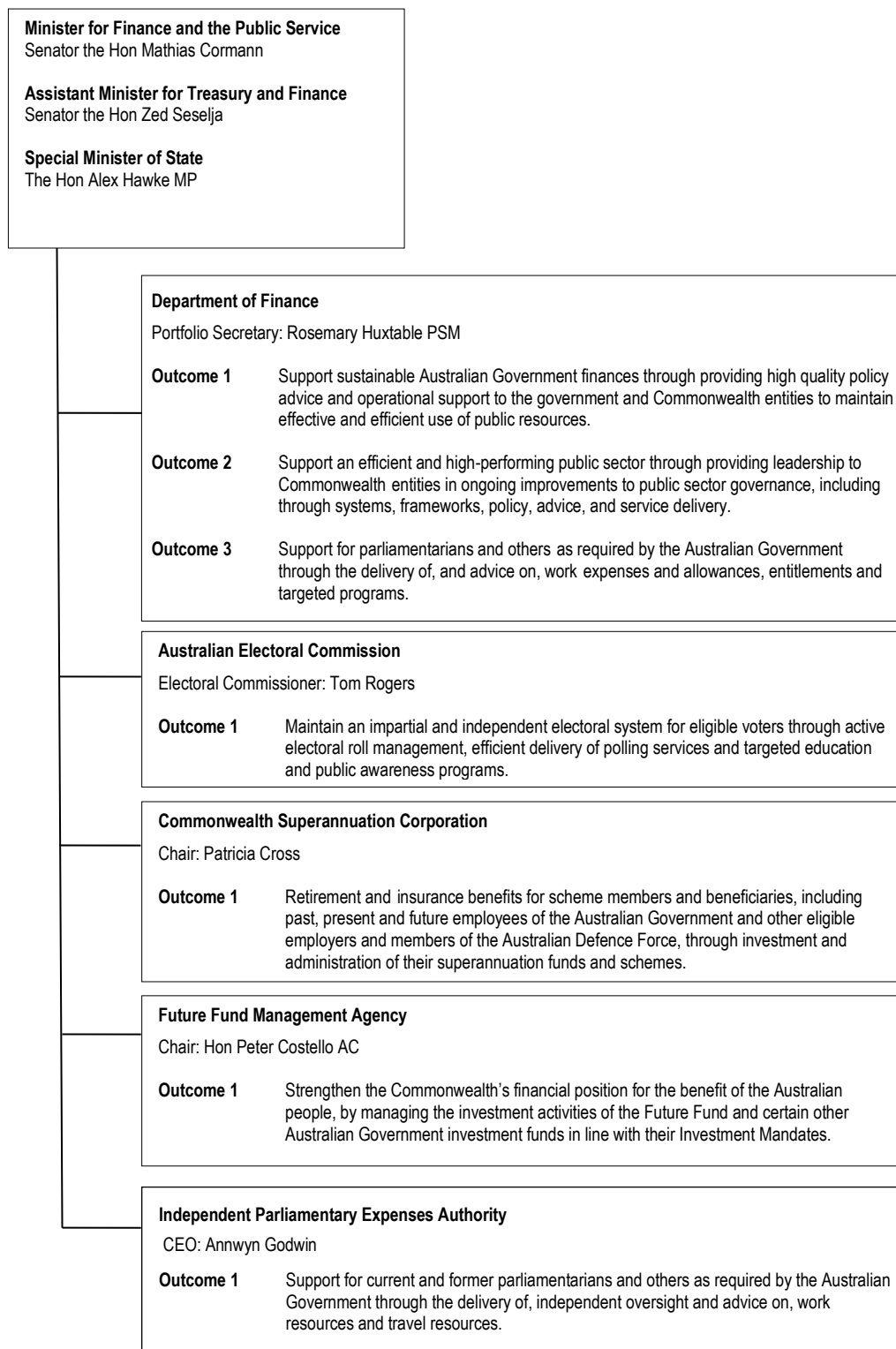
The Special Minister of State has responsibility for the following:

- Administration of Parliamentary entitlements.
- *Members of Parliament (Staff) Act 1984* (MOP(S) Act) employment framework¹.
- Government Campaign Advertising.
- Service Delivery and Coordination Committee on the government's campaign advertising.
- Electoral matters (supported by the Australian Electoral Commission).
- The Public Works Committee.

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

¹ Shared responsibility with the Hon Scott Morrison MP, Prime Minister.

Figure 1: Finance portfolio structure and outcomes



ASC Pty Ltd

Chair: Bruce Carter

Non-executive Directors: Rosalind Dubs, Hon Gary Gray, Joycelyn Morton, Loretta Reynolds and Paul Rizzo

Purpose: The objectives of the company, as set out in its constitution, are:

- to enhance and maintain the Australian Defence Force's maritime defence capabilities; and
- support Australian Government policies in relation to the Australian naval surface shipbuilding and repair industry and the submarine sustainment and construction industry.

Australian Naval Infrastructure Pty Ltd

Chair: Lucio Di Bartolomeo

Non-Executive Director: Janice Van Reyk, Peter Iancov, Jim Whalley, Jeremy Schultz and David Knox

Purpose: The objectives of the company, as set out in its constitution, are:

- the primary object of the company is to support the Commonwealth's continuous naval shipbuilding program through:
 - acquiring, holding, managing and developing the infrastructure, and related facilities used in connection with this program;
 - efficiently and effectively managing this infrastructure (including providing access) in a manner that ensures an integrated and co-ordinated approach to the delivery of all elements of this program; and
- the secondary object is to undertake commercial activities related to the primary object, while not compromising achievement of the primary object.

**ENTITY RESOURCES AND
PLANNED PERFORMANCE**

DEPARTMENT OF FINANCE 11

AUSTRALIAN ELECTORAL COMMISSION 75

COMMONWEALTH SUPERANNUATION CORPORATION..... 95

FUTURE FUND MANAGEMENT AGENCY 113

INDEPENDENT PARLIAMENTARY EXPENSES AUTHORITY 133

DEPARTMENT OF FINANCE

ENTITY RESOURCES AND PLANNED PERFORMANCE

DEPARTMENT OF FINANCE

SECTION 1: ENTITY OVERVIEW AND RESOURCES	12
1.1 Strategic direction statement	12
1.2 Entity resource statement	13
1.3 Budget measures	17
SECTION 2: OUTCOMES AND PLANNED PERFORMANCE	20
2.1 Budgeted expenses and performance for Outcome 1	21
2.2 Budgeted expenses and performance for Outcome 2	25
2.3 Budgeted expenses and performance for Outcome 3	51
SECTION 3: BUDGETED FINANCIAL STATEMENTS	56
3.1 Budgeted financial statements	56
3.2 Budgeted financial statements tables	58

DEPARTMENT OF FINANCE

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Department of Finance (Finance) assists the Australian Government to achieve its fiscal and policy objectives by advising on expenditure, managing sustainable public sector resourcing, driving public sector transformation and delivering efficient, cost-effective services to, and for, the government.

Outcome 1 *Support sustainable Australian Government finances through providing high quality policy advice and operational support to the government and Commonwealth entities to maintain effective and efficient use of public resources.*

To achieve Outcome 1, Finance:

- assists the government to develop and deliver its fiscal and economic policies by producing the Budget and the government's financial statements; and
- contributes to the government's reform agenda by seeking to improve the effectiveness of government spending.

Outcome 2 *Support an efficient and high-performing public sector through providing leadership to Commonwealth entities in ongoing improvements to public sector governance, including through systems, frameworks, policy, advice, and service delivery.*

To achieve Outcome 2, Finance:

- contributes to, and fosters, leading practice in public sector governance and accountability, encompassing the public resource management framework, procurement and grants policies and the oversight of GBEs and other commercial entities;
- develops and administers key government policies in relation to Commonwealth land, public works and property management and advertising to ensure leading practice and ongoing improvement in the public sector management of government resources;

- delivers professional services in respect of the government's non-Defence property portfolio within Australia (including major capital works projects), risk management and insurance arrangements (Comcover), WoAG purchasing arrangements (such as travel, office equipment, stationery) to ensure the efficient and effective management of government resources and certain corporate functions delivered by the Service Delivery Office; and
- advises on the government's Investment Funds and administers superannuation arrangements for the government's civilian employees, politicians and judges to support the efficient and effective management of government resources.

Outcome 3 *Support for parliamentarians and others as required by the Australian Government through the delivery of, and advice on, work expenses and allowances, entitlements and targeted programs.*

To achieve Outcome 3, Finance provides advice and services to Ministers, Office-holders, Senators, Members, their staff and others as required by the government.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to Finance 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 Finance's operations) classifications.

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

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

Table 1.1: Department of Finance resource statement — Budget estimates for 2019-20 as at Budget April 2019

	2018-19 (a) Estimated actual \$'000	2019-20 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (b)		
Prior year appropriations available (c)	102,946	110,830
Departmental appropriation (d)	257,670	268,648
s 74 retained revenue receipts (e)	71,313	52,132
Departmental capital budget (f)	6,479	6,509
Annual appropriations - other services - non-operating (g)		
Equity injection	42,211	5,672
Total departmental annual appropriations	480,619	443,791
Special accounts (h)		
Opening balance	833,303	790,678
Appropriation receipts (i)	91,891	77,881
Non-appropriation receipts	259,870	267,551
Total special accounts	1,185,064	1,136,110
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	(91,891)	(77,881)
Total departmental resourcing	1,573,792	1,502,020
Administered		
Annual appropriations - ordinary annual services (b)		
Outcome 1	-	-
Outcome 2	12,456	12,202
Outcome 3	261,729	265,418
Administered capital budget (j)	5,054	5,145
Annual appropriations - other services - non-operating (g)		
Administered assets and liabilities	191,024	278,701
Total administered annual appropriations	470,263	561,466
Total administered special appropriations (h)	8,685,094	8,571,161
Special accounts (h)		
Non-appropriation receipts	34,695,716	30,704,279
Total special account receipts	34,695,716	30,704,279
Total administered resourcing	43,851,073	39,836,906
Total resourcing for Department of Finance	45,424,865	41,338,926
	2018-19	2019-20
Average staffing level (number)	1,250	1,241

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

(a) Annual appropriation amounts appearing for 2018-19 do not include the Appropriation Bills (No. 3) and (No. 4) 2018-2019, as they had not been enacted at the time of publication.

- (b) Appropriation Bill (No. 1) 2019-20.
- (c) Represents estimated unspent appropriations available from 2017-18.
- (d) Excludes departmental capital budget (DCB).
- (e) Estimated External Revenue receipts under s.74 of the PGPA Act.
- (f) Departmental capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (g) Appropriation Bill (No. 2) 2019-20.
- (h) For further information on special appropriations and special accounts, please refer to *Budget Paper No.4 - Agency Resourcing*. Please also refer to Table 2.1.1, 2.2.1 and 2.3.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.
- (i) Amounts credited to the special account(s) from another entity's annual and special appropriations.
- (j) Administered capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.10 for further details. For accounting purposes, this amount is designated as a 'contribution by owner'.

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

Table continues on next page

Table 1.1: Department of Finance resource statement — Budget estimates for 2019-20 as at Budget April 2019 (continued)

Third party payments from and on behalf of other entities

	2018-19 Estimated actual \$'000	2019-20 Estimate \$'000
Payments made on behalf of another entity (as disclosed in the respective entity's resource statement)		
Attorney-General's Department		
<i>Law Officers Act 1964</i>	460	460
Payments made by other entities on behalf of Department of Finance (disclosed above)		
Attorney-General's Department		
<i>Parliamentary Business Resources Act 2017</i>	1,800	1,200
Commonwealth Superannuation Corporation		
<i>Governance of Australian Government Superannuation Schemes Act 2011</i>	1,000	1,000
<i>Same-Sex Relationships (Equal Treatment in Commonwealth Laws - General Law Reform) Act 2008</i>	62	63
<i>Superannuation Act 1922</i>	68,272	62,388
<i>Superannuation Act 1976</i>	4,350,269	4,556,965
<i>Superannuation Act 1990</i>	2,356,012	2,433,761
Appropriation Act (No.1) (a)	500	500
Appropriation Act (No.1) (b)	420	535
Appropriation Act (No.2) (b)	402	307
Department of the House of Representatives		
<i>Commonwealth of Australia Constitution Act (s66)</i>	3,691	3,716
<i>Parliamentary Entitlements Act 1990</i>	-	-
<i>Parliamentary Business Resources Act 2017</i>	42,844	42,812
<i>Parliamentary Superannuation Act 2004</i>	5,182	5,390
Department of Parliamentary Services		
Appropriation Act (No.1)	-	-
<i>Parliamentary Entitlements Act 1990</i>	-	-
<i>Parliamentary Business Resources Act 2017</i>	20,617	20,338
Department of the Senate		
<i>Commonwealth of Australia Constitution Act (s66)</i>	1,539	1,550
<i>Parliamentary Entitlements Act 1990</i>	-	-
<i>Parliamentary Business Resources Act 2017</i>	21,268	21,250
<i>Parliamentary Superannuation Act 2004</i>	2,553	2,655
Comcare		
<i>Parliamentary Entitlements Act 1990</i>	-	-
<i>Parliamentary Business Resources Act 2017</i>	100	100
Fair Work Commission		
<i>Judges' Pensions Act 1968</i>	7,421	7,795

(a) Compensation and legal payments.

(b) Act of grace payments.

Note: Figures presented on a payment (cash) basis.

1.3 BUDGET MEASURES

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

Table 1.2: Department of Finance 2019-20 Budget measures
Part 1: Measures announced since the 2018-19 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000
Revenue measures						
Establish the Emergency Response Fund (a)	2.8					
Administered revenues		-	116,100	191,000	200,100	217,700
Total		-	116,100	191,000	200,100	217,700
Expansion of the Commonwealth Divestment Program (b)	2.3					
Departmental revenues		nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
National Disability Insurance Scheme - transitioning to full Scheme (c)	2.8					
Administered revenues		-	-	-	-	-
Total		-	-	-	-	-
Total revenue measures						
Administered		-	116,100	191,000	200,100	217,700
Departmental		nfp	nfp	nfp	nfp	nfp
Total		nfp	116,100	191,000	200,100	217,700

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

Table continues on next page

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

	Program	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000
Expense measures						
Australian Electoral Commission - polling place technology and upgrade of ICT infrastructure (d)	2.1					
Departmental expenses		-	135	-	-	-
Total		-	135	-	-	-
Climate Solutions Package (e)	2.2					
Departmental expenses		-	2,259	658	665	671
Total		-	2,259	658	665	671
Continued Funding for GovPass - Trusted Digital Identity (f)	2.1					
Departmental expenses		-	100	-	-	-
Total		-	100	-	-	-
Establish the Emergency Response Fund (a)	2.8					
Administered expenses		-	17,500	18,400	19,200	20,200
Total		-	17,500	18,400	19,200	20,200
Expansion of the Commonwealth Divestment Program (b)	2.3					
Departmental expenses		nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
Fourth Action Plan (2019-22) to prevent violence against women and their children (g)	2.1					
Departmental expenses		-	144	-	-	-
Total		-	144	-	-	-
National Disability Insurance Scheme - transitioning to full Scheme (c)	2.8					
Administered expenses		-	-	-	-	-
Total		-	-	-	-	-
Veteran Centric Reform - putting veterans and their families first (h)	2.1					
Departmental expenses		-	100	100	-	-
Total		-	100	100	-	-
Whole-of-Government - Cyber Uplift for Federal Government Systems and the 2019 Federal Election (i)	2.2					
Departmental expenses		nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
Total expense measures						
Administered		-	17,500	18,400	19,200	20,200
Departmental		nfp	2,738	758	665	671
Total		nfp	20,238	19,158	19,865	20,871

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

Table continues on next page

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

Program	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000
Capital measures					
Australian Naval Infrastructure Pty Ltd – additional equity (j)	2.2				
Administered capital	nfp	nfp	nfp	nfp	nfp
Total	nfp	nfp	nfp	nfp	nfp
Total capital measures					
Administered	nfp	nfp	nfp	nfp	nfp
Departmental	-	-	-	-	-
Total	nfp	nfp	nfp	nfp	nfp

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

- (a) Administered Revenue and Administered Expenses relate to the estimate of revenue and expenses on uncommitted funds from the Education Investment Fund which is to be transferred to the Fund on establishment and invested by the Future Fund Board of Guardians.
- (b) *Expansion of the Commonwealth Divestment Program* is an ongoing program. Figures are not for publication due to commercial-in-confidence considerations.
- (c) The lead entity for the measure *National Disability Insurance Scheme - transitioning to full Scheme* is the Department of Social Services. Provision for the NDIS in the ACT is already included in the forward estimates.
- (d) The lead entity for the measure *Australian Electoral Commission - polling place technology and upgrade of ICT infrastructure* is the Australian Electoral Commission.
- (e) The lead entity for the measure *Climate Solutions Package* is the Department of Environment and Energy. The full measure description and package details appear in Budget Paper 2 under the Environment and Energy Portfolio.
- (f) The lead entity for the measure *Continued Funding for GovPass - Trusted Digital Identity* is the Department of the Prime Minister and Cabinet. The full measure description and package details appear in Budget Paper 2 under the Prime Minister and Cabinet Portfolio.
- (g) The lead entity for the measure *Fourth Action Plan (2019-22) to prevent violence against women and their children* is the Department of Social Services. The full measure description and package details appear in Budget Paper 2 under the Social Services Portfolio.
- (h) The lead entity for the measure *Veteran Centric Reform - putting veterans and their families first* is the Department of Veteran's Affairs. The full measure description and package details appear in Budget Paper 2 under the Social Services Portfolio.
- (i) The lead entity for the measure *Whole-of-Government - Cyber Uplift for Federal Government Systems and the 2019 Federal Election* is the Department of Defence. The full measure description and package details appear in Budget Paper 2 under the Defence portfolio. Figures are not for publication due to National Security reasons.
- (j) The lead entity for the measure *Australian Naval Infrastructure Pty Ltd – additional equity* is the Department of Finance, and financials are not for publication 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 enhanced Commonwealth performance framework established by the PGPA 2013. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide an entity's complete performance story.

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

<https://www.finance.gov.au/publications/corporate-plan/2018-19/>.

The most recent annual performance statement can be found at:

<https://www.finance.gov.au/publications/annual-reports/17-18/annual-performance-statements/>.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Support sustainable Australian Government finances through providing high quality policy advice and operational support to the government and Commonwealth entities to maintain effective and efficient use of public resources.

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

Outcome 1: Support sustainable Australian Government finances through providing high quality policy advice and operational support to the government and Commonwealth entities to maintain effective and efficient use of public resources.					
	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
Program 1.1: Budget and Financial Management					
Departmental expenses					
Departmental appropriation (a)					
Budget Advice	55,002	54,431	53,147	53,053	50,207
Financial Reporting	31,592	29,375	28,501	28,506	27,501
Expenses not requiring appropriation in the Budget year (b)	20,394	23,068	23,097	23,191	23,036
Departmental total	106,988	106,874	104,745	104,751	100,743
Total expenses for Program 1.1	106,988	106,874	104,745	104,751	100,743
Outcome 1 Totals by appropriation type					
Departmental expenses					
Departmental appropriation (a)	86,594	83,806	81,648	81,560	77,708
Expenses not requiring appropriation in the Budget year (b)	20,394	23,068	23,097	23,191	23,036
Departmental total	106,988	106,874	104,745	104,751	100,743
Total expenses for Outcome 1	106,988	106,874	104,745	104,751	100,743
Average staffing level (number)					
	2018-19 408	2019-20 413			

(a) Departmental appropriation combines ordinary annual services (Appropriation Bill No. 1) and estimated receipts retained under s.74 of the PGPA Act.

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

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

Table 2.1.2: Performance criteria for Outcome 1

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

Outcome 1 – Support sustainable Australian Government finances through providing high quality policy advice and operational support to the government and Commonwealth entities to maintain effective and efficient use of public resources.	
Program 1.1 – Budget and Financial Management This program contributes to the outcome through advising the Finance Minister and Expenditure Review Committee (ERC) on fiscal and economic policies and related matters; supporting the Finance Minister in meeting his financial reporting responsibilities; and supporting the delivery of the Budget.	
Delivery	<p><u>Budget</u></p> <ul style="list-style-type: none"> • Providing effective, timely and accurate advice on Budget processes to government entities. • Ensuring the Budget framework effectively supports decision making. • Informing the Finance Minister and ERC on the use of government finances. • Coordinating, preparing and delivering accurate and timely Budget estimates and documentation to the Finance Minister. <p><u>Financial Management</u></p> <ul style="list-style-type: none"> • Monitoring and reporting on the government's cash balances to the government. • Delivering monthly and annual WoAG financial statements and Final Budget Outcome (FBO) to the government. • Delivering financial reporting and accounting rules and advice to entities. • Producing appropriation bills and appropriation instruments for the government. • Maintaining the Australian Government Organisations Register.

