



Australian Government  
Department of Finance



# Guide to preparing the 2020-21 Portfolio Budget Statements

August 2020

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# Overview

# 1. Key Information

1. Entities must use the templates at Attachments B, C and D to prepare their PB Statements, which are consistent with the presentation of the Budget Papers (BP).
2. Commencing from the 2020-21 Budget, measures will be published in Underlying Cash Balance (UCB) terms. Measures in *Table 1.2 Entity 2020-21 Budget measures* will also need to be reported on a UCB basis.
3. Treasury will provide separate advice in the coming weeks to all Portfolio Departments to supplement advice provided under section 6.5 *Delivery to Parliament House and Finance* within this guide. This is because the Budget lockup arrangements are still under consideration due to COVID restrictions.

Treasury's advice will confirm:

- a. The number of books required for both the Treasury media and Treasury stakeholder lockups.
  - b. The delivery of the books for the Treasury media lockup and Treasury stakeholder lockup.
4. Finance will provide updated advice under section 6.5 *Delivery to Parliament House and Finance* for when Portfolio Budget Statements (PB Statements) must be delivered to the Senate Tabling Office, House of Representatives, the Parliamentary Library and to the Department of Finance (Finance) itself.
  5. The primary purpose of the PB Statements is to perform a legal function as 'relevant documents' under the Acts Interpretation Act 1901 to aid the interpretation of Appropriation Bills (No. 1 and 2) 2020-21 and the Appropriation (Parliamentary Departments) Bill (No. 1) 2020-21.

PB Statements are an important means by which the Executive Government (through Portfolio Ministers) are accountable to the Parliament. PB Statements inform Senators and Members of Parliament of changes in the proposed allocation of resources to entities within each portfolio.

6. All Commonwealth entities in the General Government Sector that receive annual appropriation funding (whether directly or through their portfolio department) must have a separate chapter in their portfolio's PB Statements.
7. Guidance on the preparation of, and the templates for, the 2020-21 PB Statements are provided in Attachments A to D. In particular, Attachment A (this guide) provides information on the printing and online publication requirements, sourcing and presentation of information and key contacts.
8. Attachments A to C the guide, Excel and Word templates are available through the Central Budget Management System (CBMS). For Attachment D Covers for the 2020-21 PBS, you will need to email the Agency Accounting and Budget Framework Team to acquire them. Refer to section 6.4 *Obtaining templates and covers* in this guide on how to access these templates.

Note: to assist PB Statement Portfolio updaters Finance resent a revised set of covers prepared by the Department of the Treasury on **27 August 2020**. Portfolios should only use these covers and discard the previous covers sent on the 13 August 2020 as they were superseded.

9. Portfolio entities are responsible for ensuring the consistency, accuracy and completeness of information presented in the PB Statements. Figures published must match those reported in CBMS, as CBMS information is used to prepare the Appropriation Bills and BP.
10. PB Statement financial tables will be published on [data.gov.au](https://data.gov.au) on Budget night Tuesday, 6 October 2020. Portfolios are to provide versions of these tables with all extraneous material removed (such as comments, links to other spreadsheets and formulas) in Excel format to the Agency Accounting and Budget Framework Team ([Budget\\_Framework@finance.gov.au](mailto:Budget_Framework@finance.gov.au)), who will coordinate the publication of these files on [data.gov.au](https://data.gov.au)

When preparing files for online publication refer to section 6.9 *Online publication* and use the checklist in section 6.9.3 *Checklist for preparing files for online publication on data.gov.au* of this guide.

11. Entities will need to use their internal financial information systems to prepare tables for Section 2.
12. CBMS functionality exists that allows the system to pre-populate some of the information contained in the PBS tables for Section 2 and 3 tables (i.e. resourcing and the financial statements). The tables will be numbered in CBMS as they appear in this guide and further information can be found on:
  - c. The chart of account mappings which explain how the tables are derived. The document is available from:
    - [CBMS User Reference Material → 09. Reference Material → CBMS → Annual Estimates → PBS, PAES & PSAES Mappings.](#)
  - d. The reports to run / the CBMS file paths for the sources of information are explained in the relevant parts of this guide below.
13. When preparing the PB Statements, entities should use data from the Budget Estimates update round in CBMS labelled "2021.04 - 2020/21 Budget".
14. The PB Statement reports available from the CBMS have not yet been updated to align with the new leasing account codes created. This means entities will have to:
  - a. For the Budgeted expenses by outcome table, report the Interest on RoU and Depreciation of RoU assets as part of Departmental Appropriation Expenses.
  - b. Manually derive the leasing components in their Part 3 Budgeted Financial Statements.
15. To source the data for the new leasing accounts, entities may use the following CBMS reports:
  - a. AE.OR.01 Annual Estimates Financial Statements
  - b. AE.OR.13 Annual Estimates Detail Listing AEIFRS Report