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Table 2.1.2: Performance criteria for Outcome 1 (continued)

Performance information: Program 1.1 – Budget and Financial Management		
Year	Performance criteria (a)	Targets/2018-19 Estimated achievement
2018-19	Budget papers, related updates (e.g. the Mid-Year Economic and Fiscal Outlook) and Appropriation Bills are accurate, delivered within required timeframes and meet the government's fiscal and policy objectives and legislative obligations.	<p>On track</p> <p>All of the Budget papers and related updates due to 28 February 2019 have been produced in accordance with the timeframes and other requirements of the <i>Charter of Budget Honesty Act 1998</i> including:</p> <ul style="list-style-type: none"> • The 2017-18 Final Budget Outcome was released on 25 September 2018. • The 2018-19 Mid-Year Economic and Fiscal Outlook was released on 17 December 2018. <p>Budget estimates continue to be based on external reporting standards with any departures disclosed as required by the <i>Charter of Budget Honesty Act 1998</i>.</p> <p>It is not possible at this point to determine if the variance metrics have been met as the Final Budget Outcome for 2018-19 is not yet due to be released.</p>
	The government's financial statements, including monthly statements, are complete, accurate and released publicly on timeframes agreed with the government.	<p>On track – the Monthly Financial Statements have been prepared on average within 21 days of the end of each month since the Final Budget Outcome.</p> <p>Achieved – Independent Auditor's Report was signed and issued by the Auditor-General on 16 November 2018.</p>
	Commonwealth entities have access to cash on a daily basis.	<p>On track</p> <p>The cash needs of each and every Commonwealth entity have been met every day up to 28 February 2019.</p>

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Table 2.1.2: Performance criteria for Outcome 1 (continued)

Performance information: Program 1.1 – Budget and Financial Management		
Year	Performance criteria (a)	Targets/2018-19 Estimated achievement
2019-20	Budget papers, related updates (e.g. the Mid-Year Economic and Fiscal Outlook) and Appropriation Bills are accurate, delivered within required timeframes and meet the government's fiscal and policy objectives and legislative obligations.	<p>Budget papers and related updates are produced in accordance with the timeframes and other requirements of the <i>Charter of Budget Honesty Act 1998</i>.</p> <p>Appropriation Bills are introduced into Parliament at times intended by government and in accordance with legislative requirements.</p> <p>Budget estimates are based on external reporting standards and any departures from external reporting standards are identified, consistent with requirements set out in the <i>Charter of Budget Honesty Act 1998</i>.</p> <p>Budget estimates are accurate (taking into account, to the fullest extent possible, all government decisions and other circumstances that may have a material effect) and explanations are provided where variances are equivalent to or greater than:</p> <p>2% difference between first forward year estimated expenses and Final Budget Outcome for first forward year.</p> <p>1.5% difference between budget estimated expenses and Final Budget Outcome for budget year.</p> <p>1.0% difference between the revised current year estimates at Mid-Year Economic and Fiscal Outlook and Final Budget Outcome for the current year.</p> <p>0.5% difference between the current year estimates at budget time and Final Budget Outcome for the current year.</p>
	The government's financial statements, including monthly statements, are complete, accurate and released publicly on timeframes agreed with the government.	As per 2018-19
	Commonwealth entities have access to cash on a daily basis.	As per 2018-19
2020-21 and beyond	As per 2019-20	As per 2019-20
Purpose	To assist the Australian Government to achieve its fiscal and policy objectives by advising on expenditure, managing sustainable public sector resourcing, driving public sector transformation and delivering efficient, cost-effective services to, and for, government.	

(a) The number of performance criteria listed in the Table for 2019-20 and 2020-21 has been reduced from previous years as allowed by the Finance Secretary's Direction under Subsection 36(3) of the PGPA Act dated 3 March 2017 – 'Requirements for Performance Information included in the Portfolio Budget Statements'. A more comprehensive suite of criteria are detailed in Finance's Corporate Plan, and are reported in the Annual Performance Statement.

2.2 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 2

Outcome 2: Support an efficient and high-performing public sector through providing leadership to Commonwealth entities in ongoing improvements to public sector governance, including through systems, frameworks, policy, advice, and service delivery.

Linked programs

Commonwealth Superannuation Corporation
Programs <ul style="list-style-type: none"> • Program 1.1 – Superannuation Scheme Governance
Future Fund Management Agency
Programs <ul style="list-style-type: none"> • Program 1.1 – Management of the Investment of the Future Fund • Program 1.2 – Management of the Investment of the Australian Government Investment Funds
Contribution to Outcome 2 made by linked programs <p>The Department of Finance works with the Commonwealth Superannuation Corporation to ensure that the management of public sector superannuation is consistent with legislative obligations.</p> <p>The Department of Finance works with the Future Fund Management Agency to ensure that the management of the Future Fund and the Australian Government Investment Funds is consistent with legislation and maximises returns to taxpayers.</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

Outcome 2: Support an efficient and high-performing public sector through providing leadership to Commonwealth entities in ongoing improvements to public sector governance, including through systems, frameworks, policy, advice and service delivery.					
	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
Program 2.1: Public Sector Governance					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)					
Grant in Aid - Australian Institute of Policy and Science	38	38	39	40	41
Grant in Aid - Chifley Research Centre	238	243	249	255	261
Grant in Aid - Green Institute	89	91	93	95	98
Grant in Aid - Menzies Research Centre	238	243	249	255	261
Grant in Aid - Page Research Centre	115	118	120	123	126
Grant in Aid - Royal Humane Society of Australasia	27	28	29	29	30
Grant in Aid - RSPCA Australia Inc	38	38	39	40	41
Administered total	783	800	818	837	858
Departmental expenses					
Departmental appropriation (a)					
Financial Framework	22,733	27,635	14,319	14,210	13,543
Government Shareholder Oversight	5,757	5,132	5,096	5,158	4,880
Special Financial Claims	3,793	3,166	2,701	2,696	2,557
Expenses not requiring appropriation in the Budget year (b)	1,147	856	869	890	884
Departmental total	33,430	36,790	22,984	22,954	21,863
Total expenses for Program 2.1	34,213	37,590	23,802	23,791	22,721

Table continues on next page

Table 2.2.1: Budgeted expenses for Outcome 2 (continued)

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
Program 2.2: Transforming Government					
Departmental expenses					
Departmental appropriation (a)					
Transforming the Public Sector	26,631	26,138	21,572	20,379	19,443
Expenses not requiring appropriation in the Budget year (b)	2,166	782	748	764	759
Departmental total	28,797	26,921	22,319	21,144	20,202
Total expenses for Program 2.2	28,797	26,921	22,319	21,144	20,202
Program 2.3: Property and Construction					
Departmental expenses					
Special accounts					
Property Special Account	92,342	104,312	123,451	109,213	97,957
Departmental total	92,342	104,312	123,451	109,213	97,957
Total expenses for Program 2.3	92,342	104,312	123,451	109,213	97,957
Program 2.4: Insurance and Risk Management					
Departmental expenses					
Special accounts					
Comcover Special Account	152,812	148,425	146,923	151,626	155,461
Departmental total	152,812	148,425	146,923	151,626	155,461
Total expenses for Program 2.4	152,812	148,425	146,923	151,626	155,461
Program 2.5: Technology and Procurement					
Departmental expenses					
Departmental appropriation (a)					
Technology Transformation	17,685	17,361	12,581	12,571	12,083
Procurement Framework	11,435	10,266	10,159	10,154	9,718
Special accounts					
Coordinated Procurement Contracting Special Account	23,103	25,681	25,232	24,758	24,772
Expenses not requiring appropriation in the Budget year (b)	2,511	2,934	2,965	2,984	2,964
Departmental total	54,735	56,241	50,937	50,468	49,538
Total expenses for Program 2.5	54,735	56,241	50,937	50,468	49,538
Program 2.6: Service Delivery Office					
Departmental expenses					
Departmental appropriation (a)					
Service Delivery Office	34,002	32,168	28,602	28,578	27,461
Expenses not requiring appropriation in the Budget year (b)	965	806	858	878	872
Departmental total	34,968	32,975	29,460	29,456	28,333
Total expenses for Program 2.6	34,968	32,975	29,460	29,456	28,333

Table continues on next page

Table 2.2.1: Budgeted expenses for Outcome 2 (continued)

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
Program 2.7: Public Sector Superannuation					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)					
Act of Grace	2,376	1,860	1,347	1,321	1,293
Compensation and legal expenses	500	500	500	500	500
Superannuation administration costs	9,043	9,043	9,043	9,043	9,043
Special appropriations					
<i>Federal Circuit Court of Australia Act 1999</i>	962	789	793	827	836
<i>Government Superannuation Schemes Act 2011</i>	1,000	1,000	1,000	1,000	1,000
<i>Governor-General Act 1974</i>	13,303	1,296	1,274	1,257	1,240
<i>Judges' Pensions Act 1968</i>	89,761	97,069	100,006	105,051	111,288
<i>Parliamentary Contributory Superannuation Act 1948</i>	42,049	45,893	45,443	45,433	44,057
<i>Parliamentary Superannuation Act 2004</i>	7,735	8,044	8,044	8,044	8,044
<i>Same-Sex Relationships (Equal Treatment in Commonwealth Laws General Law Reform) Act 2008</i>	46	122	125	128	131
<i>Superannuation Act 1922</i>	16,622	22,080	20,196	18,452	16,840
<i>Superannuation Act 1976</i>	2,446,420	3,170,944	3,113,357	3,053,375	2,989,542
<i>Superannuation Act 1990</i>	5,838,714	4,994,488	5,147,748	5,295,256	5,436,014
Administered total	8,468,531	8,353,128	8,448,876	8,539,687	8,619,828
Departmental expenses					
Departmental appropriation (a)					
Public Sector Superannuation	4,991	3,536	3,424	3,420	3,204
Expenses not requiring appropriation in the Budget year (b)	161	131	140	143	142
Departmental total	5,152	3,667	3,564	3,563	3,347
Total expenses for Program 2.7	8,473,683	8,356,795	8,452,439	8,543,250	8,623,174

Table continues on next page

Table 2.2.1: Budgeted expenses for Outcome 2 (continued)

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
Program 2.8: Australian Government Investment Funds					
Administered expenses					
Special accounts					
DisabilityCare Australia Fund Special Account (c)	2,986,923	1,724,812	1,305,819	1,347,242	1,114,756
Medical Research Future Fund Special Account (d)	239,953	459,937	658,710	733,401	738,460
Building Australia Fund Special Account (e)	3,836	-	-	-	-
Education Investment Fund Special Account (f)	6,274	1,103	-	-	-
Aboriginal and Torres Strait Islander Land and Sea Future Fund Special Account (g)	-	63,171	64,592	65,993	67,604
Administered total	3,236,986	2,249,023	2,029,122	2,146,637	1,920,820
Total expenses for Program 2.8	3,236,986	2,249,023	2,029,122	2,146,637	1,920,820
Outcome 2 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	12,701	12,202	11,708	11,701	11,694
Special appropriations	8,456,612	8,341,725	8,437,986	8,528,823	8,608,992
Special accounts	3,236,986	2,249,023	2,029,122	2,146,637	1,920,820
Administered total	11,706,299	10,602,950	10,478,815	10,687,160	10,541,505
Departmental expenses					
Departmental appropriation (a)	127,028	125,403	98,452	97,168	92,889
Special accounts	268,257	278,418	295,606	285,597	278,190
Expenses not requiring appropriation in the Budget year (b)	6,950	5,510	5,580	5,659	5,621
Departmental total	402,235	409,331	399,638	388,424	376,700
Total expenses for Outcome 2	12,108,535	11,012,281	10,878,453	11,075,584	10,918,205

	2018-19	2019-20
Average staffing level (number)	673	669

- (a) Departmental appropriation combines ordinary annual services (Appropriation Bill No. 1) and estimated receipts retained under s.74 of the PGPA Act.
- (b) Expenses not requiring appropriation in the Budget year is made up of depreciation expenses and amortisation expenses.
- (c) More information on the DisabilityCare Australia Fund can be found in Table 2.2.1.1 on page 30.
- (d) More information on the Medical Research Future Fund can be found in Table 2.2.1.2 on page 31.
- (e) The Building Australia Fund is to be closed by 30 June 2019, subject to the passage of legislation. More information can be found in Table 2.2.1.3 on page 32.
- (f) The Education Investment Fund is to be closed by 30 September 2019, subject to the passage of legislation. More information can be found in Table 2.2.1.4 on page 33.
- (g) More information on the Aboriginal and Torres Strait Islander Land and Sea Future Fund can be found in Table 2.2.1.5 on page 34.

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

Table 2.2.1.1: DisabilityCare Australia Fund (DCAF) – Estimates of Fund Balances

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
DisabilityCare Australia Fund (a)					
Opening balance	14,680,473	16,310,059	15,423,122	15,168,278	15,121,732
Revenue and gains					
Additional Medicare Levy - equity	4,280,443	4,487,500	4,712,500	4,965,000	5,210,000
Investment earnings and gains	336,065	350,375	338,475	335,696	341,322
Expenses					
Management fees	(10,797)	(11,467)	(11,101)	(11,019)	(11,205)
Transfers to reimburse accounts for DisabilityCare Australia expenditure (b)					
Commonwealth - equity	-	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)
States and Territories - expense	(2,976,126)	(1,713,345)	(1,294,718)	(1,336,223)	(1,103,551)
Closing balance	16,310,059	15,423,122	15,168,278	15,121,732	15,558,299

(a) The DCAF consists of the DCAF Special Account and investments of the DCAF. The investments are managed by the Future Fund Board of Guardians. The special account is used to record all transactions relating to the DCAF, including interest and Medicare Levy proceeds received and payments.

(b) The transfers relate to reimbursing the Commonwealth and the States and Territories for the costs of the operations of the National Disability Insurance Scheme (NDIS).

Note: The expenses figure does not include losses (if any) made on investments; rather this amount has been applied against investment earnings and gains.

Table 2.2.1.2: Medical Research Future Fund (MRFF) - Estimates of Fund Balances

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
Medical Research Future Fund (a)					
Opening balance	7,165,112	9,470,610	17,530,649	20,269,844	20,499,704
Investment credits (b)	2,288,550	7,830,490	2,522,178	-	-
Revenue and gains					
Investment earnings and gains	256,901	689,486	875,727	963,262	974,276
Expenses					
Management fees	(25,040)	(73,564)	(86,125)	(87,450)	(88,460)
Transfers to portfolio special accounts for project payments					
MRFF Health portfolio special account - expense	(214,913)	(386,373)	(572,585)	(645,951)	(650,000)
Closing balance	9,470,610	17,530,649	20,269,844	20,499,704	20,735,521

(a) The MRFF consists of the MRFF Special Account and investments of the MRFF. The investments are managed by the Future Fund Board of Guardians. The special account is used to record all transactions relating to the MRFF, including interest received and payments.

(b) Credits consist of uncommitted funds from the Health and Hospitals Fund (HHF), plus further contributions consisting of amounts equivalent to the estimated value of health function savings published in the 2014-15 Budget adjusted for any subsequent associated government decisions, until the capital value of the MRFF reaches \$20 billion.

Note: The expenses figure does not include losses (if any) made on investments; rather this amount has been applied against investment earnings and gains.

Table 2.2.1.3: Building Australia Fund (BAF) - Estimates of Fund Balances

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
Building Australia Fund (a)					
Opening balance	3,865,782	-	-	-	-
Revenue and gains					
Investment earnings and gains	88,836	-	-	-	-
Expenses					
Management fees	(3,836)	-	-	-	-
Transfers to portfolio special accounts for project payments					
BAF Infrastructure portfolio special account - expense	-	-	-	-	-
BAF Infrastructure Portfolio special account - equity	-	-	-	-	-
Closure: Transfer to Consolidated Revenue Fund - equity	(3,950,781)	-	-	-	-
Closing balance	-	-	-	-	-

(a) The BAF consists of the BAF Special Account and investments of the BAF. The investments are managed by the Future Fund Board of Guardians. The special account is used to record all transactions relating to the BAF, including interest received and payments. After the fund is abolished, expected to be by 30 June 2019, through a repeal of relevant sections of the *Nation-building Funds Act 2008*, the balance of the fund will be transferred to the CRF. It will then be transferred to the Future Drought Fund Special Account on its establishment. Estimates for the Future Drought Fund are currently reflected in the Contingency Reserve subject to the finalisation of the investment mandate. All commitments have been paid and there are no current commitments for the BAF.

Note: The expenses figure does not include losses (if any) made on investments; rather this amount has been applied against investment earnings and gains.

Table 2.2.1.4: Education Investment Fund (EIF) - Estimates of Fund Balances

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
Education Investment Fund (a)					
Opening balance	3,864,077	3,933,242	-	-	-
Revenue and gains					
Investment earnings and gains	75,439	13,861	-	-	-
Expenses					
Management fees	(4,274)	(1,103)	-	-	-
Transfers to portfolio special accounts for project payments					
EIF Infrastructure portfolio special account - expense	(2,000)	-	-	-	-
Closure: Transfer to Consolidated Revenue Fund - equity	-	(3,946,000)	-	-	-
Closing balance	3,933,242	-	-	-	-

(a) The EIF consists of the EIF Special Account and investments of the EIF. The investments are managed by the Future Fund Board of Guardians. The special account is used to record all transactions relating to the EIF, including interest received and payments. After the fund is abolished, expected to be by 30 September 2019, through a repeal of relevant sections of the *Nation-building Funds Act 2008*, the balance of the fund will be transferred to the CRF. It will then be transferred to the Emergency Response Fund Special Account on its establishment. Estimates for the Emergency Response Fund are currently reflected in the Contingency Reserve subject to the finalisation of the investment mandate. All commitments have been paid and there are no current commitments for the EIF.

Note: The expenses figure does not include losses (if any) made on investments; rather this amount has been applied against investment earnings and gains.

Table 2.2.1.5: Aboriginal and Torres Strait Islander Land and Sea Future Fund (ATSILSFF) – Estimates of fund balances

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
Aboriginal and Torres Strait Islander Land and Sea Future Fund (a)					
Opening balance	2,010,568	2,032,672	2,081,176	2,122,449	2,164,415
Revenue and gains					
Investment earnings and gains	22,104	111,675	105,864	107,959	114,317
Expenses					
Management fees	-	(8,815)	(8,986)	(9,164)	(9,354)
Transfers to portfolio special accounts for project payments					
Indigenous Land and Sea Corporation special account - expense	-	(54,356)	(55,606)	(56,829)	(58,250)
Closing balance	2,032,672	2,081,176	2,122,449	2,164,415	2,211,127

(a) ATSILSFF was established in the Finance portfolio on 1 February 2019. The ATSILSFF consists of the ATSILSFF Special Account and investments of the ATSILSFF. The investments are managed by the Future Fund Board of Guardians. The special account is used to record all transactions relating to the ATSILSFF, including interest received and payments.

Note: The expenses figure does not include losses (if any) made on investments; rather this amount has been applied against investment earnings and gains.

Table 2.2.2: Performance criteria for Outcome 2

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

Outcome 2 – Support an efficient and high-performing public sector through providing leadership to Commonwealth entities in ongoing improvements to public sector governance, including through systems, frameworks, policy, advice and service delivery.	
Program 2.1 – Public Sector Governance This program contributes to the outcome through developing and maintaining the public sector resource management framework and improving the standard of governance, performance and accountability of Commonwealth entities.	
Delivery	<ul style="list-style-type: none"> • Providing advice on policy and implementation issues to the government in relation to the financial framework, in particular: <ul style="list-style-type: none"> – Relevant legislation and rules; – Grant policy and related matters; – Act of Grace requests and waiver of debt applications; – Guidance material; and – Training and communication. • Undertaking Assurance Reviews of major projects and programs over their lifecycle, to provide assurance to the government regarding delivery and implementation. • Implementing recommendations from the Independent Review of the <i>Public Governance, Performance and Accountability Act 2013</i> and Rule. • Paying Grants in Aid funding to approved organisations. • Providing advice on strategy, governance, operations, financial forecasts and performance on GBEs and other commercial entities. • Strengthening public sector capability through regular capacity-building activities.