16. 2019-20 financial outcomes will be available prior to the publication of the 2020-21 Budget. Finance will copy 2019-20 actual account balances (including income statement, balance sheet and cash flow accounts) from the Annual Actuals module into the Annual Estimates module in early September, following the submission of 2019-20 financial statements in CBMS. This means nearly all entities will automatically report 2019-20 Actuals in their PBS tables as part of their '2019-20 Estimated Actual' figures.

Entities must not change the PBS table's column labelling from '2019-20 Estimated Actuals'.

The basis for continuing to report 2019-20 using the 'Estimated Actuals' label will provide leeway for any late changes to an entity's financial statements that may not be fully reflected in an entity's final statements. This will allow the 2020-21 PB Statements to be tabled on 6 October 2020 before entities are required to provide their Minister with their 2019-20 Annual Report on the 15th October 2020 for presentation to Parliament (as required by s46 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act)).

This approach prevents entities actively pre-empting the announcement of their actual results to be reported in their Annual Report.

## 2. Changes in 2020-21 PB Statements

### 2.1 AASB 16 Leases

The 2020-21 PB Statements need to reflect the changes as a consequence of AASB 16 *Leases*. The Excel template in [Attachment B](#) includes the new line-items which entities are to include in their tables. A user document also exists that provides suggested mappings to derive tables. This is available from:

[CBMS User Reference Material → 09. Reference Material → CBMS → Annual Estimates → PBS, PAES & PSAES Mappings](#)

The PB Statement reports available from the CBMS have not yet been updated to align with the new leasing account codes created.

This means entities will have to:

- For the Budgeted expenses by outcome table, reflect the Interest on Right-of-Use (RoU) Assets and Depreciation of RoU Assets to be reported as part of Departmental Appropriation Expenses.
- Manually derive the leasing components in their Part 3 Budgeted Financial Statements.

To source the data for the new leasing accounts, entities may use the following CBMS reports:

- AE.OR.01 Annual Estimates Financial Statements
- AE.OR.13 Annual Estimates Detail Listing AEIFRS Report.



## 2.2 The Reporting of Measures

Entities will only be required to report measures announced after the *Economic and Fiscal Update July 2020* in *Table 1.2 Entity 2020-21 Budget measures*.

September update: Commencing from the 2020-21 Budget, measures in *Table 1.2 Entity 2020-21 Budget measures* will be published in Underlying Cash Balance (UCB) terms.

For further information, please refer to section 9 *Budget measures* below.

## 2.3 Changes to the PB Statement tables

Below is the list of changes to the PB Statement tables:

PB Statement Report	Changes
PBS T1.1 Entity Resource Statement	<p>Entities who received an appropriation under the <i>2019-20 Appropriation (Coronavirus Economic Response Package) Bills 1 &amp; 2</i> and / or the <i>2019-20 Appropriation Bills 5 &amp; 6</i> will be required to reflect the appropriations in T1.1 Entity resource statement.</p> <p>This is required because the above Bills received <i>Royal Assent</i> before the preparation of the 2020-21 PB Statement. For the:</p> <ul style="list-style-type: none"> <li>2019-20 Appropriation (Coronavirus Economic Response Package) Bills 1 &amp; 2 assent was received on the 24th Mar 2020.</li> <li>Appropriation Bills 5 &amp; 6 assent was received on the 9th April.</li> </ul>
PBS.T1.2 Entity 2019-20 measures since Budget	<p>Table has been modified comprising of the following changes:</p> <ul style="list-style-type: none"> <li>Removing the 2019-20 financial year column.</li> <li>With the change to reporting in UCB terms, there will only be two sections: payments and receipts. The capital component of measures will be reported in the payments section.</li> <li>Removing the Part 2 sub-table to only report measures announced after <i>Economic and Fiscal Update July 2020</i> ie only those reported in BP No.2.</li> <li>Removed the reference '<i>Prepared on a Government Finance Statistics (fiscal) basis</i>'.</li> </ul>
PBS T2.X.3 Performance criteria for Outcome x	<p>2019-20 Year the targets to be described have been amended from '<i>Forecast against the targets for 2019-20 described in the 2019-20 Portfolio Budget Statements</i>' to '<i>Actual performance against targets for 2019-20 Portfolio Budget Statements</i>'.</p> <p>This is required because the Corporate Plans are due by the 31st August and will have reported actual performance so reporting needs to be consistent.</p>
PBS.T3.01 Comprehensive Income Statement	<p>New line-items added:</p> <ul style="list-style-type: none"> <li>Sublease income</li> <li>Sublease interest income</li> <li>Gain on lease disposal</li> <li>Gain on finance sublease</li> </ul>

	<p>The reconciliation table note <i>impact of net cash appropriations</i> will also have to be prepared by <u>all entities including Corporate Commonwealth Entities</u> who report leased ROU Assets. Changes to the reconciliation table note were made to include the following line-items:</p> <ul style="list-style-type: none"> <li>• Less: Depreciation/amortisation expenses for ROU assets</li> <li>• Add: Principal repayments on leased assets</li> </ul> <p>A new footnote for AASB 16 <i>Leases</i> was added.</p>
PBS.T3.04 Budgeted departmental statement of cash flows (for the period ended 30 June)	<p>New line-items added:</p> <ul style="list-style-type: none"> <li>• Interest payments on lease liability</li> <li>• Principal payments on lease liability</li> </ul>
PBS.T3.05 Departmental capital budget statement (for the period ended 30 June)	<p>New line-item added:</p> <ul style="list-style-type: none"> <li>• Funded by special appropriations</li> </ul>
PBS.T3.06 Statement of Departmental Asset Movements	<p>New line-items added:</p> <ul style="list-style-type: none"> <li>• Gross book value - ROU assets (for both 'As at 1 July 2020' and 'As at 30 June 2021')</li> <li>• Accumulated depreciation/amortisation and impairment – ROU (for both 'As at 1 July 2020' and 'As at 30 June 2021')</li> <li>• By purchase - appropriation equity - ROU assets</li> <li>• By purchase - appropriation ordinary annual services – ROU assets</li> <li>• By purchase - other - ROU assets</li> <li>• ROU assets held for sale or in a disposal group held for sale</li> <li>• Depreciation/amortisation on ROU assets</li> <li>• From disposal of entities or operations (including restructuring) on ROU assets</li> <li>• Other - ROU assets</li> </ul> <p>Line-item removed:</p> <ul style="list-style-type: none"> <li>• Gross Value - Additions - By Finance Lease</li> </ul>
PBS.T3.07 Schedule of budgeted income and expenses administered on behalf of Government	<p>New line-items added:</p> <ul style="list-style-type: none"> <li>• Sublease income</li> <li>• Sublease interest income</li> <li>• Gain on lease disposal</li> <li>• Gain on finance sublease</li> </ul>
PBS.T3.09 Schedule of budget administered cash flows (for the period ended 30 June)	<p>New line-items added:</p> <ul style="list-style-type: none"> <li>• Interest payments on lease liability</li> <li>• Principal payments on lease liability</li> </ul>
PBS.T3.10 Administered Capital Budget Statement (for the period ended 30 June)	<p>New line-item added:</p> <ul style="list-style-type: none"> <li>• Funded by special appropriations</li> </ul>
PBS.T3.11 Statement of Administered Asset Movements	<p>New line-items added:</p> <ul style="list-style-type: none"> <li>• Gross book value – ROU assets (for both 'As at 1 July 2020' and 'As at 30 June 2021')</li> </ul>

	<ul style="list-style-type: none"> <li>• Accumulated depreciation/amortisation and impairment – ROU (for both 'As at 1 July 2020' and 'As at 30 June 2021')</li> <li>• By purchase - appropriation equity - ROU assets</li> <li>• By purchase - appropriation ordinary annual services – ROU assets</li> <li>• By purchase – other - ROU assets</li> <li>• ROU assets held for sale or in a disposal group held for sale</li> <li>• Depreciation/amortisation on ROU assets</li> <li>• From disposal of entities or operations (including restructuring) on ROU assets</li> <li>• Other - ROU assets</li> </ul> <p>Line-item removed:</p> <ul style="list-style-type: none"> <li>• By Finance Lease</li> </ul>
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### 3. Purpose

The PB Statements are formal ministerial documents signed by each respective Portfolio Minister. Together with the BP, the PB Statements represent a package of documents tabled in Parliament on Budget night that explains the allocation of resources to entities' outcomes based on the Government's decisions.