Table continues on next page

Table 2.2.2: Performance criteria for Outcome 2 (continued)

Performance information: Program 2.1 – Public Sector Governance		
Year	Performance criteria (a)	Targets/2018-19 Estimated achievement
2018-19	Finance ensures the Resource Management Framework is maintained as a fit-for-purpose framework for the proper use of public resources, under which Commonwealth entities and companies understand their governance and accountability obligations, and are equipped and supported to meet them.	On track The annual Chief Financial Officer survey was undertaken in December 2018. The survey results indicate satisfaction with Finance's guidance supporting the PGPA Act and framework.
	The government and key Parliamentary committees have confidence that public resources are used efficiently, effectively, economically and ethically.	On track As at 28 February 2019 there were no ANAO reports that made adverse findings on the PGPA Act and associated rules.
	The PGPA Act and Rule provisions, and Finance's support services, enable achievement of the objectives of the PGPA Act.	On track The independent review undertaken by Mr David Thodey and Ms Elizabeth Alexander was tabled in Parliament on Wednesday 19 September 2018. The Review report was referred to the JCPAA for their consideration and the Committee's media release of 21 December 2018 noted their intent to monitor the implementation of the recommendations through regular reports from the Department of Finance. Scoping of implementation on the recommendations has commenced. Two recommendations have already been actioned.

Table continues on next page

Table 2.2.2: Performance criteria for Outcome 2 (continued)

Performance information: Program 2.1 – Public Sector Governance		
Year	Performance criteria (a)	Targets/2018-19 Estimated achievement
	Better performance information is available to the Australian Parliament and the public.	On track The independent review of the PGPA Act noted that the performance framework provides a good platform for improved planning and performance measurement and that practice is maturing. Work on implementing the review's recommendations has commenced (expected to take 12 – 18 months to implement).
	Governance and assurance are effective in supporting accountable authorities meet their obligations under the PGPA Act.	The Secretary maintains communication with new and existing accountable authorities to advise on duties and responsibilities under the PGPA Act. Where requested by new accountable authorities, face to face meetings with Finance SES officers occurred between November 2018 and March 2019. Guidance on these duties (RMG 200) is also available on the Finance website.
	Facilitate and monitor GBE delivery of the government's key infrastructure priorities, including Western Sydney Airport, Inland Rail and Naval Shipbuilding.	On track Finance, in conjunction with the relevant Shareholder Departments, have implemented governance arrangements to facilitate the Government's key infrastructure projects. The governance arrangements include regular meetings between Shareholder Departments, the GBE and other key stakeholders. Emerging issues and key risks for each of the projects are monitored and reported on at the regular governance meetings and escalated as required.

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Table 2.2.2: Performance criteria for Outcome 2 (continued)

Performance information: Program 2.1 – Public Sector Governance		
Year	Performance criteria (a)	Targets/2018-19 Estimated achievement
	Continue to encourage ongoing efficiency and financial sustainability in GBEs.	<p>On track</p> <p>Finance continues to provide advice to Commonwealth Government Business Enterprises with respect to corporate planning, financial and operational performance and other significant programs of work.</p> <p>Advice is provided on a regular basis to Shareholder Ministers on the compliance and performance of the GBEs, based on information provided in Corporate Plans, Quarterly Reports, Annual Reports as well as regular interactions with the GBEs.</p> <p>Further work is being undertaken to ensure best practice regarding both the oversight of GBEs and the consistency and quality of the analysis and briefing.</p>
2019-20	The government and key Parliamentary committees have confidence that public resources are used efficiently, effectively, economically and ethically.	ANAO reports and JCPAA consideration of these reports do not include adverse findings on the PGPA Act and associated rules.
2020-21 and beyond	As per 2019-20	As per 2019-20
Purpose	To assist the Australian Government to achieve its fiscal and policy objectives by advising on expenditure, managing sustainable public sector resourcing, driving public sector transformation and delivering efficient, cost-effective services to, and for, government.	

- (a) The number of performance criteria listed in the Table for 2019-20 and 2020-21 has been reduced from previous years as allowed by the Finance Secretary's Direction under Subsection 36(3) of the PGPA Act dated 3 March 2017 – 'Requirements for Performance Information included in the Portfolio Budget Statements'. A more comprehensive suite of criteria are detailed in Finance's Corporate Plan, and are reported in the Annual Performance Statement.

Table 2.2.2: Performance criteria for Outcome 2 (continued)

Program 2.2 - Transforming Government This program contributes to the outcome by providing leadership in the development and delivery of reforms and initiatives that support the modernisation of government and increase public sector productivity.	
Delivery	<u>Transforming the Public Sector</u> <ul style="list-style-type: none"> • Supporting the government's transformation agenda through key projects, including implementation of the <i>Improving Public Sector Productivity: Roadmap</i>; the Shared and Common Services Program and the delivery of projects supported by the Modernisation Fund; and advising the government on delivering its Smaller Government objectives. • Providing advice to the government on the efficient and effective delivery of government activities. • Delivering scoping studies to the government and implementing agreed scoping study outcomes. • Implementing recommendations from the Independent Review of the WoAG Internal Regulations for the government. • Providing appropriate WoAG ICT services, including communications networks and online services to entities.

Table continues on next page

Table 2.2.2: Performance criteria for Outcome 2 (continued)

Performance information: Program 2.2 - Transforming Government		
Year	Performance criteria (a)	Targets/2018-19 Estimated achievement
2018-19	Finance oversight of Modernisation Fund investment ensures government has visibility of progress and outcomes, and informs government decisions around prioritisation and ongoing management of investments to drive improved outcomes.	<p>On track</p> <p>Responsibility for delivery of Modernisation Fund projects lies with entities, with oversight by the Secretaries' APS Reform Committee. Overall Modernisation Fund projects are on track against final timeframes.</p> <p>Status reports indicate: 40 projects are on track; two projects have either ceased or concluded.</p>
	Corporate service functions (e.g. financial, human resources and associated IT systems) for non-corporate Commonwealth agencies are provided through a shared services provider hub arrangement, on common platforms and software.	<p>On track</p> <p>Corporate service functions are progressively being consolidated onto shared service provider hubs.</p> <p>Better coordination of investment in underlying platforms and software has led to two of the shared service provider hubs merging in 2018.</p>
	Entities currently participating in the WoAG grant administration arrangements must implement existing and proposed in-scope grant activity via the Government's Community and Business Grants Hubs using the Hubs' standardised grant process and ICT grants management services, replacing the multiple ICT systems and business processes currently in operation.	<p>On track</p> <p>86% of existing in-scope grants are being delivered through a hub or are scheduled to transition to a hub by 30 June 2019.</p>
	Finance participation in the Data Integration Partnership for Australia (DIPA) contributes to an increase in Commonwealth public sector analytics capability and use of data to inform public policy.	<p>On track</p> <p>Finance's Government Business Analytical Unit is on schedule to complete two 2018-19 DIPA-funded projects within agreed timeframes and budgets.</p> <p>The projects will inform policies to support a more productive public sector and increase the visibility of workforce planning measures. Findings will be reported to the Secretaries' APS Reform Committee.</p>
	Finance oversight of activities under the Modernising the Public Sector Roadmap supports better services for citizens and businesses, delivered more efficiently – to build trust in government.	<p>On track</p> <p>Responsibility for delivery of individual activities under the Modernising the Public Sector Roadmap lies with entities, with oversight by the Secretaries' APS Reform Committee. There are currently 25 initiatives underway, with status reports indicating that all are on track.</p>

Table continues on next page

Table 2.2.2: Performance criteria for Outcome 2 (continued)

Performance information: Program 2.2 - Transforming Government		
Year	Performance criteria (a)	Targets/2018-19 Estimated achievement
	Commonwealth entities and companies have access to GovTEAMS, a new generation platform to provide a single environment for both internal and external collaboration across government to improve public sector productivity.	The GovTEAMS platform is successfully operating with all the modern collaboration tools such as Chat, Online Audio and Video Meetings, Online Profiles, Social Feeds and File Sharing available to government employees and their invited external guests for 99% of the time in office operating hours. The following user adoption rates are achieved: 30,000 users in 2018-19, 45,000 users in 2019-20, 60,000 users in 2020-21. The existing 18,000 active Govdex users adopt GovTEAMS in 2018-19.
	Commonwealth entities and companies have access to the GovCMS management and website hosting support platform to assist in the creation of modern, affordable and responsive websites that better connect Government with people.	On track Reduction in operating costs currently assessed through information provided by website owners – a more detailed survey of agencies is to be conducted in the first half of 2019.
2019-20	Finance participation in the Data Integration Partnership for Australia contributes to an increase in Commonwealth public sector analytics capability and use of data to inform public policy.	As per 2018-19
	Commonwealth entities and companies have access to GovTEAMS, a new generation platform to provide a single environment for both internal and external collaboration across government to improve public sector productivity.	The GovTEAMS platform is successfully operating with all the modern collaboration tools such as Chat, Online Audio and Video Meetings, Online Profiles, Social Feeds and File Sharing available to government employees and their invited external guests for 99.9% of the time in office operating hours. The following user adoption rates are achieved: 45,000 users in 2019-20, 60,000 users in 2020-21. GovTEAMS will be adapted to include PROTECTED information in 2019-20.
	Commonwealth entities and companies have access to the GovCMS management and website hosting support platform to assist in the creation of modern, affordable and responsive websites that better connect Government with people.	Number of websites hosted on the GovCMS platform increases by 10% in 2019-20. Website hosting platform maintains a service level availability to entities of 99.95% in 2019-20.

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Table 2.2.2: Performance criteria for Outcome 2 (continued)

Performance information: Program 2.2 - Transforming Government		
Year	Performance criteria (a)	Targets/2018-19 Estimated achievement
2020-21 and beyond	As per 2019-20	As per 2019-20
Purpose	To assist the Australian Government to achieve its fiscal and policy objectives by advising on expenditure, managing sustainable public sector resourcing, driving public sector transformation and delivering efficient, cost-effective services to, and for, government.	

(a) The number of performance criteria listed in the Table for 2019-20 and 2020-21 has been reduced from previous years as allowed by the Finance Secretary's Direction under Subsection 36(3) of the PGPA Act dated 3 March 2017 – 'Requirements for Performance Information included in the Portfolio Budget Statements'. A more comprehensive suite of criteria are detailed in Finance's Corporate Plan, and are reported in the Annual Performance Statement.

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Table 2.2.2: Performance criteria for Outcome 2 (continued)

Program 2.3 - Property and Construction		
This program contributes to the outcome by providing policy advice, guidance and support on managing Commonwealth property, land and public works across the government; and managing specified major capital works projects and the government's non-Defence property portfolio within Australia.		
Delivery	<ul style="list-style-type: none"> • Providing advice to the government on property management issues such as ownership, construction, divestment and management of residual issues from previous divestments, leasing and acquisition. • Assisting entities to use the Commonwealth Property Management Framework. • Collecting property data for the government on Commonwealth leasing trends and assisting in the disposal of Commonwealth property. • Managing properties within the Finance-managed portfolio for the government through adoption of effective property management systems and processes. • Providing advice and support to the government and entities in relation to the Lands Acquisition Act 1989, the Public Works Committee Act 1969, relevant sections of the <i>Native Title Act 1993</i>, the National Land Ordinance and the Commonwealth Property Disposal Policy. 	
Performance information: Program 2.3 - Property and Construction		
Year	Performance criteria (a)	Targets/2018-19 Estimated achievement
2018-19	<p>In accordance with government targets:</p> <ul style="list-style-type: none"> • Better utilisation of office space leased by non-corporate Commonwealth entities. • Absorb Commonwealth entities' lease requirements into existing vacant office accommodation where it is feasible to do so. • Ensure that leases and other property services are delivered through coordinated procurements. • Continued rationalisation, through divestment, of the property portfolio in 2018-19 to ensure it continues to meet contemporary requirements. 	<p>On track</p> <p>The Commonwealth is continuing to better utilise leased office space, including through implementation of the WoAG leasing strategy and the coordinated procurement arrangements for leasing and property services. By 30 June 2019, approximately 96% of entities will have transitioned to the coordinated arrangements.</p> <p>The most recent data from the Australian Government Property Register showed the Government reduced its leased office footprint by 1.5% since 2016, and the number of tenancies that meet the occupational density target increased from 22.1% in 2016 to 31.6% in 2018.</p> <p>The divestment program is ongoing. Since 1 January 2015, 133 properties have been sold, with gross proceeds of over \$194 million. A further 22 properties are on the program for divestment.</p>

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Table 2.2.2: Performance criteria for Outcome 2 (continued)

Performance information : Program 2.3 - Property and Construction		
Year	Performance criteria (a)	Targets/2018-19 Estimated achievement
2019-20	<p>In accordance with government targets:</p> <ul style="list-style-type: none"> • Better utilisation of office space leased by non-corporate Commonwealth entities. • Absorb Commonwealth entities' lease requirements into existing vacant office accommodation where it is feasible to do so. • Ensure that leases and other property services are delivered through coordinated procurements. • Continued rationalisation, through divestment, of the property portfolio in 2019-20 to ensure it continues to meet contemporary requirements. 	<p>Property efficiencies delivered through the WoAG property services coordinated procurement arrangements and the WoAG leasing strategy.</p> <p>Ensure the Australian Government Property Register remains an accurate source of all Commonwealth landholdings and assists in identifying those landholdings that could be considered surplus to requirements.</p>
2020-21 and beyond	As per 2019-20	As per 2019-20
Purpose	To assist the Australian Government to achieve its fiscal and policy objectives by advising on expenditure, managing sustainable public sector resourcing, driving public sector transformation and delivering efficient, cost-effective services to, and for, government.	

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Table 2.2.2: Performance criteria for Outcome 2 (continued)

Program 2.4 – Insurance and Risk Management		
This program contributes to the outcome by providing general insurance services and promoting risk management across the government through the Comcover Special Account.		
Delivery	<ul style="list-style-type: none"> • Providing a self-managed insurance fund (Comcover) to protect Commonwealth entities against the impact and volatility of insurable losses. • Providing a consistent WoAG approach to managing legal liability claims against Commonwealth entities. • Providing risk management and education services to entities to support best practice risk management across the government. 	
Performance information: Program 2.4 – Insurance and Risk Management		
Year	Performance criteria (a)	Targets/2018-19 Estimated achievement
2018-19	Comcover is financially sustainable.	<p>On track</p> <p>The operations of Comcover are funded from the Comcover Special Account (CSA), which collects premiums from Members and uses this revenue to fund all claims that fall under the Statement of Cover.</p> <p>There are reasonable grounds to believe that Comcover will be able to pay its debts as and when they fall due.</p>
	Comcover assists Commonwealth entities to ensure the appropriate treatment of insurable risks and provides a consistent, WoAG approach to the management of claims against the Commonwealth.	<p>On track</p> <p>Between 1 July 2018 and 1 January 2019, the Foundation Pathway (delivered through eLearning only) has had 1,021 confirmed completions with 51 entities participating. The Generalist workshops have been attended by 33 individuals from 19 separate entities. There have been 23 participants in the Specialist course from 17 entities and a strong attendance by the SES in the Executive workshop with 24 participants from 17 entities.</p> <p>A further 67 SES have attended in-house Executive training across three entities.</p>

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Table 2.2.2: Performance criteria for Outcome 2 (continued)

Performance information: Program 2.4 – Insurance and Risk Management		
Year	Performance criteria (a)	Targets/2018-19 Estimated achievement
2019-20	Comcover assists Commonwealth entities to ensure the appropriate treatment of insurable risks and provides a consistent, WoAG approach to the management of claims against the Commonwealth.	Stakeholder satisfaction with the professionalism, skills and service provided. Litigation is undertaken honestly and fairly as a model litigant.
2020-21 and beyond	As per 2019-20	As per 2019-20
Purpose	To assist the Australian Government to achieve its fiscal and policy objectives by advising on expenditure, managing sustainable public sector resourcing, driving public sector transformation and delivering efficient, cost-effective services to, and for, government.	

- (a) The number of performance criteria listed in the Table for 2019-20 and 2020-21 has been reduced from previous years as allowed by the Finance Secretary's Direction under Subsection 36(3) of the PGPA Act dated 3 March 2017 – 'Requirements for Performance Information included in the Portfolio Budget Statements'. A more comprehensive suite of criteria are detailed in Finance's Corporate Plan, and are reported in the Annual Performance Statement.

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Table 2.2.2: Performance criteria for Outcome 2 (continued)

Program 2.5 – Technology and Procurement		
This program contributes to the outcome through providing timely and relevant procurement policy advice; providing advice to the government on advertising; establishing and maintaining whole-of-Australian government (WoAG) procurement arrangements for common goods and services; and establishing, developing and maintaining whole of government and cross-entity ICT infrastructure, platforms, systems and services.		
Delivery	<ul style="list-style-type: none">• Developing and managing WoAG procurement arrangements for entities.• Providing assistance and advice to Commonwealth entities on the process of developing government advertising campaigns.• Procurement policy advice.• Developing and managing AusTender and GrantConnect.	
Performance information: Program 2.5 – Technology and Procurement		
Year	Performance criteria (a)	Targets/2018-19 Estimated achievement
2018-19	Finance works with external stakeholders to develop, implement and maintain systems and policies to support a fair, efficient, and transparent procurement framework for the Australian Government and its suppliers.	On track Finance will continue to work proactively with Commonwealth Entities through a variety of fora to improve procurement practices.
	WoAG procurement arrangements for non-ICT corporate services (e.g. travel bookings and major office equipment) generate savings for Commonwealth entities that access these arrangements.	On track Business cases that have been prepared to evaluate WoAG procurement arrangements include an analysis of savings and efficiencies for Commonwealth entities that access these arrangements. Benchmarking processes confirm the savings and efficiencies achieved through price reductions and behavioural change.
2019-20	Finance works with external stakeholders to develop, implement and maintain systems and policies to support a fair, efficient, and transparent procurement framework for the Australian Government and its suppliers.	Finance advisory services, forums, training, and other support mechanisms are well attended or utilised. Regular engagement with domestic and international stakeholders supports information exchange on advances in procurement policy. AusTender data is made available to enable analysis of market sector participation.
2019-20	WoAG procurement arrangements for non-ICT corporate services (e.g. travel bookings and major office equipment) generate savings for Commonwealth entities that access these arrangements.	As per 2018-19
2020-21 and beyond	As per 2019-20	As per 2019-20
Purpose	To assist the Australian Government to achieve its fiscal and policy objectives by advising on expenditure, managing sustainable public sector resourcing, driving public sector transformation and delivering efficient, cost-effective services to, and for, government.	

(a) The number of performance criteria listed in the Table for 2019-20 and 2020-21 has been reduced from previous years as allowed by the Finance Secretary's Direction under Subsection 36(3) of the PGPA Act dated 3 March 2017 – 'Requirements for Performance Information included in the Portfolio Budget Statements'. A more comprehensive suite of criteria are detailed in Finance's Corporate Plan, and are reported in the Annual Performance Statement.

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Table 2.2.2: Performance criteria for Outcome 2 (continued)

Program 2.6 – Service Delivery Office This program contributes to the outcome through providing a range of corporate services to Australian Government entities.		
Delivery	Providing the following services to Australian Government entities: <ul style="list-style-type: none">• Accounts Payable.• Accounts Receivable.• Credit Card Management.• International Travel.• Payroll and payroll systems administration.• ICT functions supporting the SAP Enterprise Resource Planning (ERP) Solution.	
Performance information: Program 2.6 – Service Delivery Office		
Year	Performance criteria	Targets/2018-19 Estimated achievement
2018-19	As a Shared Service hub, the Service Delivery Office provides quality services to client entities.	On track The Service Delivery Office (SDO) continues to deliver on the agreed Service Level Outcomes. Monthly reports are provided to each client against agreed targets. SDO continues to work with clients to mature the full suite of services and adoption of common processes.
2019-20 and beyond	As a Shared Service hub, the Service Delivery Office provides quality services to client entities.	As per 2018-19
Purpose	To assist the Australian Government to achieve its fiscal and policy objectives by advising on expenditure, managing sustainable public sector resourcing, driving public sector transformation and delivering efficient, cost-effective services to, and for, government.	

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Table 2.2.2: Performance criteria for Outcome 2 (continued)

Program 2.7 – Public Sector Superannuation This program contributes to the outcome through advising the government on managing the Future Fund, the stability of the government's unfunded superannuation liabilities and its associated administered expense items and superannuation arrangements for government employees. This includes the administration and management of superannuation arrangements for parliamentarians, as well as current and former Governors-General, Federal Judges and Federal Circuit Court Judges.		
Delivery	<ul style="list-style-type: none"> • Providing policy advice to the government on the Future Fund, including the investment mandate and other governance matters. • Providing policy advice to the government on its unfunded superannuation liability and associated administered expenses. • Providing policy advice and analysis on government superannuation arrangements and administering the superannuation arrangements for pre October 2004 parliamentarians, current and former Governors-General, Federal Judges and certain former Federal Circuit Court Judges. 	
Performance information: Program 2.7 – Public Sector Superannuation		
Year	Performance criteria	Targets/2018-19 Estimated achievement
2018-19	The Commonwealth government's civilian superannuation schemes are effectively administered.	On track Advice is provided to the government on policy, legislative, governance and other matters relevant to the Future Fund. The operational and administrative objectives for the civilian superannuation schemes are met—including benefit payments, pensions and contributions processing and the despatch of members' statements. A new IT system to administer the schemes is being procured to improve efficiency of operations. The new IT system will be operational from 1 July 2019.
2019-20	The Commonwealth government's civilian superannuation schemes are effectively administered.	The operational and administrative objectives for the civilian superannuation schemes are met—including benefit payments, pension and contributions processing, and the despatch of members' statements.
2020-21 and beyond	As per 2019-20	As per 2019-20
Purpose	To assist the Australian Government to achieve its fiscal and policy objectives by advising on expenditure, managing sustainable public sector resourcing, driving public sector transformation and delivering efficient, cost-effective services to, and for, government.	

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Table 2.2.2: Performance criteria for Outcome 2 (continued)

Program 2.8 – Australian Government Investment Funds This program contributes to the outcome through providing advice on investment mandates and governance arrangements for the government's Investment Funds, to maximise the value of the funds to the government. This includes advice on credit of amounts to the Funds and debits for payments from the Funds. The Funds are: <ul style="list-style-type: none">• DisabilityCare Australia Fund• Medical Research Future Fund• Building Australia Fund• Education Investment Fund• Aboriginal and Torres Strait Islander Land and Sea Future Fund.		
Delivery	Providing advice to the government on the Australian Government Investment Funds, including investment mandates, governance matters, credits to, and payments from the Funds.	
Performance information: Program 2.8 – Australian Government Investment Funds		
Year	Performance criteria	Targets
2018-19	Investment mandates are set for each Australian Government Investment Fund which assists in achieving the financial and risk objectives and are consistent with the policy, regulatory and legislative framework.	On track The Future Fund Management Agency has advised that, at 31 December 2018, the benchmark rates of return for the Future Fund, the Medical Research Future Fund and the DisabilityCare Australia Fund have been met when measured over the medium/long term.
2019-20	Investment mandates are set for each Australian Government Investment Fund which assists in achieving the financial and risk objectives and are consistent with the policy, regulatory and legislative framework.	Investment mandates for the managed funds issued by the Australian Government are met.
2020-21 and beyond	As per 2019-20	As per 2019-20
Purpose	To assist the Australian Government to achieve its fiscal and policy objectives by advising on expenditure, managing sustainable public sector resourcing, driving public sector transformation and delivering efficient, cost-effective services to, and for, government.	

2.3 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 3

Outcome 3: Support for parliamentarians and others as required by the Australian Government through the delivery of and advice on, work expenses and allowances, entitlements and targeted programs.

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

Outcome 3: Support for Parliamentarians and others as required by the Australian Government through the delivery of, and advice on, work expenses and allowances, entitlements and targeted programs.

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
Program 3.1: Ministerial and Parliamentary Services					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)					
Electorate and ministerial support costs	283,936	262,278	262,200	289,997	267,811
Australian Political Exchange Program	927	940	954	941	941
Australian Political Parties for Democracy Program	2,200	2,200	2,200	2,200	2,200
Special appropriations	-	-	-	-	-
Commonwealth of Australia Constitution Act (s66) (a)	5,230	5,266	5,266	5,266	5,266
Parliamentary Entitlements Act 1990	-	-	-	-	-
Parliamentary Retirement Travel Act 2002	-	-	-	-	-
Parliamentary Business Resources Act 2017	221,253	222,170	225,710	228,959	228,959
Expenses not requiring appropriation in the Budget year (b)	6,956	7,057	7,932	10,616	10,616
Administered total	520,502	499,911	504,262	537,979	515,793
Departmental expenses					
Departmental appropriation (c)					
Services to Senators, Members and their staff	32,677	33,339	32,552	32,537	31,464
Car-with-driver and associated transport services	533	503	495	495	470
Expenses not requiring appropriation in the Budget year (b)	1,657	1,554	1,538	1,564	1,553
Departmental total	34,868	35,396	34,585	34,595	33,487
Total expenses for Program 3.1	555,369	535,307	538,847	572,574	549,279

Table continues on next page

Table 2.3.1: Budgeted expenses for Outcome 3 (continued)

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
Outcome 3 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	287,063	265,418	265,354	293,138	270,952
Special appropriations	226,483	227,436	230,976	234,225	234,225
Expenses not requiring appropriation in the Budget year (b)	6,956	7,057	7,932	10,616	10,616
Administered total	520,502	499,911	504,262	537,979	515,793
Departmental expenses					
Departmental appropriation (c)	33,210	33,842	33,047	33,031	31,933
Expenses not requiring appropriation in the Budget year (b)	1,657	1,554	1,538	1,564	1,553
Departmental total	34,868	35,396	34,585	34,595	33,487
Total expenses for Outcome 3	555,369	535,307	538,847	572,574	549,279
	2018-19	2019-20			
Average staffing level (number)	169	159			

(a) Estimates for this item are subject to the *Ministers of State Regulation 2012*.

(b) 'Expenses not requiring appropriation in the budget year' is made up of depreciation expenses, amortisation expenses and resources received free of charge.

(c) Departmental appropriation combines ordinary annual services (Appropriation Bill No. 1) and estimated receipts retained under s.74 of the PGPA Act.

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

Table 2.3.2: Performance criteria for Outcome 3

Table 2.3.2 below details the performance criteria for each program associated with Outcome 3. It also summarises how each program is delivered and where 2019-20 Budget measures have created new programs or materially changed existing programs.

Outcome 3 – Support for parliamentarians and others as required by the Australian Government through the delivery of, and advice on, work expenses and allowances, entitlements and targeted programs.		
Program 3.1 – Ministerial and Parliamentary Services		
This program contributes to the outcome through the provision of advice on, access to, and payment of Parliamentary and post-Parliamentary, work expenses, allowances and entitlements and targeted programs.		
Delivery	<ul style="list-style-type: none">• Providing advice and support to clients and stakeholders.• Paying accounts relating to work expenses, allowances and entitlements.• Managing and maintaining the <i>Members of Parliament (Staff) Act 1984</i> employment framework.• Providing client and event transport (car-with-driver) and associated ground transport services to eligible recipients.• Managing Commonwealth Parliament Offices and the ministerial wing of Parliament House.• Managing the Australian Political Exchange Program and the Australian Political Parties for Democracy Program.• Providing property and office facilities management.	
Performance information Program 3.1 – Ministerial and Parliamentary Services		
Year	Performance criteria (a)	Targets/2018-19 Estimated achievement
2018-19	Services meet the needs of parliamentarians, their employees and others as required by the Australian Government.	<p>On track</p> <p>Service standards met, or exceeded, for the period ending 1 January 2019 include:</p> <ul style="list-style-type: none">• 98% client contacts acknowledged within 24 hours and responded to within agreed timeframes.• 99.88% of payments (including payroll) were made within agreed timeframes.• 99.75% of reservations were completed without service failure.

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Table 2.3.2: Performance criteria for Outcome 3 (continued)

Performance information Program 3.1 – Ministerial and Parliamentary Services		
Year	Performance criteria (a)	Targets/2018-19 Estimated achievement
	The timeliness, efficiency, clarity and transparency of the administration of Parliamentary work expenses is improved.	<p>In progress</p> <p>The Parliamentary Expenses Management System portal was released in August 2018. This allows parliamentarians and their staff to submit and certify office expense and travel claims electronically.</p> <p>Backend functionality will be deployed over the next 12 months, spanning HR payroll, budget management, digital end to end processing of office expenses and travel claims, reporting and audit functions.</p>
2019-20	Services meet the needs of parliamentarians, their employees and others as required by the Australian Government.	<p>The following service standards are met or exceeded:</p> <ul style="list-style-type: none"> • 95% of client contacts acknowledged within 24 hours and responded to within agreed timeframes. • 95% of payments (including payroll) will be made within agreed timeframes. • 99% of COMCAR reservations will be completed without service failure.
2019-20	The timeliness, efficiency, clarity and transparency of the administration of Parliamentary work expenses is improved.	As per 2018-19
2020-21 and beyond	As per 2019-20	As per 2019-20
Purpose	To assist the Australian Government to achieve its fiscal and policy objectives by advising on expenditure, managing sustainable public sector resourcing, driving public sector transformation and delivering efficient, cost-effective services to, and for, government.	

(a) The number of performance criteria listed in the Table for 2019-20 and 2020-21 has been reduced from previous years as allowed by the Finance Secretary's Direction under Subsection 36(3) of the PGPA Act dated 3 March 2017 – 'Requirements for Performance Information included in the Portfolio Budget Statements'. A more comprehensive suite of criteria are detailed in Finance's Corporate Plan, and are reported in the Annual Performance Statement.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019-20 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

No material differences exist between entity resourcing and the financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

Budgeted Statement of Comprehensive Income – Departmental

2018-19

Finance is forecasting expenses of \$539.8 million in 2018-19, a decrease from the \$577.0 million forecast in the 2018-19 Portfolio Additional Estimates Statements (PAES). This change is primarily due to revisions of special account estimates.

Finance is forecasting total own source income of \$280.5 million, a decrease from the \$297.9 million forecast in the 2018-19 PAES. This is primarily due to revisions of special account estimates.

2019-20

Finance is budgeting for a surplus of \$17.7 million, an increase from the \$11.3 million forecast in the 2018-19 PAES. This is primarily due to a revision of special account estimates.

Budgeted Balance Sheet – Departmental

The budgeted net asset position as at 30 June 2020 of \$2,120.3 million represents a decrease from the \$2,121.0 million forecast in the 2018-19 PAES. This is primarily due to a revision of special account estimates.

Budgeted Schedule of Comprehensive Income – Administered

2018-19

Estimated administered income for 2018-19 has increased to \$2,114.1 million from the \$2,062.0 million reported in the 2018-19 PAES. This is primarily due to revisions in estimates for superannuation and the Australian Government Investments Funds.

Estimated administered expenses for 2018-19 have decreased to \$12,353.8 million from the \$12,493.7 million reported in the 2018-19 PAES. This is primarily due to revisions in estimates for the Australian Government Investment Funds.

2019-20

Finance is budgeting for administered income of \$2,310.4 million in 2019-20, an increase from the \$2,294.1 million budgeted for in the 2018-19 PAES. This is primarily due to revisions in estimates for superannuation.

Finance is budgeting for administered expenses of \$11,102.9 million in 2019-20, an increase from the \$11,026.4 million budgeted for in the 2018-19 PAES. This is primarily due to revisions in estimates for superannuation.

Budgeted Schedule of Assets and Liabilities – Administered

Administered assets are budgeted to total \$36,899.7 million by 30 June 2020, an increase from the \$36,579.4 million estimated in the 2018-19 PAES, primarily due to revisions in estimates for the Australian Government Investment Funds.

Administered liabilities are estimated to total \$137,769.0 million by 30 June 2020, an increase from the \$137,565.4 million estimated in the 2018-19 PAES, primarily due to revisions in estimates for superannuation.

3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
EXPENSES					
Employee benefits	162,791	161,291	159,692	159,692	159,692
Suppliers	180,285	185,121	173,295	159,797	149,589
Depreciation and amortisation (a)	43,793	44,904	45,641	46,342	46,613
Write-down and impairment of assets	3,841	12,010	13,700	10,638	-
Insurance claims	140,916	136,556	134,921	139,582	143,317
Other expenses	8,216	7,784	7,784	7,784	7,784
Total expenses	539,842	547,666	535,033	523,835	506,995
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	74,761	68,632	68,530	71,102	67,989
Insurance premiums	130,388	139,138	138,732	143,434	147,270
Rental income	75,308	73,936	74,196	73,515	73,415
Total own-source revenue	280,457	281,706	281,458	288,051	288,674
Gains					
Net gains from asset sales (b)	17,536	17,563	25,978	-	-
Other (c)	1,385	1,385	1,385	1,385	1,386
Total gains	18,921	18,948	27,363	1,385	1,386
Total own-source income	299,378	300,654	308,821	289,436	290,060
Net (cost of)/contribution by services	(240,464)	(247,012)	(226,212)	(234,399)	(216,935)
Revenue from Government	258,962	268,648	249,759	239,030	240,605
Surplus/(deficit) before income tax	18,497	21,636	23,547	4,631	23,670
Income tax expense	4,249	3,935	3,935	3,935	3,935
Surplus/(deficit) after income tax	14,248	17,701	19,612	696	19,735
Total comprehensive income/(loss) attributable to the Australian Government	14,248	17,701	19,612	696	19,735

Table continues on next page

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**

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
Total comprehensive income/(loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriations	58,041	62,605	65,253	47,038	66,348
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	43,793	44,904	45,641	46,342	46,613
Total comprehensive income/(loss) - as per the statement of comprehensive income	14,248	17,701	19,612	696	19,735

Prepared on Australian Accounting Standards basis.

- (a) From 2010-11, the Government introduced net cash appropriation arrangements where Appropriation Bill (No. 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 Appropriation Bill (No. 1) equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
- (b) Represents the net gain/loss from the government's non-Defence Property Divestment Program within Australia.
- (c) Other gains represent resources received free of charge for financial statement audit services from the Australian National Audit Office.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents (a)	639,616	668,723	695,071	724,376	724,746
Trade and other receivables	148,729	119,429	112,023	96,222	109,184
Other financial assets	12,522	12,522	12,522	12,522	12,522
Total financial assets	800,867	800,674	819,616	833,120	846,452
Non-financial assets					
Land and buildings (b)	982,308	953,851	886,955	860,564	844,182
Property, plant and equipment	80,254	95,917	110,778	125,479	142,519
Investment property (b)	788,294	789,421	815,539	815,539	815,539
Intangibles	116,708	108,525	95,467	82,415	67,428
Other non-financial assets	7,989	7,989	7,989	7,989	7,989
Total non-financial assets	1,975,553	1,955,703	1,916,728	1,891,986	1,877,657
Total assets	2,776,420	2,756,377	2,736,344	2,725,106	2,724,109
LIABILITIES					
Payables					
Suppliers	77,721	84,869	91,715	91,723	91,723
Unearned revenue	16,968	16,968	16,968	16,968	16,968
Return of equity	57,145	57,145	57,145	57,145	57,145
Other payables	5,352	6,119	6,886	6,886	6,886
Total payables	157,186	165,101	172,714	172,722	172,722
Provisions					
Employee provisions	65,955	68,387	70,819	70,819	70,819
Outstanding insurance claims	381,913	381,913	381,913	381,913	381,913
Other provisions	20,648	20,648	20,648	20,648	20,648
Total provisions	468,516	470,948	473,380	473,380	473,380
Total liabilities	625,702	636,049	646,094	646,102	646,102
Net assets	2,150,718	2,120,328	2,090,250	2,079,004	2,078,007
EQUITY*					
Contributed equity	1,363,716	1,315,625	1,265,935	1,253,993	1,233,261
Reserves	237,899	237,899	237,899	237,899	237,899
Retained surplus (accumulated deficit)	549,103	566,804	586,416	587,112	606,847
Total equity	2,150,718	2,120,328	2,090,250	2,079,004	2,078,007

Prepared on Australian Accounting Standards basis.

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

(a) Primarily represents appropriation receivable (including capital appropriation) and the special accounts.

(b) Primarily represents properties in the Australian Government's non-Defence property portfolio.

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

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2019				
Balance carried forward from previous period	549,103	237,899	1,363,716	2,150,718
Adjusted opening balance	549,103	237,899	1,363,716	2,150,718
Surplus/(deficit) for the period	17,701	-	-	17,701
Total comprehensive income	17,701	-	-	17,701
Transactions with owners				
Distributions to owners				
Returns on capital:				
Returns of contributed equity	-	-	(60,272)	(60,272)
Contributions by owners				
Equity injection - Appropriation (a)	-	-	5,672	5,672
Departmental capital budget (DCB)	-	-	6,509	6,509
Sub-total transactions with owners	-	-	(48,091)	(48,091)
Estimated closing balance as at 30 June 2020	566,804	237,899	1,315,625	2,120,328
Closing balance attributable to the Australian Government	566,804	237,899	1,315,625	2,120,328

Prepared on Australian Accounting Standards basis.

(a) Equity injections for construction and ICT projects.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Rendering of services	150,039	142,545	142,401	144,020	141,402
Appropriations	336,433	298,268	257,190	254,830	227,039
Insurance premiums	130,388	139,138	138,732	143,434	147,270
Total cash received	616,860	579,951	538,323	542,284	515,711
Cash used					
Employees	160,359	158,859	157,260	159,692	159,692
Suppliers	174,778	178,762	164,904	157,806	151,332
Insurance claims	140,916	136,556	134,921	139,582	143,317
Other	11,698	10,952	10,952	11,719	7,984
Total cash used	487,751	485,129	468,037	468,799	462,325
Net cash from/(used by) operating activities	129,109	94,822	70,286	73,485	53,386
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	50,756	38,000	40,900	-	-
Total cash received	50,756	38,000	40,900	-	-
Cash used					
Construction/Purchase of land and buildings	42,158	12,131	2,954	36	-
Construction/Purchase of property, plant and equipment	47,868	30,605	24,181	24,183	26,604
Construction/Purchase of intangibles	48,729	12,888	8,013	8,019	5,680
Construction/Purchase of investment properties	1,529	-	-	-	-
Total cash used	140,284	55,624	35,148	32,238	32,284
Net cash from/(used by) investing activities	(89,528)	(17,624)	5,752	(32,238)	(32,284)

Table continues on next page

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
FINANCING ACTIVITIES					
Cash received					
Contributed equity	50,699	12,181	8,740	8,780	8,826
Total cash received	50,699	12,181	8,740	8,780	8,826
Cash Used					
Return of contributed equity	222,958	60,272	58,430	20,722	29,558
Total cash used	222,958	60,272	58,430	20,722	29,558
Net cash from/(used by) financing activities	(172,259)	(48,091)	(49,690)	(11,942)	(20,732)
Net increase/(decrease) in cash held	(132,678)	29,107	26,348	29,305	370
Cash and cash equivalents at the beginning of the reporting period	772,294	639,616	668,723	695,071	724,376
Cash and cash equivalents at the end of the reporting period	639,616	668,723	695,071	724,376	724,746

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill No. 1 (DCB)	8,488	6,509	6,557	6,597	6,643
Equity injections - Bill No. 2	42,211	5,672	2,183	2,183	2,183
Total new capital appropriations	50,699	12,181	8,740	8,780	8,826
Provided for:					
Purchase of non-financial assets	50,699	12,181	8,740	8,780	8,826
Total items	50,699	12,181	8,740	8,780	8,826
PURCHASE OF NON-FINANCIAL ASSETS					
ASSETS					
Funded by capital appropriation - DCB (a)	8,488	6,509	6,557	6,597	6,643
Funded by equity injections	97,513	24,760	5,133	2,183	2,183
Funded internally from departmental resources (b)	34,283	24,355	23,458	23,458	23,458
TOTAL	140,284	55,624	35,148	32,238	32,284
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total asset additions	140,284	55,624	35,148	32,238	32,284
Total cash used to acquire assets	140,284	55,624	35,148	32,238	32,284

Prepared on Australian Accounting Standards basis.

- (a) Does not include annual finance lease costs.
 (b) Includes the following sources of funding:
 – Current and prior year annual appropriation.
 – Funds held in special accounts.

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

	Land	Buildings	Other property, plant and equipment	Investment property	Computer software and intangibles	L&B, IP&E held for sale	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2019							
Gross book value	344,274	654,690	69,272	788,294	212,233	28,154	2,096,917
Accumulated depreciation/ amortisation and impairment	-	(16,656)	(17,172)	-	(95,525)	-	(129,353)
Opening net book balance	344,274	638,034	52,100	788,294	116,708	28,154	1,967,564
CAPITAL ASSET ADDITIONS							
Estimated expenditure on new or replacement assets							
By purchase - appropriation equity (a)	8,170	3,961	5,026	-	7,603	-	24,760
By purchase - appropriation ordinary annual services (b)	-	-	1,224	-	5,285	-	6,509
By purchase - other	-	-	24,355	-	-	-	24,355
Total additions	8,170	3,961	30,605	-	12,888	-	55,624
Other movements							
Depreciation/amortisation expense	-	(14,754)	(9,079)	-	(21,071)	-	(44,904)
Disposals (c)	(1,261)	(18,099)	-	800	-	-	(18,560)
Other (reclassification)	(8,168)	1,694	(5,863)	327	-	-	(12,010)
Total other movements	(9,429)	(31,159)	(14,942)	1,127	(21,071)	-	(75,474)
As at 30 June 2020							
Gross book value	343,015	642,246	94,014	789,421	225,121	28,154	2,121,971
Accumulated depreciation/ amortisation and impairment	-	(31,410)	(26,251)	-	(116,596)	-	(174,257)
Closing net book balance	343,015	610,836	67,763	789,421	108,525	28,154	1,947,714

Prepared on Australian Accounting Standards basis.

- (a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2019-20, including Collection Development Acquisition Budgets (CDABs).
- (b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2019-20 for depreciation/amortisation expenses, DCBs or other operational expenses.
- (c) Net proceeds may be returned to the Official Public Account (OPA).

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
EXPENSES					
Employee benefits	344,335	327,270	328,781	353,148	336,447
Suppliers	206,421	253,743	267,843	278,616	274,516
Superannuation	8,455,565	8,340,603	8,436,861	8,527,695	8,607,861
Distributions from the Investment Funds (a)	3,193,038	2,154,073	1,922,910	2,039,003	1,811,801
Grants	2,957	3,000	3,019	3,037	3,058
Depreciation and amortisation (b)	20,691	20,691	20,691	20,691	20,691
Losses on sale of investments	127,021	-	-	-	-
Other expenses	3,794	3,481	2,972	2,949	2,924
Total expenses administered on behalf of Government	12,353,822	11,102,861	10,983,077	11,225,139	11,057,298
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Rendering of services	3,904	3,904	3,904	3,904	3,904
Interest and dividends (c)	931,858	1,066,330	1,214,870	1,289,143	1,309,002
Superannuation contributions (d)	1,164,543	1,101,230	1,039,478	979,093	929,912
Other revenue	9,310	9,310	9,310	9,310	9,310
Total non-taxation revenue	2,109,615	2,180,774	2,267,562	2,281,450	2,252,128
Total own-source revenue administered on behalf of Government	2,109,615	2,180,774	2,267,562	2,281,450	2,252,128
Gains					
Gain on sale of investments	-	125,136	131,807	140,488	142,792
Other gains	4,455	4,455	4,455	4,455	4,455
Total gains administered on behalf of Government	4,455	129,591	136,262	144,943	147,247
Total own-sourced income administered on behalf of Government	2,114,070	2,310,365	2,403,824	2,426,393	2,399,375
Net (cost of)/contribution by services	(10,239,752)	(8,792,496)	(8,579,253)	(8,798,746)	(8,657,923)
Total comprehensive income/(loss)	(10,239,752)	(8,792,496)	(8,579,253)	(8,798,746)	(8,657,923)

Prepared on Australian Accounting Standards basis.

- (a) Represents estimates of expenses to be transferred from the Australian Government Investment Funds. This item does not include equity payments. For more detail on each fund, refer to Tables 2.2.1.1-5.
- (b) 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 Administered Capital Budget, or ACB) provided through Bill 1 equity appropriations. For information regarding ACBs, please refer to Table 3.10 Administered Capital Budget Statement.
- (c) Estimates of interest include interest earnings for the Australian Government Investment Funds. Dividend revenue represents revenue from corporate Commonwealth entities which are treated as administered receipts of the department.
- (d) Principally Commonwealth Superannuation Scheme (CSS) and Public Sector Superannuation Scheme (PSS) notional employer superannuation contributions.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
ASSETS					
Financial assets					
Trade and other receivables	169,546	137,915	130,391	122,325	113,845
Investments (a)	33,013,641	36,659,013	39,350,002	39,596,281	40,315,377
Other financial assets	9,583	9,583	9,583	9,583	9,583
Total financial assets	33,192,770	36,806,511	39,489,976	39,728,189	40,438,805
Non-financial assets					
Buildings	23,046	20,025	17,067	14,168	5,892
Property, plant and equipment	72,868	68,603	63,733	58,067	50,852
Intangibles	1,188	1,188	1,188	1,188	1,188
Other non-financial assets	3,324	3,324	3,324	3,324	3,324
Total non-financial assets	100,426	93,140	85,312	76,747	61,256
Total assets administered on behalf of Government	33,293,196	36,899,651	39,575,288	39,804,936	40,500,061
LIABILITIES					
Payables					
Suppliers	12,140	12,140	12,140	12,140	12,140
Other payables	12,277	12,277	12,277	12,277	12,277
Total payables	24,417	24,417	24,417	24,417	24,417
Provisions					
Employee provisions (b)	235,867	235,867	235,867	235,867	235,867
Superannuation	134,602,691	137,491,900	140,280,014	142,952,384	145,489,593
Other provisions	17,202	16,777	16,320	15,817	15,265
Total provisions	134,855,760	137,744,544	140,532,201	143,204,068	145,740,725
Total liabilities administered on behalf of Government	134,880,177	137,768,961	140,556,618	143,228,485	145,765,142
Net assets/(liabilities)	(101,586,981)	(100,869,310)	(100,981,330)	(103,423,549)	(105,265,081)

Prepared on Australian Accounting Standards basis.

- (a) Represents investments in the Australian Government Investment Funds. Also represented are investments in other Commonwealth entities that are 100% owned by the Commonwealth and assets of former superannuation schemes administered by the Australian Government.
- (b) Represents Life Gold Pass Holders liabilities and employee provisions for staff employed under the *Members of Parliament (Staff) Act 1984*.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Rendering of services	3,902	3,902	3,902	3,902	3,902
Interest and dividends (a)	926,649	1,061,255	1,209,950	1,284,408	1,304,483
Superannuation contributions - employers (b)	1,164,543	1,101,230	1,039,478	979,093	929,912
Superannuation funds contributions - members (c)	2,321,677	1,983,848	2,077,341	2,183,115	2,145,377
Other	2,810	2,810	2,810	2,810	2,810
Total cash received	4,419,581	4,153,045	4,333,481	4,453,328	4,386,484
Cash used					
Employees (d)	302,028	305,909	307,425	295,360	300,456
Suppliers	201,965	249,286	263,386	274,159	270,059
Distributions from the investment funds (e)	3,193,038	2,154,073	1,922,910	2,039,003	1,811,801
Grants	2,957	3,000	3,019	3,037	3,058
Superannuation payments (f)	6,881,076	7,166,429	7,422,286	7,911,940	8,112,133
Other	3,942	3,906	3,429	3,452	3,476
Total cash used	10,585,006	9,882,603	9,922,455	10,526,951	10,500,983
Net cash from/(used by) operating activities	(6,165,425)	(5,729,558)	(5,588,974)	(6,073,623)	(6,114,499)
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of investments	11,133,808	6,248,610	6,028,458	6,146,033	5,920,196
Repayments of advances and loans	12,180	12,400	12,444	12,801	12,999
Total cash received	11,145,988	6,261,010	6,040,902	6,158,834	5,933,195
Cash used					
Purchase of property, plant and equipment	14,930	13,605	13,063	12,326	12,410
Investments	11,421,197	9,411,638	8,422,073	6,230,623	6,496,300
Other	386,500	332,700	165,365	21,000	-
Total cash used	11,822,627	9,757,943	8,600,501	6,263,949	6,508,710
Net cash from/(used by) investing activities	(676,639)	(3,496,933)	(2,559,599)	(105,115)	(575,515)

Table continues on next page

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
FINANCING ACTIVITIES					
Cash received					
Contributions to the Investment Funds	6,568,993	12,317,990	7,234,679	4,965,000	5,210,000
Total cash received	6,568,993	12,317,990	7,234,679	4,965,000	5,210,000
Cash used					
Distributions from the Investment Funds (e)	3,950,781	7,946,000	4,000,000	4,000,000	4,000,000
Total cash used	3,950,781	7,946,000	4,000,000	4,000,000	4,000,000
Net cash from/(used by) financing activities	2,618,212	4,371,990	3,234,679	965,000	1,210,000
Net increase/(decrease) in cash held	(4,223,852)	(4,854,501)	(4,913,894)	(5,213,738)	(5,480,014)
Cash and cash equivalents at beginning of reporting period (g)	858	-	-	-	-
Cash from Official Public Account for:					
- Appropriations	7,395,251	7,656,784	7,904,813	8,434,023	8,610,024
Total cash from Official Public Account	7,395,251	7,656,784	7,904,813	8,434,023	8,610,024
Cash to Official Public Account for:					
- Appropriations	(3,172,257)	(2,802,283)	(2,990,919)	(3,220,285)	(3,130,010)
Total cash to Official Public Account	(3,172,257)	(2,802,283)	(2,990,919)	(3,220,285)	(3,130,010)
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

- (a) Estimates include interest earnings for the Australian Government Investment Funds. For more detail on the interest estimates for each fund, refer to Tables 2.2.1.1-5.
- (b) Primarily represents the CSS and PSS notional employer contributions.
- (c) Primarily represents offsets from the CSS and PSS funds and return of overpaid benefits.
- (d) Represents expenditure on staff employed under the *Members of Parliament (Staff) Act 1984*.
- (e) Distributions from the Investment Funds represents estimates of cash payments from the Funds to other entities and the Consolidated Revenue Fund.
- (f) Expenditure associated with unfunded liabilities for the government's civilian superannuation schemes.
- (g) The 2018-19 figures for cash at the beginning and end of the reporting period excludes cash held in the OPA as this is not included as part of our estimates.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill No. 1 (ACB)	5,054	5,145	5,233	5,316	5,400
Administered Assets and Liabilities - Bill No. 2	231,500	278,701	165,702	10,480	1,524
Total new capital appropriations	236,554	283,846	170,935	15,796	6,924
Provided for:					
Purchase of non-financial assets	5,070	6,611	6,069	5,332	5,400
Other Items	231,484	277,235	164,866	10,464	1,524
Total items	236,554	283,846	170,935	15,796	6,924
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - ACB (a)	5,054	5,145	5,233	5,316	5,400
Funded by Administered Assets and Liabilities (b)	2,746	1,466	836	16	16
Funded by special appropriations	7,130	6,994	6,994	6,994	6,994
TOTAL	14,930	13,605	13,063	12,326	12,410
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total asset additions	14,930	13,605	13,063	12,326	12,410
Total cash used to acquire assets	14,930	13,605	13,063	12,326	12,410

Prepared on Australian Accounting Standards basis.

- (a) ACB is used to fund the replacement of assets purchased through administered annual appropriations.
(b) Administered Assets and Liabilities includes a capital injection for acts of grace and liabilities and an injection for capital works on the Intra Government Communications Network, which is offset through entity contributions that are returned to the budget.

Table 3.11: Statement of administered asset movements (Budget year 2019-20)

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2019				
Gross book value	50,358	84,365	1,968	136,691
Accumulated depreciation/amortisation and impairment	(27,312)	(11,497)	(780)	(39,589)
Opening net book balance	23,046	72,868	1,188	97,102
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity	9,265	4,340	-	13,605
Total additions	9,265	4,340	-	13,605
Other movements				
Depreciation/amortisation expense	(12,086)	(8,605)	-	(20,691)
Disposals	(200)	-	-	(200)
Total other movements	(12,286)	(8,605)	-	(20,891)
As at 30 June 2020				
Gross book value	59,423	88,705	1,968	150,096
Accumulated depreciation/amortisation and impairment	(39,398)	(20,102)	(780)	(60,280)
Closing net book balance	20,025	68,603	1,188	89,816

Prepared on Australian Accounting Standards basis.

AUSTRALIAN ELECTORAL COMMISSION

ENTITY RESOURCES AND PLANNED PERFORMANCE

AUSTRALIAN ELECTORAL COMMISSION

SECTION 1: ENTITY OVERVIEW AND RESOURCES	76
1.1 Strategic direction statement	76
1.2 Entity resource statement	76
1.3 Budget measures	78
SECTION 2: OUTCOMES AND PLANNED PERFORMANCE	79
2.1 Budgeted expenses and performance for Outcome 1	80
SECTION 3: BUDGETED FINANCIAL STATEMENTS	84
3.1 Budgeted financial statements	84
3.2 Budgeted financial statements tables	85

AUSTRALIAN ELECTORAL COMMISSION

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Australian Electoral Commission (AEC) administers the *Commonwealth Electoral Act 1918* (the Electoral Act), making it responsible for conducting federal elections and referendums, maintaining the Commonwealth Electoral Roll and administering Part XX of the Electoral Act dealing with political funding and disclosure. The AEC must also provide a range of electoral information and education programs both in Australia and in support of Australia's international interests.

The AEC's actions impact on the Australian community as stated in its outcome:

Maintain an impartial and independent electoral system for eligible voters through active electoral roll management, efficient delivery of polling services, and targeted education and public awareness programs.

1.2 ENTITY RESOURCE STATEMENT

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

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

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis. The 'Budgeted expenses by Outcome 1' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Australian Electoral Commission resource statement - Budget estimates for 2019-20 as at Budget April 2019

	2018-19 (a) <i>Estimated actual</i> \$'000	2019-20 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (b)		
Departmental appropriation (c)	385,692	128,557
s74 External Revenue (d)	11,038	11,038
Departmental capital budget (e)	13,572	10,864
Total departmental annual appropriations	410,302	150,459
Total departmental special appropriations (f)	14,900	14,900
Total departmental resourcing	425,202	165,359
Administered		
Total administered special appropriations	76,000	-
Special accounts (f)		
Opening balance	1,338	1,328
Total special account receipts	1,338	1,328
Total administered resourcing	77,338	1,328
Total resourcing for Australian Electoral Commission	502,540	166,687
	2018-19	2019-20
Average staffing level (number)	788	788

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

- (a) Annual appropriation amounts appearing for 2018-19 do not include the Appropriation Bills (No. 3) and (No. 4) 2018-2019, as they had not been enacted at the time of publication.
- (b) Appropriation Bill (No. 1) 2019-20.
- (c) Excludes departmental capital budget (DCB).
- (d) Estimated external revenue receipts under s.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) 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.

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

1.3 BUDGET MEASURES

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

Table 1.2: Australian Electoral Commission 2019-20 Budget measures

	Program	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000
Expense measures						
Australian Electoral Commission - Polling place technology and upgrade of ICT infrastructure (a)	1.1					
Departmental expenses		-	3,983	6,685	(11,223)	-
Whole-of-Government — Cyber Uplift for Federal Government Systems and for the 2019 Federal Election (b)	1.1					
Departmental expenses		nfp	nfp	nfp	nfp	nfp
Total		-	3,983	6,685	(11,223)	-
Total expense measures						
Departmental		-	3,983	6,685	(11,223)	-
Total		-	3,983	6,685	(11,223)	-

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

- (a) Funding brought forward from 2021-22 to progress the development of AEC's ICT election delivery systems.
- (b) The lead entity for the measure *Whole-of-Government - Cyber Uplift for Federal Government Systems and the 2019 Federal Election* is the Department of Defence. The full measure description and package details appear in Budget Paper 2 under the Defence portfolio. Figures are not for publication due to National Security reasons.

Section 2: Outcomes and planned performance

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

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

Note:

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

The most recent corporate plan for Australian Electoral Commission can be found at:
http://www.aec.gov.au/About_AEC/Publications/corporate-plan/index.htm

The most recent annual performance statement can be found at:
<http://annualreport.aec.gov.au/annual-reports.html>

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1 – Maintain an impartial and independent electoral system for eligible voters through active electoral roll management, efficient delivery of polling services, and targeted education and public awareness programs.

Budgeted expenses for Outcome 1

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

Table 2.1.1 Budgeted expenses for Outcome 1

Outcome 1: Maintain an impartial and independent electoral system for eligible voters through active electoral roll management, efficient delivery of polling services, and targeted education and public awareness programs.

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
Program 1.1: Deliver Electoral Events					
Administered expenses					
Special appropriations					
<i>Commonwealth Electoral Act</i>					
1918	76,000	-	-	76,000	-
Administered total	76,000	-	-	76,000	-
Departmental expenses					
Departmental appropriation	387,611	128,557	150,904	368,785	139,842
s74 External Revenue (a)	11,038	11,038	11,038	11,038	11,037
Special appropriations					
<i>Commonwealth Electoral Act</i>					
1918	14,900	14,900	14,900	14,900	14,900
Expenses not requiring appropriation in the Budget year (b)	8,821	9,612	12,051	12,051	12,166
Departmental total	422,370	164,107	188,893	406,774	177,945
Total expenses for program 1.1	498,370	164,107	188,893	482,774	177,945
Outcome 1 Totals by appropriation type					
Administered expenses					
Special appropriations	76,000	-	-	76,000	-
Administered total	76,000	-	-	76,000	-
Departmental expenses					
Departmental appropriation	387,611	128,557	150,904	368,785	139,842
s74 External Revenue (a)	11,038	11,038	11,038	11,038	11,037
Special appropriations	14,900	14,900	14,900	14,900	14,900
Expenses not requiring appropriation in the Budget year (b)	8,821	9,612	12,051	12,051	12,166
Departmental total	422,370	164,107	188,893	406,774	177,945
Total expenses for Outcome 1	498,370	164,107	188,893	482,774	177,945

	2018-19	2019-20
Average staffing level (number)	788	788

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

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

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

Table 2.1.2: Performance criteria for Outcome 1

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

Outcome 1 – Maintain an impartial and independent electoral system for eligible voters through active electoral roll management, efficient delivery of polling services, and targeted education and public awareness programs.		
Program 1.1 – Deliver Electoral Events		
Delivery	AEC's program objective is to maintain an impartial and independent electoral system for eligible voters through active electoral roll management, efficient delivery of polling services and targeted education and public awareness programs.	
Performance information: Program 1.1 – Deliver Electoral Events		
Year	Performance criteria	Targets
2018-19	<p>Elections, By-elections and Referendums</p> <ul style="list-style-type: none">Federal electoral events are successfully delivered.Maintain ability to conduct a federal electoral event within a timeframe.Timely conduct of redistribution activities.Industrial elections, Protected Action Ballots, and Torres Strait Regional Authority elections are delivered in accordance with the relevant legislation and rules. <p>Electoral Roll Management</p> <ul style="list-style-type: none">High level of confidence in the Electoral Roll. <p>Party Registrations and Financial Disclosure</p> <ul style="list-style-type: none">Party registration processed in accordance with the <i>Commonwealth Electoral Act 1918</i>.Financial disclosures obtained and placed on the public record in accordance with the <i>Commonwealth Electoral Act 1918</i>. <p>Public Awareness</p> <ul style="list-style-type: none">Deliver communication, education and public awareness activities to inform all Australians of electoral matters.	<ul style="list-style-type: none">The AEC has successfully delivered six by-elections and continues to remain ready and capable of delivering a federal electoral event within required timeframes.Redistributions were finalised within required timeframes.Successful industrial elections, Protected Action Ballots, and Torres Strait Regional Authority elections were delivered in accordance with relevant legislation and rules.A complete and accurate Electoral Roll is maintained.The Register of Political Parties is maintained in accordance with the Electoral Act.Annual and election financial disclosure returns were published on the AEC website by the required dates.Appropriate strategies were implemented to deliver communication, education and public awareness activities to inform all Australians of electoral matters

Table continues on next page

Table 2.1.2: Performance criteria for Outcome 1 (continued)

Performance information: Program 1.1 – Deliver Electoral Events		
Year	Performance criteria	Targets
2019-20	<p>Elections, By-elections and Referendums</p> <ul style="list-style-type: none"> Federal electoral events are successfully delivered. Maintain ability to conduct a federal electoral event within a timeframe. Timely conduct of redistribution activities. Industrial elections, Protected Action Ballots, and Torres Strait Regional Authority elections are delivered in accordance with the relevant legislation and rules. <p>Electoral Roll Management</p> <ul style="list-style-type: none"> High level of confidence in the Electoral Roll. <p>Party Registrations and Financial Disclosure</p> <ul style="list-style-type: none"> Party registration processed in accordance with the <i>Commonwealth Electoral Act 1918</i>. Financial disclosures obtained and placed on the public record in accordance with the <i>Commonwealth Electoral Act 1918</i>. <p>Public Awareness</p> <ul style="list-style-type: none"> Deliver communication, education and public awareness activities to inform all Australians of electoral matters. 	<ul style="list-style-type: none"> Details about how each criterion is measured will be available in the AEC's 2019–23 Corporate Plan.
2020-21 and beyond	As per 2019-20	As per 2019-20
Purposes	Maintain an impartial and independent electoral system for eligible voters through active Electoral Roll management, efficient delivery of polling services, and targeted education and public awareness programs.	

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019-20 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

No material differences exist between entity resourcing and the financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The AEC's expected actual revenue and expenses for this financial year have changed from the amounts published in the Portfolio Additional Estimates Statements 2018-19 (PAES).

The changes reflect Departmental funding measures as outlined in Table 1.2 and additional departmental funding received for the by-elections conducted during 2018-19.

3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
EXPENSES					
Employee benefits	178,239	78,787	86,365	178,239	96,804
Suppliers	235,310	75,708	90,477	216,484	68,975
Depreciation and amortisation (a)	8,736	9,527	11,966	11,966	11,966
Other expenses	85	85	85	85	200
Total expenses	422,370	164,107	188,893	406,774	177,945
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	11,038	11,038	11,038	11,038	11,037
Total own-source revenue	11,038	11,038	11,038	11,038	11,037
Gains					
Other	85	85	85	85	200
Total gains	85	85	85	85	200
Total own-source income	11,123	11,123	11,123	11,123	11,237
Net (cost of)/contribution by services	(411,247)	(152,984)	(177,770)	(395,651)	(166,708)
Revenue from Government	402,511	143,457	165,804	383,685	154,742
Surplus/(deficit) attributable to the Australian Government	(8,736)	(9,527)	(11,966)	(11,966)	(11,966)
Total comprehensive income/(loss) attributable to the Australian Government	(8,736)	(9,527)	(11,966)	(11,966)	(11,966)

Note: Impact of net cash appropriation arrangements

	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000
Total comprehensive income/(loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriations	-	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	8,736	9,527	11,966	11,966	11,966
Total comprehensive income/(loss) - as per the statement of comprehensive income	(8,736)	(9,527)	(11,966)	(11,966)	(11,966)

Prepared on Australian Accounting Standards basis.

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

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,715	1,715	1,715	1,715	1,715
Trade and other receivables	119,423	119,423	119,423	119,423	119,423
Total financial assets	121,138	121,138	121,138	121,138	121,138
Non-financial assets					
Land and buildings	7,883	5,533	5,332	2,177	(978)
Property, plant and equipment	7,605	9,150	8,664	16,493	24,405
Intangibles	13,518	15,660	14,966	8,983	3,000
Inventories	5,104	5,104	5,104	5,104	5,104
Other non-financial assets	2,773	2,773	2,773	2,773	2,773
Total non-financial assets	36,883	38,220	36,839	35,530	34,304
Total assets	158,021	159,358	157,977	156,668	155,442
LIABILITIES					
Payables					
Suppliers	10,476	10,476	10,476	10,476	10,476
Other payables	3,174	3,174	3,174	3,174	3,174
Total payables	13,650	13,650	13,650	13,650	13,650
Provisions					
Employee provisions	22,403	22,403	22,403	22,403	22,403
Other provisions	1,780	1,780	1,780	1,780	1,780
Total provisions	24,183	24,183	24,183	24,183	24,183
Total liabilities	37,833	37,833	37,833	37,833	37,833
Net assets	120,188	121,525	120,144	118,835	117,609
EQUITY*					
Parent entity interest					
Contributed equity	96,315	107,179	117,764	128,421	139,161
Reserves	22,852	22,852	22,852	22,852	22,852
Retained surplus (accumulated deficit)	1,021	(8,506)	(20,472)	(32,438)	(44,404)
Total parent entity interest	120,188	121,525	120,144	118,835	117,609
Total equity	120,188	121,525	120,144	118,835	117,609

Prepared on Australian Accounting Standards basis.

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

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

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2019					
Balance carried forward from previous period	1,021	22,852	-	96,315	120,188
Adjusted opening balance	1,021	22,852	-	96,315	120,188
Comprehensive income					
Surplus/(deficit) for the period	(9,527)	-	-	-	(9,527)
Total comprehensive income	(9,527)	-	-	-	(9,527)
Transactions with owners					
Contributions by owners					
Departmental Capital Budget (DCB)	-	-	-	10,864	10,864
Sub-total transactions with owners	-	-	-	10,864	10,864
Estimated closing balance as at 30 June 2020	(8,506)	22,852	-	107,179	121,525
Closing balance attributable to the Australian Government	(8,506)	22,852	-	107,179	121,525

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	402,511	143,457	165,804	383,685	154,742
Sale of goods and rendering of services	11,038	11,038	11,038	11,038	11,037
Total cash received	413,549	154,495	176,842	394,723	165,779
Cash used					
Employees	178,239	78,787	86,365	178,239	96,804
Suppliers	235,225	75,623	90,392	216,399	68,775
Other	85	85	85	85	200
Total cash used	413,549	154,495	176,842	394,723	165,779
Net cash from/(used by) operating activities	-	-	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	13,572	10,864	10,585	10,657	10,740
Total cash used	13,572	10,864	10,585	10,657	10,740
Net cash from/(used by) investing activities	(13,572)	(10,864)	(10,585)	(10,657)	(10,740)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	13,572	10,864	10,585	10,657	10,740
Total cash received	13,572	10,864	10,585	10,657	10,740
Net cash from/(used by) financing activities	13,572	10,864	10,585	10,657	10,740
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	1,715	1,715	1,715	1,715	1,715
Cash and cash equivalents at the end of the reporting period	1,715	1,715	1,715	1,715	1,715

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	13,572	10,864	10,585	10,657	10,740
Total new capital appropriations	13,572	10,864	10,585	10,657	10,740
Provided for:					
Purchase of non-financial assets	13,572	10,864	10,585	10,657	10,740
Total items	13,572	10,864	10,585	10,657	10,740
PURCHASE OF NON-FINANCIAL ASSETS					
ASSETS					
Funded by capital appropriation - DCB (a)	13,572	10,864	10,585	10,657	10,740
TOTAL	13,572	10,864	10,585	10,657	10,740
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	13,572	10,864	10,585	10,657	10,740
Total cash used to acquire assets	13,572	10,864	10,585	10,657	10,740

Prepared on Australian Accounting Standards basis.

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

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

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2019				
Gross book value	11,026	10,744	66,797	88,567
Accumulated depreciation/ amortisation and impairment	(3,143)	(3,139)	(53,279)	(59,561)
Opening net book balance	7,883	7,605	13,518	29,006
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services (a)	1,354	4,421	5,089	10,864
Total additions	1,354	4,421	5,089	10,864
Other movements				
Depreciation/amortisation expense	(3,704)	(2,876)	(2,947)	(9,527)
Total other movements	(3,704)	(2,876)	(2,947)	(9,527)
As at 30 June 2020				
Gross book value	12,380	15,165	71,886	99,431
Accumulated depreciation/ amortisation and impairment	(6,847)	(6,015)	(56,226)	(69,088)
Closing net book balance	5,533	9,150	15,660	30,343

Prepared on Australian Accounting Standards basis.

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

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
EXPENSES					
Other expenses	76,000	-	-	76,000	-
Total expenses administered on behalf of Government	76,000	-	-	76,000	-
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Fees and fines	2,000	66	33	2,000	66
Total non-taxation revenue	2,000	66	33	2,000	66
Total own-source revenue administered on behalf of Government	2,000	66	33	2,000	66
Net (cost of)/contribution by services	(74,000)	66	33	(74,000)	66
Total comprehensive income/(loss)	(74,000)	66	33	(74,000)	66

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,328	1,328	1,328	1,328	1,328
Total financial assets	1,328	1,328	1,328	1,328	1,328
Total assets administered on behalf of Government	1,328	1,328	1,328	1,328	1,328
Net assets/(liabilities)	1,328	1,328	1,328	1,328	1,328

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Other	2,000	66	33	2,000	66
Total cash received	2,000	66	33	2,000	66
Cash used					
Other	76,000	-	-	76,000	-
Total cash used	76,000	-	-	76,000	-
Net cash from/(used by) operating activities	(74,000)	66	33	(74,000)	66
Net increase/(decrease) in cash held	(74,000)	66	33	(74,000)	66
Cash and cash equivalents at beginning of reporting period	1,328	1,328	1,328	1,328	1,328
Cash from Official Public Account for:					
- Appropriations	76,000	-	-	76,000	-
Total cash from Official Public Account	76,000	-	-	76,000	-
Cash to Official Public Account for:					
- Appropriations	(2,000)	(66)	(33)	(2,000)	(66)
Total cash to Official Public Account	(2,000)	(66)	(33)	(2,000)	(66)
Cash and cash equivalents at end of reporting period	1,328	1,328	1,328	1,328	1,328

Prepared on Australian Accounting Standards basis.

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

The AEC has no budgeted capital administered on behalf of the Government.

Table 3.11: Statement of administered asset movements (Budget year 2018-19)

The AEC has no budgeted non-financial assets administered on behalf of the Government.

COMMONWEALTH SUPERANNUATION CORPORATION

ENTITY RESOURCES AND PLANNED PERFORMANCE

COMMONWEALTH SUPERANNUATION CORPORATION

SECTION 1: ENTITY OVERVIEW AND RESOURCES	96
1.1 Strategic direction statement	96
1.2 Entity resource statement	97
1.3 Budget measures	98
SECTION 2: OUTCOMES AND PLANNED PERFORMANCE	99
2.1 Budgeted expenses and performance for Outcome 1	100
SECTION 3: BUDGETED FINANCIAL STATEMENTS	104
3.1 Budgeted financial statements	104
3.2 Budgeted financial statements tables	105

COMMONWEALTH SUPERANNUATION CORPORATION

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

Commonwealth Superannuation Corporation (CSC) is responsible for the investment of funds and administration of the Public Superannuation Scheme Accumulation Plan (PSSap); the Public Sector Superannuation Scheme (PSS); the Commonwealth Superannuation Scheme (CSS); the Military Superannuation and Benefits Scheme (MSBS); and the Australian Defence Force Superannuation Scheme (ADF Super). In addition, CSC administers six 'unfunded' superannuation schemes: the Defence Forces Retirement Benefits Scheme (DFRB), the Defence Force Retirement and Death Benefits Scheme (DFRDB), the Defence Force (Superannuation) (Productivity Benefit) Scheme (DFSPB), the 1922 Scheme, the Papua New Guinea Scheme (PNG), and the Australian Defence Force Cover Scheme (ADF Cover).

CSC seeks to achieve its outcome agreed with the government by delivering consistently competitive and risk-managed investment performance, efficient scheme administration for contributors and beneficiaries, and effective interaction with its other stakeholders.

CSC aspires to maintain its leadership position as a superannuation provider of choice in the Commonwealth sector. CSC will work with the government to improve or modernise scheme design and will work to improve service to members.

As a holder of licences from both Australian Prudential Regulation Authority (APRA) and Australian Securities and Investments Commission (ASIC), CSC will continue to ensure the highest standards are maintained and will seek to meet all compliance obligations.

1.2 ENTITY RESOURCE STATEMENT

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

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

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis. The 'Budgeted expenses by Outcome 1' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Commonwealth Superannuation Corporation resource statement — Budget estimates for 2019-20 as at Budget April 2019

	2018-19 Estimated actual \$'000	2019-20 Estimate \$'000
Opening balance/cash reserves at 1 July	41,179	41,848
Funds from Government		
Special accounts		
CSC Special Account Departmental	74,665	76,482
Services for Other Entities and Trust Moneys CSC Special		
Account Administered	119,923	119,923
Total special accounts	194,588	196,405
Total funds from Government	194,588	196,405
Funds from other sources		
Interest	132	132
Sale of goods and services	45,642	46,779
Total funds from other sources	45,774	46,911
Total net resourcing for Commonwealth Superannuation Corporation	281,541	285,164
	2018-19	2019-20
Average staffing level (number) (a)	449	476

(a) Average staffing levels reflect all staff involved in the investment and administration of the schemes. All employee expenses are paid by CSC and CSC on-charges the schemes for the portion of expenses that are referable to the investment of the scheme funds.

Table 1.1: Commonwealth Superannuation Corporation resource statement — Budget estimates for 2019-20 as at Budget April 2019 (continued)**Third party payments from and on behalf of other entities**

	2018-19 estimated actual \$'000	2019-20 estimate \$'000
Payments made on behalf of another entity (as disclosed in the respective entity's resource statement)		
Finance Superannuation Special Appropriations:		
<i>Superannuation Act 1922</i>	68,272	62,388
<i>Superannuation Act 1976</i>	4,350,269	4,556,965
<i>Superannuation Act 1990</i>	2,356,012	2,433,761
<i>Same-Sex Relationships Act 2008 (Equal Treatment in Commonwealth Laws - Superannuation)</i>	62	63
<i>Governance of Australian Government Superannuation Schemes Act 2011</i>	1,000	1,000
Defence Superannuation Special Appropriations:		
<i>Defence Forces Retirement Benefits Act 1948</i>	44,257	37,452
<i>Defence Force Retirement and Death Benefits Act 1973</i>	1,668,389	1,643,730
<i>Military Superannuation and Benefits Act 1991</i>	930,252	869,862
<i>Australian Defence Force Cover Act 2015</i>	4,201	12,721
CSC draws on the following Finance Annual Appropriations		
<i>Appropriation Act (No.1) (a)</i>	500	500
<i>Appropriation Act (No.1) (b)</i>	420	535
<i>Appropriation Act (No.2) (b)</i>	402	307
PNG Scheme		
<i>Administered Appropriation Act</i>	5,220	5,118

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

- (a) Compensation and legal payments.
(b) Act of grace payments.

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

1.3 BUDGET MEASURES

No budget measures have been announced since 2018-19 Mid-Year Economic and Fiscal Outlook (MYEFO) that impact CSC.

Section 2: Outcomes and planned performance

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

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

Note:

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

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

<https://www.csc.gov.au/Members/About-CSC/Corporate-governance/>

The most recent annual performance statement is included inside CSC's 2017-18 Annual Report to Parliament, which can be found at:

<https://www.csc.gov.au/Members/About-CSC/Corporate-governance/>

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Retirement and insurance benefits for scheme members and beneficiaries, including past, present and future employees of the Australian Government and other eligible employers and members of the Australian Defence Force, through investment and administration of their superannuation funds and schemes.

Linked programs

Department of Finance
Programs <ul style="list-style-type: none">• Program 2.7 – Public Sector Superannuation
Department of Defence
Programs <ul style="list-style-type: none">• Program 2.14 – Defence Force Superannuation Benefits• Program 2.15 – Defence Force Superannuation Nominal Interest
Contribution to Outcome 1 made by linked programs <p>The Department of Finance and Department of Defence provide funding through third party access arrangements to Commonwealth Superannuation Corporation for the purpose of providing payments of retirement and insurance benefits for scheme members and beneficiaries, including past, present and future employees of the Australian Government and other eligible employers and members of the Australian Defence Force.</p>

Budgeted expenses for Outcome 1

This table shows how much CSC 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: Retirement and insurance benefits for scheme members and beneficiaries, including past, present and future employees of the Australian Government and other eligible employers and members of the Australian Defence Force, through investment and administration of their superannuation funds and schemes.

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
Program 1.1: Superannuation Scheme Governance					
Revenue from Government					
Special accounts					
CSC Special Account	117,882	119,837	119,734	121,236	122,778
Revenues from other independent sources	132	132	132	132	132
Total expenses for Program 1.1 (a)	118,014	119,969	119,866	121,368	122,910
Outcome 1 totals by resource type					
Revenue from Government					
Special accounts	117,882	119,837	119,734	121,236	122,778
Revenues from other independent sources	132	132	132	132	132
Total expenses for Outcome 1	118,014	119,969	119,866	121,368	122,910

	2018-19	2019-20
Average staffing level (number) (b)	449	476

(a) Expenses reflect only the cost paid by CSC and do not reflect the total cost involved in the investment of funds and administration of the schemes.

(b) Average staffing levels reflect all staff involved in the investment and administration of the schemes. All employee expenses are paid by CSC and CSC on-charges the schemes for the portion of expenses that are referable to the investment of the scheme funds.

Table 2.1.2: Performance criteria for Outcome 1

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

Outcome 1 – Retirement and insurance benefits for scheme members and beneficiaries, including past, present and future employees of the Australian Government and other eligible employers and members of the Australian Defence Force, through investment and administration of their superannuation funds and schemes.		
Program 1.1 – Superannuation Scheme Governance		
Delivery	<ul style="list-style-type: none">• Risk managed investment of member's superannuation balances.• Meeting licence obligations set out by APRA and ASIC.• Development and implementation of industry standard administration services.• Provision of information for scheme members including responding to member enquiries and publications, websites and seminars.	
Performance information: Program 1.1 – Superannuation Scheme Governance		
Year	Performance criteria	Targets
2018-19	<ul style="list-style-type: none">• CSC's investment performance for its default options over a rolling three-year period.• CSC's investment portfolio is maintained within Board approved risk parameters, such that negative returns are expected in no more than four out of every 20 years for the default options.• Achievement of operational objectives for contributions processing and benefit/pension payments.• Adequate satisfaction level of members, beneficiaries and employers with the service provided.	<ul style="list-style-type: none">• Over the rolling three-year period to June 2019, CSC's default accumulation option is estimated to meet its annual return target of 3.5% within Board approved risk parameters.• It is estimated that the target of achieving negative returns in no more than four out of every 20 years for the default accumulation option will be met.• It is estimated that the target of achieving 90% of each operational objective will be met.• It is estimated that the target of achieving a Net Promoter Score (industry standard satisfaction measure) survey result of +10 for employers will not be met.• It is estimated that the target of increasing the Net Promoter Score survey result for members/beneficiaries by four points per annum is unlikely to be met.

Table continues on next page

Table 2.1.2: Performance criteria for Outcome 1 (continued)

Performance information: Program 1.1 – Superannuation Scheme Governance		
Year	Performance criteria	Targets
2019-20	<ul style="list-style-type: none"> CSC's investment performance for its default accumulation options over a rolling three-year period. CSC's investment portfolio is maintained within Board approved risk parameters, such that negative returns are expected in no more than four out of every 20 years for the default accumulation options. Achievement of operational objectives for contributions processing and benefit/pension payments. Adequate satisfaction levels of members, beneficiaries and employers with the service provided. 	<ul style="list-style-type: none"> Default accumulation option annual real return of 3.5% over a rolling three-year period. Negative returns in no more than four out of every 20 years for the default accumulation options. 90% of each operational objective achieved. Net Promoter Score (industry standard satisfaction measure) survey result of +10 for employers Annual increases in Net Promoter Score survey results for both ADF members/beneficiaries and other members/beneficiaries of two points each.
2020-21 and beyond	As per 2019-20.	As per 2019-20.
Purpose	CSC's purpose is to build, support and protect better retirement outcomes for all our members (being current and former Australian Government employees and members of the Australian Defence Force) and their families.	

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019-20 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

No material differences exist between entity resourcing and the financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

CSC is the trustee for the PSSap, PSS, CSS, MSBS and ADF Super regulated superannuation schemes and six 'unfunded' superannuation schemes. The governance arrangements of these schemes are set out in the *Governance of Australian Government Superannuation Schemes Act 2011* and various scheme specific Acts, Trust Deeds, legislation, rules and determinations. These requirements prescribe which costs are to be paid from scheme funds, and which costs are to be borne by the fees levied upon Commonwealth entities.

CSC receives revenue through fees paid by Commonwealth entities and some entities with residual membership in the schemes, such as the Northern Territory and Australian Capital Territory governments. All CSC fee revenue from Commonwealth entities is managed through a Special Account.

CSC's budgeted departmental expenses shown in this document reflect only the costs paid, and income received, by CSC into its Special Account and does not reflect the total cost involved in the investment of funds and administration of the schemes.

3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
EXPENSES (a)					
Employee benefits	64,538	66,471	68,461	70,512	72,626
Suppliers	47,682	47,436	45,294	44,808	44,357
Depreciation and amortisation	5,776	6,044	6,093	6,030	5,909
Finance costs	12	12	12	12	12
Write-down and impairment of assets	6	6	6	6	6
Total expenses	118,014	119,969	119,866	121,368	122,910
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	117,882	119,837	119,734	121,236	122,778
Interest	132	132	132	132	132
Total own-source revenue	118,014	119,969	119,866	121,368	122,910
Total own-source income	118,014	119,969	119,866	121,368	122,910
Net (cost of)/contribution by services	-	-	-	-	-
Surplus/(deficit) attributable to the Australian Government	-	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	-	-	-	-	-

Note: Impact of net cash appropriation arrangements

	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000
Total comprehensive income/(loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriations	-	-	-	-	-
less heritage and cultural depreciation expenses previously funded through revenue appropriations					
Total comprehensive income/(loss) - as per the Statement of comprehensive income	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

(a) Expenses reflect only the cost paid by CSC and do not reflect the total cost involved in the investment of funds and administration of the schemes.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	48,005	46,996	47,544	49,684	52,274
Trade and other receivables	5,903	5,903	5,903	5,903	5,903
Total financial assets	53,908	52,899	53,447	55,587	58,177
Non-financial assets					
Leasehold improvements	9,878	9,015	8,272	6,858	5,622
Property, plant and equipment	3,936	5,065	5,448	4,770	3,653
Intangibles	15,387	13,084	11,031	9,018	7,002
Other non-financial assets	4,116	4,116	4,116	4,116	4,116
Total non-financial assets	33,317	31,280	28,867	24,762	20,393
Total assets	87,225	84,179	82,314	80,349	78,570
LIABILITIES					
Payables					
Suppliers	10,936	10,677	10,200	9,527	7,871
Other payables	1,778	438	438	438	438
Total payables	12,714	11,115	10,638	9,965	8,309
Provisions					
Employee provisions	13,639	14,048	14,470	14,904	15,350
Other provisions	11,437	8,883	6,325	3,762	2,300
Total provisions	25,076	22,931	20,795	18,666	17,650
Total liabilities	37,790	34,046	31,433	28,631	25,959
Net assets	49,435	50,133	50,881	51,718	52,611
EQUITY*					
Parent entity interest					
Contributed equity	35,475	35,475	35,475	35,475	35,475
Reserves	1,249	1,947	2,695	3,532	4,425
Retained surplus	12,711	12,711	12,711	12,711	12,711
Total parent entity interest	49,435	50,133	50,881	51,718	52,611
Total equity	49,435	50,133	50,881	51,718	52,611

Prepared on Australian Accounting Standards basis.

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

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

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2019					
Balance carried forward from previous period	12,711	478	771	35,475	49,435
Adjusted opening balance	12,711	478	771	35,475	49,435
Comprehensive income					
Other comprehensive income	-	-	-	-	-
Surplus/(deficit) for the period	-	-	-	-	-
Total comprehensive income	-	-	-	-	-
Transfers to/(from) reserves	-	-	698	-	-
Estimated closing balance as at 30 June 2020	12,711	478	1,469	35,475	50,133
Closing balance attributable to the Australian Government	12,711	478	1,469	35,475	50,133

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sale of goods and rendering of services	121,191	123,159	124,540	126,185	127,877
Interest	143	132	132	132	132
Net GST received	779	102	-	-	-
Total cash received	122,113	123,393	124,672	126,317	128,009
Cash used					
Employees	63,714	66,062	68,039	70,078	72,180
Suppliers	56,494	52,465	50,348	50,029	50,614
Net GST paid	-	-	235	407	504
Other	3,281	2,566	2,570	2,575	1,315
Total cash used	123,489	121,093	121,192	123,089	124,613
Net cash from/(used by) operating activities	(1,376)	2,300	3,480	3,228	3,396
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	1,430	4,007	3,680	1,925	1,699
Total cash used	(1,430)	(4,007)	(3,680)	(1,925)	(1,699)
Net cash from/(used by) investing activities	(1,430)	(4,007)	(3,680)	(1,925)	(1,699)
FINANCING ACTIVITIES					
Cash received					
Transfers to operational risk reserve	271	698	748	837	893
Total cash received	271	698	748	837	893
Net cash from/(used by) financing activities	271	698	748	837	893
Net increase/(decrease) in cash held	(2,535)	(1,009)	548	2,140	2,590
Cash and cash equivalents at the beginning of the reporting period	50,540	48,005	46,996	47,544	49,684
Cash and cash equivalents at the end of the reporting period	48,005	46,996	47,544	49,684	52,274

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources	1,430	4,007	3,680	1,925	1,699
TOTAL	1,430	4,007	3,680	1,925	1,699
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	1,430	4,007	3,680	1,925	1,699
Total cash used to acquire assets	1,430	4,007	3,680	1,925	1,699

Prepared on Australian Accounting Standards basis.

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

	Leasehold Improvements \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2019				
Gross book value	12,902	7,824	29,107	49,833
Accumulated depreciation/ amortisation and impairment	(3,024)	(3,888)	(13,720)	(20,632)
Opening net book balance	9,878	3,936	15,387	29,201
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - other	800	3,007	200	4,007
Total additions	800	3,007	200	4,007
Other movements				
Depreciation/amortisation expense	(1,663)	(1,878)	(2,503)	(6,044)
Total other movements	(1,663)	(1,878)	(2,503)	(6,044)
As at 30 June 2020				
Gross book value	13,702	10,831	29,307	53,840
Accumulated depreciation/ amortisation and impairment	(4,687)	(5,766)	(16,223)	(26,676)
Closing net book balance	9,015	5,065	13,084	27,164

Prepared on Australian Accounting Standards basis.

FUTURE FUND MANAGEMENT AGENCY

ENTITY RESOURCES AND PLANNED PERFORMANCE

FUTURE FUND MANAGEMENT AGENCY

SECTION 1: ENTITY OVERVIEW AND RESOURCES	114
1.1 Strategic direction statement	114
1.2 Entity resource statement	115
1.3 Budget measures.....	116
SECTION 2: OUTCOMES AND PLANNED PERFORMANCE	117
2.1 Budgeted expenses and performance for Outcome 1	118
SECTION 3: BUDGETED FINANCIAL STATEMENTS.....	123
3.1 Budgeted financial statements.....	123
3.2 Budgeted financial statements tables	124

FUTURE FUND MANAGEMENT AGENCY

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Future Fund Management Agency (FFMA) was established by the *Future Fund Act 2006* to support and advise the Future Fund Board of Guardians (the Board) in its task of investing the assets of the Future Fund.

The scope of the FFMA and the Board was extended by the *Nation-building Funds Act 2008* and subsequently by the *DisabilityCare Australia Fund Act 2013*, the *Medical Research Future Fund Act 2015* and the *Aboriginal and Torres Strait Islander Land and Sea Future Fund Act 2018* to include the management of investments to grow other Australian Government Investment Funds as a means to provide financing sources for substantial future investments in the Australian economy. As a result the FFMA supports the Board in managing investments of the Future Fund, Building Australia Fund (BAF), Education Investment Fund (EIF), DisabilityCare Australia Fund (DCAF), Medical Research Future Fund (MRFF) and Aboriginal and Torres Strait Islander Land and Sea Future Fund (ATSILSFF).

The government has announced that it intends to close the BAF and EIF.

The FFMA focuses on supporting and advising the Board of Guardians in developing and implementing appropriate investment strategies for the funds. Investing in global markets is a highly specialised and competitive commercial activity. Accordingly the Board and FFMA intend to continue to develop and invest in the Agency's skills, capabilities, resources and systems in order to keep up with the fast-evolving industry and to maintain the Agency's competitiveness within that industry in terms of finding good investments.

The Future Fund's portfolio will continue to evolve as the Board manages the portfolio in line with its mandate and strategy. The government revised the Future Fund mandate return in May 2017 and announced its intention to delay the drawdowns from the Future Fund until at least 2027. The approach to managing the portfolio is detailed in the 2017-18 Future Fund Annual Report. Recognising the potential for continued volatility in investment markets, an important emphasis for the FFMA and the Board is maintaining a long term investment perspective and strategy that balances risk with expected return as required.

The FFMA provides support and advice to the Board in relation to the BAF, EIF, DCAF, MRFF and ATSILSFF and is focused on developing and implementing investment strategies consistent with the legislation and mandates. The investment strategies and approach for the Nation-building Funds, the DisabilityCare Australia Fund and the Medical Research Future Fund are detailed in the 2017-18 Future Fund Annual Report.

Investment policies for the Future Fund, BAF, EIF, DCAF & MRFF are available at www.futurefund.gov.au/investment/how-we-invest/investment-policy-and-position-papers. The Board is currently developing its approach in relation to the ATSILSFF following receipt of the Investment Mandate from the responsible Ministers.

1.2 ENTITY RESOURCE STATEMENT

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

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

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis. The 'Budgeted expenses by Outcome 1' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Future Fund Management Agency resource statement — Budget estimates for 2019-20 as at Budget April 2019

	2018-19 <i>Estimated actual</i> \$'000	2019-20 Estimate \$'000
Departmental		
Special accounts		
Opening balance		
Appropriation receipts		
Non-appropriation receipts	407,171	472,602
Total special accounts	407,171	472,602
Total departmental resourcing	407,171	472,602
Total resourcing for Future Fund Management Agency	407,171	472,602
	2018-19	2019-20
Average staffing level (number)	162	182

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

Note:

- All figures shown above are GST exclusive - these may not match figures in the cash flow statement.
- Future Fund does not receive any annual appropriations. Its outputs are funded as payments from the Future Fund Special Account.

1.3 BUDGET MEASURES

No budget measures have been announced since 2018-19 Mid-Year Economic and Fiscal Outlook (MYEFO) that impact FFMA.

Section 2: Outcomes and planned performance

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

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

Note:

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

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

<http://www.futurefund.gov.au/about-us/access-to-information/parliamentary-and-statutory-reporting>.

The most recent FFMA Annual Report can be found at:

<http://www.futurefund.gov.au/about-us/annual-reports>.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Strengthen the Commonwealth's financial position for the benefit of the Australian people, by managing the investment activities of the Future Fund and certain other Australian Government investment funds in line with their Investment Mandates.

Linked programs

Department of Finance
Programs <ul style="list-style-type: none">• Program 2.7 – Public Sector Superannuation Program
Contribution to Outcome 1 made by linked programs <p>The Future Fund Management Agency works with the Department of Finance to ensure that the management of the Australian Government Investment Funds is consistent with the relevant legislation and investment mandates.</p>

Budgeted expenses for Outcome 1

This table shows how much FFMA 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: Strengthen the Commonwealth's financial position for the benefit of the Australian people, by managing the investment activities of the Future Fund and certain other Australian Government investment funds in line with their Investment Mandates.

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
Program 1.1: Management of the Investment of the Future Fund					
Departmental expenses					
Special accounts					
Future Fund Special Account	76,104	86,581	95,086	99,964	101,510
Departmental total	76,104	86,581	95,086	99,964	101,510
Total expenses for program 1.1	76,104	86,581	95,086	99,964	101,510
Program 1.2: Management of the Investment of the Australian Government Investment Funds					
Departmental expenses					
Special accounts					
Future Fund Special Account	4,475	5,547	6,856	7,288	7,383
Departmental total	4,475	5,547	6,856	7,288	7,383
Total expenses for program 1.2	4,475	5,547	6,856	7,288	7,383
Outcome 1 Totals by appropriation type					
Departmental expenses					
Special accounts	80,579	92,128	101,942	107,252	108,893
Departmental total	80,579	92,128	101,942	107,252	108,893
Total expenses for Outcome 1	80,579	92,128	101,942	107,252	108,893

	2018-19	2019-20
Average staffing level (number)	162	182

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

Table 2.1.3: Performance 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 2019-20 Budget measures have created new programs or materially changed existing programs.

Outcome 1 – Strengthen the Commonwealth’s financial position for the benefit of the Australian people, by managing the investment activities of the Future Fund and certain other Australian Government investment funds in line with their Investment Mandates.		
Program 1.1 – Management of the Investment of the Future Fund		
The FFMA supports the Board in investing to accumulate assets for the purpose of offsetting the unfunded superannuation liabilities of the Australian Government which will fall due on future generations.		
Delivery	<ul style="list-style-type: none">• Ensure all decisions of the Board of Guardians are given effect as directed by the Board within timeframes and quality levels agreed with the Board.• Ensure all investments are made in accordance with relevant legislation, Investment Mandate and ministerial directions.• Provide administrative services to the Board.• Provide information and recommendations to the Board.• Advise the Board about the performance of the Board’s functions.• Make resources and facilities available to the Board	
Performance information: Program 1.1 – Management of the Investment of the Future Fund		
Year	Performance criteria (a)	Targets
2018-19	Provide assistance and advice to the Board in pursuit of achieving the Investment Mandate target return over the long term (interpreted as rolling 10 year periods) with acceptable but not excessive risk.	As at 31 December 2018 the actual return was 9.7% over the last 10 years against a target benchmark return of 6.6%.
2019-20	<i>As per 2018-19</i>	To achieve a return in line with the long-term target return with acceptable but not excessive risk.
2020-21 and beyond	<i>As per 2018-19</i>	<i>As per 2019-20</i>
Purposes	The Agency supports the Board in maximising the returns on funds for which the Board is responsible in line with the Investment Mandate Directions for each fund.	

Table continues on next page

Table 2.1.3: Performance criteria for Outcome 1 (continued)

Outcome 1 – Strengthen the Commonwealth’s financial position for the benefit of the Australian people, by managing the investment activities of the Future Fund and certain other Australian Government investment funds in line with their Investment Mandates.		
Program 1.2 – Management of the Investment of the Australian Government Investment Funds The <i>Nation-building Funds Act 2008</i> established the Education Investment Fund and the Building Australia Fund on 1 January 2009. The <i>DisabilityCare Australia Fund Act 2013</i> established the DisabilityCare Australia Fund (DCAF) on 1 July 2014. The <i>Medical Research Future Fund Act 2015</i> established the Medical Research Future Fund (MRFF) on 27 August 2015. The <i>Aboriginal and Torres Strait Islander Land and Sea Future Fund Act 2018</i> established the Aboriginal and Torres Strait Islander Land and Sea Future Fund (ATSILSFF) on 1 February 2019. The role of the FFMA was extended to include supporting the Board in the investment of the assets of these funds.		
Delivery	<ul style="list-style-type: none"> • Ensure all decisions of the Board of Guardians are given effect as directed by the Board within timeframes and quality levels agreed with the Board. • Ensure all investments are made in accordance with relevant legislation, Investment Mandate and ministerial directions. • Provide administrative services to the Board. • Provide information and recommendations to the Board. • Advise the Board about the performance of the Board’s functions. • Make resources and facilities available to the Board 	
Performance information: Program 1.2 – Management of the Investment of the Australian Government Investment Funds		
Year	Performance criteria (a)	Targets
2018-19	<p>Provide assistance and advice to the Board in pursuit of achieving the Investment Mandate target returns as follows:</p> <ul style="list-style-type: none"> • For each of the Nation-building Funds and the DCAF of the Australian three month bank bill swap rate plus 0.3% per annum, calculated on a rolling 12 month basis while minimising the probability of capital loss over a 12 month horizon; and • For the MRFF the Reserve Bank of Australia Cash Rate target +1.5% to 2.0% per annum, net of investment fees, over a rolling 10 year term with acceptable but not excessive risk; and • For the ATSILSFF an average return over the long term of at least the consumer price index +2.0% to 3.0% per annum, net of costs with an acceptable but not excessive level of risk including having regard to the plausible capital loss from investment returns over the forward three-year period. During the initial transition period (up to 31 January 2020) a return lower than the benchmark return is anticipated. 	<p>As at 31 December 2018 actual returns:</p> <ul style="list-style-type: none"> • Building Australia Fund 2.1%; • Education Investment Fund 2.1%; • DisabilityCare Australia Fund 2.2%; and <p>Target benchmark return 2.2%.</p> <p>As at 31 December 2018 the actual return was 3.3% compared to the target return of 3.1% since 22 September 2015.</p> <p>To develop an investment portfolio targeting the long-term return target subject to the initial transition period set out in the Investment Mandate with an acceptable but not excessive level of risk.</p>

Table continues on next page

Table 2.1.2: Performance criteria for Outcome 1 (continued)

Performance information: Program 1.2 – Management of the Investment of the Australian Government Investment Funds		
Year	Performance criteria (a)	Targets
2019-20	<i>As per 2018-19</i>	To achieve a return in line with the target return and with regard to the risk parameters of the mandate for the Nation-building Funds, DCAF & MRFF and for ATSILSFF as per 2018-19.
Table 2020-21 and beyond	<i>As per 2018-19</i>	To achieve a return in line with the target return and with regard to the risk parameters of the mandate.
Purposes	The Agency supports the Board in maximising the returns on funds for which the Board is responsible in line with the Investment Mandate Directions for each fund.	

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of FFMA finances for the 2019-20 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

No material differences exist between entity resourcing and the financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

Departmental expenditure will increase over the 2019-20 estimate year in line with maintaining and developing the Agency's ability to support the Board in managing the Future Fund and other Australian Government Investment Funds.

Administered expenditure will increase over the 2019-20 estimate year as a result of the expected growth of the portfolio and the evolution of the asset allocation in line with the Board's investment strategy.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
EXPENSES					
Employee benefits	48,823	55,161	58,982	61,216	64,887
Suppliers	27,140	33,203	38,801	42,818	40,908
Depreciation and amortisation	4,772	3,920	4,315	3,374	3,254
Total expenses	80,735	92,284	102,098	107,408	109,049
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other	80,579	92,128	101,942	107,252	108,893
Total own-source revenue	80,579	92,128	101,942	107,252	108,893
Gains					
Other	156	156	156	156	156
Total gains	156	156	156	156	156
Total own-source income	80,735	92,284	102,098	107,408	109,049
Net (cost of)/contribution by services	-	-	-	-	-
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)

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,214	1,214	1,214	1,214	1,214
Trade and other receivables	25,931	25,569	30,639	34,699	38,738
Total financial assets	27,145	26,783	31,853	35,913	39,952
Non-financial assets					
Property, plant and equipment	3,404	6,110	4,279	3,207	2,252
Intangibles	2,508	1,903	1,663	1,785	2,104
Total non-financial assets	5,912	8,013	5,942	4,992	4,356
Total assets	33,057	34,796	37,795	40,905	44,308
LIABILITIES					
Payables					
Suppliers	3,192	3,361	3,529	3,699	3,708
Other payables	20,736	20,037	20,442	20,874	21,610
Total payables	23,928	23,398	23,971	24,573	25,318
Provisions					
Employee provisions	9,129	11,398	13,824	16,332	18,990
Total provisions	9,129	11,398	13,824	16,332	18,990
Total liabilities	33,057	34,796	37,795	40,905	44,308
Net assets	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

The FFMA does not have any changes in equity.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Other	78,241	92,490	96,872	103,192	104,854
Total cash received	78,241	92,490	96,872	103,192	104,854
Cash used					
Employees	48,728	53,304	55,864	58,012	61,493
Suppliers	27,074	33,165	38,764	42,756	40,743
Total cash used	75,802	86,469	94,628	100,768	102,236
Net cash from/(used by) operating activities	2,439	6,021	2,244	2,424	2,618
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	2,440	6,021	2,244	2,424	2,618
Total cash used	2,440	6,021	2,244	2,424	2,618
Net cash from/(used by) investing activities	(2,440)	(6,021)	(2,244)	(2,424)	(2,618)
Net increase/(decrease) in cash held	(1)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	1,215	1,214	1,214	1,214	1,214
Cash and cash equivalents at the end of the reporting period	1,214	1,214	1,214	1,214	1,214

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources	2,440	6,021	2,244	2,424	2,618
TOTAL	2,440	6,021	2,244	2,424	2,618
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	2,440	6,021	2,244	2,424	2,618
Total cash used to acquire assets	2,440	6,021	2,244	2,424	2,618

Prepared on Australian Accounting Standards basis.

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

	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2019			
Gross book value	11,102	10,535	21,637
Accumulated depreciation/ amortisation and impairment	(7,698)	(8,027)	(15,725)
Opening net book balance	3,404	2,508	5,912
Capital asset additions			
Estimated expenditure on new or replacement assets			
By purchase - other	4,697	1,324	6,021
Total additions	4,697	1,324	6,021
Other movements			
Depreciation/amortisation expense	(1,991)	(1,929)	(3,920)
Total other movements	(1,991)	(1,929)	(3,920)
As at 30 June 2020			
Gross book value	15,799	11,859	27,658
Accumulated depreciation/ amortisation and impairment	(9,689)	(9,956)	(19,645)
Closing net book balance	6,110	1,903	8,013

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)

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
EXPENSES					
Employee benefits	868	894	920	948	977
Suppliers	426,129	451,710	479,848	505,629	530,877
Total expenses administered on behalf of Government	426,997	452,604	480,768	506,577	531,854
LESS:					
OWN-SOURCE INCOME					
Non-taxation revenue					
Interest	611,270	1,354,394	1,468,782	1,562,784	1,664,364
Dividends	6,183,632	4,521,311	4,496,697	4,784,486	5,422,632
Total non-taxation revenue	6,794,902	5,875,705	5,965,479	6,347,270	7,086,996
Total own-source revenue administered on behalf of Government	6,794,902	5,875,705	5,965,479	6,347,270	7,086,996
Gains					
Other gains	1,184,787	3,920,156	4,752,703	5,201,149	5,382,941
Total gains administered on behalf of Government	1,184,787	3,920,156	4,752,703	5,201,149	5,382,941
Total own-sourced income administered on behalf of Government	7,979,689	9,795,861	10,718,182	11,548,419	12,469,937
Net (cost of)/contribution by services	7,552,692	9,343,257	10,237,414	11,041,842	11,938,083
Total comprehensive income/(loss)	7,552,692	9,343,257	10,237,414	11,041,842	11,938,083

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	13,627	14,036	14,457	14,891	15,338
Trade and other receivables	2,151,801	2,118,163	2,182,585	2,258,621	2,336,378
Other investments	152,138,239	161,492,900	171,668,739	182,656,020	194,528,425
Total financial assets	154,303,667	163,625,099	173,865,781	184,929,532	196,880,141
Total assets administered on behalf of Government	154,303,667	163,625,099	173,865,781	184,929,532	196,880,141
LIABILITIES					
Payables					
Suppliers	25,955	23,497	28,244	32,195	36,211
Other payables	959,150	939,783	938,304	956,262	964,772
Total payables	985,105	963,280	966,548	988,457	1,000,983
Provisions					
Other provisions	18,700	18,700	18,700	18,700	18,700
Total provisions	18,700	18,700	18,700	18,700	18,700
Total liabilities administered on behalf of Government	1,003,805	981,980	985,248	1,007,157	1,019,683
Net assets/(liabilities)	153,299,862	162,643,119	172,880,533	183,922,375	195,860,458

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Interest	565,328	1,354,394	1,468,782	1,562,784	1,664,364
Dividends	6,344,273	4,720,160	4,472,313	4,758,490	5,394,918
Net GST received	257	537	572	610	650
Total cash received	6,909,858	6,075,091	5,941,667	6,321,884	7,059,932
Cash used					
Suppliers	406,116	471,482	476,340	483,466	517,660
Net GST paid	216	228	242	256	693
Employees	839	892	918	946	975
Total cash used	407,171	472,602	477,500	484,668	519,328
Net cash from/(used by) operating activities	6,502,687	5,602,489	5,464,167	5,837,216	6,540,604
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of investments	125,618,592	129,387,150	133,268,765	137,266,828	141,384,833
Total cash received	125,618,592	129,387,150	133,268,765	137,266,828	141,384,833
Cash used					
Investments	132,108,686	134,989,230	138,732,511	143,103,610	147,924,990
Total cash used	132,108,686	134,989,230	138,732,511	143,103,610	147,924,990
Net cash from/(used by) investing activities	(6,490,094)	(5,602,080)	(5,463,746)	(5,836,782)	(6,540,157)
Net increase/(decrease) in cash held	12,593	409	421	434	447
Cash and cash equivalents at beginning of reporting period	1,034	13,627	14,036	14,457	14,891
Cash and cash equivalents at end of reporting period	13,627	14,036	14,457	14,891	15,338

Prepared on Australian Accounting Standards basis.

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

The FFMA has no budgeted capital administered on behalf of the Government.

Table 3.11: Statement of administered asset movements (Budget year 2019-20)

The FFMA has no budgeted non-financial assets administered on behalf of the Government.

INDEPENDENT PARLIAMENTARY EXPENSES AUTHORITY

ENTITY RESOURCES AND PLANNED PERFORMANCE

INDEPENDENT PARLIAMENTARY EXPENSES AUTHORITY

SECTION 1: ENTITY OVERVIEW AND RESOURCES	135
1.1 Strategic direction statement	135
1.2 Entity resource statement	136
1.3 Budget measures.....	137
SECTION 2: OUTCOMES AND PLANNED PERFORMANCE	137
2.1 Budgeted expenses and performance for Outcome 1	138
SECTION 3: BUDGETED FINANCIAL STATEMENTS.....	142
3.1 Budgeted financial statements.....	142
3.2 Budgeted financial statements tables	143

INDEPENDENT PARLIAMENTARY EXPENSES AUTHORITY

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Independent Parliamentary Expenses Authority (IPEA) was established by the *Independent Parliamentary Expenses Authority Act 2017* (IPEA Act).

As an organisation, IPEA strives to deliver its primary functions as established by the IPEA Act, which relate to advice, reporting and audit. These functions include:

- providing personal advice to members of Parliament (parliamentarians) and persons employed under the *Members of Parliament (Staff) Act 1984* (MOP(S) staff) on travel expenses, allowances, and related expenses;
- monitoring parliamentarians and MOP(S) staff regarding travel expenses, allowances, and related expenses;
- administering travel expenses, allowances, and related expenses, including processing of these claims;
- publicly reporting on work expenses under the applicable framework; and
- auditing work expense claims.

Consistent with its primary functions, IPEA's activities seek to provide:

- clear advice to parliamentarians and MOP(S) staff on travel and work related expenses to help support them in their respective roles; and
- independent oversight of the work expenses accessed by current and former parliamentarians and MOP(S) staff through IPEA's reporting and auditing activities.

1.2 ENTITY RESOURCE STATEMENT

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

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

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

Table 1.1: Independent Parliamentary Expenses Authority resource statement — Budget estimates for 2019-20 as at Budget April 2019

	2018-19 (a) Estimated actual \$'000	2019-20 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (b)		
Prior year appropriations available	4,062	4,062
Departmental appropriation (c)	9,981	10,095
Total departmental annual appropriations	14,043	14,157
Total departmental resourcing	14,043	14,157
Administered		
Annual appropriations - ordinary annual services (b)		
Prior year appropriations available	1,911	1,911
Outcome 1	35,111	35,727
Total administered annual appropriations	37,022	37,638
Total administered special appropriations	35,983	32,246
Total administered resourcing	73,005	69,884
Total resourcing for entity Independent Parliamentary Expenses Authority	87,048	84,041
	2018-19	2019-20
Average staffing level (number)	65	59

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

(a) Annual appropriation amounts appearing for 2018-19 do not include the Appropriation Bills (No. 3) and (No. 4) 2018-2019, as they had not been enacted at the time of publication.

(b) Appropriation Bill (No. 1) 2019-20.

(c) Excludes departmental capital budget (DCB).

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

1.3 BUDGET MEASURES

No Budget measures have been announced since the 2018-19 Mid-Year Economic and Fiscal Outlook (MYEFO) that impact IPEA.

Section 2: Outcomes and planned performance

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

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

Note:

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

The most recent corporate plan for IPEA can be found at:
<https://www.ipea.gov.au/home/publications-fact-sheets>.

The most recent annual performance statement can be found at:
<https://www.ipea.gov.au/home/publications-fact-sheets>.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Support for current and former parliamentarians and others as required by the Australian Government through the delivery of, independent oversight and advice on, work resources and travel resources.

Linked programs

Department of Finance
Programs <ul style="list-style-type: none">• Program 3.1 – Ministerial and Parliamentary Services
Contribution to Outcome 1 made by linked programs <p>IPEA administers and advises on travel related work expenses, and provides independent oversight of the work expenses administered by the Department of Finance for current and former parliamentarians and their staff.</p>

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

Outcome 1: Support for current and former parliamentarians and others as required by the Australian Government through the delivery of, independent oversight and advice on, work resources and travel resources.

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
Program 1.1: Independent Parliamentary Expense Authority - Travel Oversight and Reporting					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)					
Members of Parliament Staff Travel Costs	35,203	35,727	36,346	36,927	37,519
Special appropriations					
Parliamentary Business Resources Act 2017	35,489	31,703	32,208	37,342	33,671
Parliamentary Retirement Travel Act 2002	494	543	593	603	612
Administered total	71,186	67,973	69,147	74,872	71,802
Departmental expenses					
Departmental appropriation	10,021	10,095	8,768	8,815	8,875
Departmental total	10,021	10,095	8,768	8,815	8,875
Total expenses for program 1.1	81,207	78,068	77,915	83,687	80,677
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	35,203	35,727	36,346	36,927	37,519
Special appropriations	35,983	32,246	32,801	37,945	34,283
Administered total	71,186	67,973	69,147	74,872	71,802
Departmental expenses					
Departmental appropriation	10,021	10,095	8,768	8,815	8,875
Departmental total	10,021	10,095	8,768	8,815	8,875
Total expenses for Outcome 1	81,207	78,068	77,915	83,687	80,677

	2018-19	2019-20
Average staffing level (number)	65	59

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

Table 2.1.2: Performance criteria for Outcome 1

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

Outcome 1 – Support for current and former parliamentarians and others as required by the Australian Government through the delivery of, independent oversight and advice on, work resources and travel resources.		
Program 1.1 – Independent Parliamentary Expenses Authority – Travel Oversight and Reporting IPEA provides services to parliamentarians and their staff and publicly reports on their expenditure.		
Delivery	IPEA's objective is to administer and advise on travel related work expenses, and provide independent oversight of the work expenses provided to current and former parliamentarians and their staff through its reporting and auditing activities.	
Performance information: Program 1.1 – IPEA – Travel Oversight and Reporting		
Year	Performance criteria	Targets
2018-19	<p><u>Travel and Advice</u></p> <ul style="list-style-type: none">• Provide clear and timely advice to parliamentarians and MOP(S) staff on travel and related expenses.• Accurate and timely processing of claims for travel expenses and allowances. <p><u>Reporting</u></p> <ul style="list-style-type: none">• Increasing transparency through the compilation of reports detailing the work resources of current and former parliamentarians and the travel resources of MOP(S) staff. <p><u>Audit and Assurance</u></p> <ul style="list-style-type: none">• Auditing the work resources of parliamentarians and the travel resources of MOP(S) staff.	<ul style="list-style-type: none">• 95% of client contacts acknowledged within 24 hours and responded to within agreed timeframes.• 95% of payments are made within agreed timeframes.• 100% of reports on Parliamentary expenditure are compiled and published within agreed timeframes.• 100% of audits of individual parliamentarian's expenses are being completed within agreed timeframes.
2019-20	<p><u>Travel and Advice</u></p> <ul style="list-style-type: none">• Provide clear and timely advice to parliamentarians and MOP(S) staff on travel and related expenses.• Accurate and timely processing of claims for travel expenses and allowances. <p><u>Reporting</u></p> <ul style="list-style-type: none">• Increasing transparency through the compilation of reports detailing the work resources of current and former parliamentarians and the travel resources of MOP(S) staff. <p><u>Audit and Assurance</u></p> <ul style="list-style-type: none">• Auditing the work resources of parliamentarians and the travel resources of MOP(S) staff.	<ul style="list-style-type: none">• 95% of client contacts acknowledged within 24 hours and responded to within agreed service level standards.• 95% of payments are made within agreed service level standards.• 100% of reports on Parliamentary expenditure are compiled and published within agreed service level standards.• 100% of audits of individual parliamentarian's expenses are being completed within agreed service level standards.

Table continues on next page

Table 2.1.2: Performance criteria for Outcome 1 (continued)

Performance information: Program 1.1 – IPEA – Travel Oversight and Reporting		
Year	Performance criteria	Targets
2020-21 and beyond	<p><u>Travel and Advice</u></p> <ul style="list-style-type: none"> • Provide clear and timely advice to parliamentarians and MOP(S) staff on travel and related expenses. • Accurate and timely processing of claims for travel expenses and allowances. <p><u>Reporting</u></p> <ul style="list-style-type: none"> • Increasing transparency through the compilation of reports detailing the work resources of current and former parliamentarians and the travel resources of MOP(S) staff. <p><u>Audit and Assurance</u></p> <ul style="list-style-type: none"> • Auditing the work resources of parliamentarians and the travel resources of MOP(S) staff 	<ul style="list-style-type: none"> • 95% of client contacts acknowledged within 24 hours and responded to within agreed service level standards. • 95% of payments are made within agreed service level standards. • 100% of reports on Parliamentary expenditure are compiled and published within agreed service level standards. • 100% of audits of individual parliamentarian's expenses are being completed within agreed service level standards.
Purposes	<p>Provide independent monitoring, auditing and reporting of the work resources accessed by current and former parliamentarians and MOP(S) staff.</p> <p>Deliver services relating to the administration of travel expenses, allowances, and related expenses including advice on, and processing of, these claims.</p>	

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of IPEA's finances for the 2019-20 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

No material differences exist between entity resourcing and the financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

IPEA is budgeting a break even result for 2019-20 and across the forward estimates. The decrease in revenue from government and expenses in 2020-21 and beyond primarily reflects the effect of the Parliamentary Expenses Management System measure that was published in the Portfolio Additional Estimates Statements 2017-18 (PAES).

Schedule of budgeted income and expenses – Administered

The administered supplier expenses reflect estimated work and travel expenses for current and former parliamentarians and MOP(S) staff. There has been no significant changes to administered expenses from the amounts published in the PAES.

3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
EXPENSES					
Employee benefits	7,071	7,146	5,802	5,949	6,097
Suppliers	2,950	2,949	2,966	2,866	2,778
Total expenses	10,021	10,095	8,768	8,815	8,875
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Total own-source income	-	-	-	-	-
Net (cost of)/contribution by services	(10,021)	(10,095)	(8,768)	(8,815)	(8,875)
Revenue from Government	10,021	10,095	8,768	8,815	8,875
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)

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	50	50	50	50	50
Trade and other receivables	4,073	4,073	4,073	4,073	4,073
Total financial assets	4,123	4,123	4,123	4,123	4,123
Non-financial assets					
Other non-financial assets	28	28	28	28	28
Total non-financial assets	28	28	28	28	28
Total assets	4,151	4,151	4,151	4,151	4,151
LIABILITIES					
Payables					
Suppliers	198	198	198	198	198
Other payables	60	60	60	60	60
Total payables	258	258	258	258	258
Provisions					
Employee provisions	2,009	2,009	2,009	2,009	2,009
Total provisions	2,009	2,009	2,009	2,009	2,009
Total liabilities	2,267	2,267	2,267	2,267	2,267
Net assets	1,884	1,884	1,884	1,884	1,884
EQUITY*					
Contributed equity	557	557	557	557	557
Retained surplus (accumulated deficit)	1,327	1,327	1,327	1,327	1,327
Total equity	1,884	1,884	1,884	1,884	1,884

Prepared on Australian Accounting Standards basis.

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

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

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2019					
Balance carried forward from previous period	1,327	-	-	557	1,884
Adjusted opening balance	1,327	-	-	557	1,884
Comprehensive income					
Surplus/(deficit) for the period	-	-	-	-	-
Total comprehensive income	-	-	-	-	-
Closing balance attributable to the Australian Government	1,327	-	-	557	1,884

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	10,021	10,095	8,768	8,815	8,875
Total cash received	10,021	10,095	8,768	8,815	8,875
Cash used					
Employees	7,071	7,146	5,802	5,949	6,097
Suppliers	2,950	2,949	2,966	2,866	2,778
Total cash used	10,021	10,095	8,768	8,815	8,875
Net cash from/(used by) operating activities	-	-	-	-	-
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	50	50	50	50	50
Cash and cash equivalents at the end of the reporting period	50	50	50	50	50

Prepared on Australian Accounting Standards basis.

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

The IPEA does not have any budgeted capital expenditure.

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

The IPEA does not have any budgeted non-financial assets.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
EXPENSES					
Suppliers	71,186	67,973	69,147	74,872	71,802
Total expenses administered on behalf of Government	71,186	67,973	69,147	74,872	71,802
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Total own-sourced income administered on behalf of Government	-	-	-	-	-
Net (cost of)/contribution by services	(71,186)	(67,973)	(69,147)	(74,872)	(71,802)
Total comprehensive income/(loss)	(71,186)	(67,973)	(69,147)	(74,872)	(71,802)

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
ASSETS					
Financial assets					
Trade and other receivables	1,021	1,021	1,021	1,021	1,021
Total financial assets	1,021	1,021	1,021	1,021	1,021
Total assets administered on behalf of Government	1,021	1,021	1,021	1,021	1,021
LIABILITIES					
Payables					
Suppliers	5,682	5,682	5,682	5,682	5,682
Other payables	292	292	292	292	292
Total payables	5,974	5,974	5,974	5,974	5,974
Provisions					
Other provisions	3,317	3,317	3,317	3,317	3,317
Total provisions	3,317	3,317	3,317	3,317	3,317
Total liabilities administered on behalf of Government	9,291	9,291	9,291	9,291	9,291
Net assets/(liabilities)	(8,270)	(8,270)	(8,270)	(8,270)	(8,270)

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Total cash received	-	-	-	-	-
Cash used					
Suppliers	71,186	67,973	69,147	74,872	71,802
Total cash used	71,186	67,973	69,147	74,872	71,802
Net cash from/(used by) operating activities	(71,186)	(67,973)	(69,147)	(74,872)	(71,802)
Net increase/(decrease) in cash held	(71,186)	(67,973)	(69,147)	(74,872)	(71,802)
Cash and cash equivalents at beginning of reporting period	-	-	-	-	-
Cash from Official Public Account for:					
- Appropriations	71,186	67,973	69,147	74,872	71,802
Total cash from Official Public Account	71,186	67,973	69,147	74,872	71,802
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)

The IPEA has no budgeted capital administered on behalf of Government.

Table 3.11: Statement of administered asset movements (Budget year 2019-20)

The IPEA has no budgeted non-financial assets administered on behalf of the Government.

PORTFOLIO GLOSSARY

Term	Meaning
Accumulated Depreciation	The aggregate depreciation recorded for a particular depreciating asset.
Administered Items	Expenses, revenues, assets or liabilities managed by entities on behalf of the Commonwealth. Entities do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs.
Additional Estimates	Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.
Additional Estimates Bills or Acts	These are Appropriation Bills (No. 3) and (No .4) and a separate Bill for the Parliamentary Departments ((Parliamentary Departments) Bill (No.2)). These Bills are introduced into Parliament after the Budget Bills.
Appropriation	A law of the Australian Parliament that provides authority for Commonwealth entities to spend money from the Consolidated Revenue Fund for a particular purpose. Entities may not spend money without an appropriation authorising that expenditure and, where necessary, other legislation authorising the specified purpose.
Annual Appropriation	Two appropriation Bills are introduced into Parliament in May and comprise the Budget. Further Bills are introduced later in the financial year as part of the Additional Estimates. Parliamentary departments have their own appropriations.
Capital Expenditure	Expenditure by an entity on capital projects, for example purchasing a building.

Glossary

Term	Meaning
Charter of Budget Honesty Act	The <i>Charter of Budget Honesty Act 1998</i> provides a legislative framework for the conduct and reporting of fiscal policy.
Departmental terms	Assets, liabilities, revenues and expenses that are controlled by the entity in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services and most employee expenses, supplier costs and other administrative expenses incurred.
Depreciation and Amortisation	Apportionment of an asset's capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time.
Equity or Net Assets	Residual interest in the assets of an entity after deduction of its liabilities.
Expense	Total value of all of the resources consumed in producing goods and services or the loss of future economic benefits in the form of reductions in assets or increases in liabilities of an entity.
Fair Value	Valuation methodology: The amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction. The fair value can be affected by the conditions of the sale, market conditions and the intentions of the asset holder.
Measure	A new policy or savings decision of the government with financial impacts.
Operating Result	Equals income less expense.
Outcomes	The government's objectives in each portfolio area. Outcomes are desired results, impacts or consequences for the Australian community influenced by the actions of the Australian Government. Actual outcomes are the results or impacts actually achieved.

Term	Meaning
Portfolio	A Minister's area of responsibility as a member of Cabinet. A portfolio consists of one or more Departments of State and a number of entities with similar general objectives and outcomes.
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i> (PGPA Act).
Revenue	Total value of resources earned or received to cover the production of goods and services or increases in future economic benefits in the form of increases in assets or reductions in liabilities of an entity.
Special Accounts	A type of special appropriation, limited by amount, criteria or time, which may be established under sections 78 and 80 of the PGPA Act.
Special Appropriations	Authority within an Act (other than an annual Appropriation Act) to spend money from the Consolidated Revenue Fund for particular purposes. <i>The Social Security (Administration) Act 1999</i> , for example, contains several special appropriations to make social security payments. Special appropriations support around 80% of all government expenditure each year.