The Appropriation Acts refer to the PB Statements as 'relevant documents' to the interpretation of the Acts, according to section 15AB of the *Acts Interpretation Act 1901*. The PB Statements provide additional explanation to the Appropriation Bills and, as a result, they must be consistent with the Bills, which once passed by Parliament, become law as Appropriation Acts. Should a discrepancy occur between the Appropriation Acts and the PB Statements, it is the Appropriation Acts that are definitive.

The PB Statements also provide further information (financial and non-financial) at the Portfolio and entity level about the ongoing policy and program delivery initiatives undertaken by the Government.

Signing arrangements for PB Statements will be determined by the senior Portfolio Minister (the first minister shown in the current Ministry List issued by PM&C at [www.pmc.gov.au/resource-centre/government/ministry-list](http://www.pmc.gov.au/resource-centre/government/ministry-list)). The responsible Portfolio Minister can delegate the signing of the document to an Assistant Minister.

### 4. Who should prepare PB Statements?

All Commonwealth entities who receive annual appropriations (whether directly or through a Portfolio Department) in Appropriation Bill No. 1 or No. 2; or through Appropriation (Parliamentary Departments) Bill No. 1 or No. 2 in the 2020-21 Budget Appropriation Bills are required to produce a PB Statement.

In some instances, Finance may require a non-Budget appropriated entity to produce PB Statements (ie the Future Fund Management Agency) when there is greater scrutiny on its operations or Budget and forward estimates.

Entities will normally be shown as separate chapters in the PB Statements, unless they are in the process of being merged or consolidated into another Department or entity at the start of the Budget year.

Where there is more than one department in a portfolio, senior Portfolio Ministers determine how the portfolio should be represented (ie whether there is to be a book for each department, or one consolidated book for the portfolio).

Entities are to use the following Portfolio numbers for the covers of their PB Statements:

1.1	Agriculture, Water and the Environment Portfolio
1.2	Attorney-General's Portfolio
1.3A	Defence Portfolio
1.3B	Defence Portfolio (Department of Veterans' Affairs) – subject to confirmation by their senior Portfolio Minister
1.4	Education, Skills and Employment Portfolio
1.5	Finance Portfolio
1.6	Foreign Affairs and Trade Portfolio
1.7	Health Portfolio
1.8	Home Affairs Portfolio
1.9	Industry, Science, Energy and Resources Portfolio
1.10	Infrastructure, Transport, Regional Development and Communications Portfolio
1.11	Prime Minister and Cabinet Portfolio
1.12	Social Services Portfolio
1.13	Treasury Portfolio
1.14A	Department of the House of Representatives
1.14B	Department of the Senate
1.14C	Department of Parliamentary Services
1.14D	Parliamentary Budget Office

Note: that these portfolio numbers and names may change from time to time as a result of Administrative Arrangement Orders.

## 5. Structure

The PB Statements contain four levels of information: Portfolio, Entity, Outcome and Program. To ensure that PB Statements are clear and concise, it is important for entities to include information where it is most relevant. Guidance on the information required in each section of the PB Statements is included throughout this document.

Entities should produce PB Statements that present three key messages:

- What does the Government (through the entity) want to achieve?
- How and through what means does it propose to achieve this?
- How will it know if it is succeeding or making progress?

Entities can publish additional information that goes beyond the requirements of the PB Statements on their websites. Entities should also include a cross-reference at the start of their PB Statement chapter to their corporate plans, which provide a more granular, operational level of detail.

The 2020-21 PB Statements will have the following structure:

Portfolio reporting
User Guide to the Portfolio Budget Statements
Portfolio overview
▪ Minister(s) and portfolio responsibilities
▪ Portfolio structure and outcomes
Department/entity reporting
Entity resources and planned performance
▪ <u>Section One</u> : Entity overview and resources
– Strategic direction statement
– Entity resource statement
– Budget measures
– Changes in entity outcomes and programs (where applicable)
▪ <u>Section Two</u> : Outcomes and planned performance
– Budgeted expenses and performance for Outcome X
» Linked programs
» Budgeted expenses for Outcome X
▪ Program components of Outcome X (optional)
» Planned performance criteria for Outcome X
▪ <u>Section Three</u> : Budgeted financial statements
– Differences between entity resourcing and financial statements (optional)
– Explanatory notes and analysis of financial statements
– Budgeted financial statement tables
Portfolio glossary
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## 5.1 Commonwealth performance framework diagram located in the PB Statement's 'User Guide' chapter

The Word PB Statement template include the *Commonwealth performance framework diagram*. It identifies the content of each publication and the relationships between them. This diagram must be included and not be moved, reworded or deleted from its position in the PB Statement Word template.

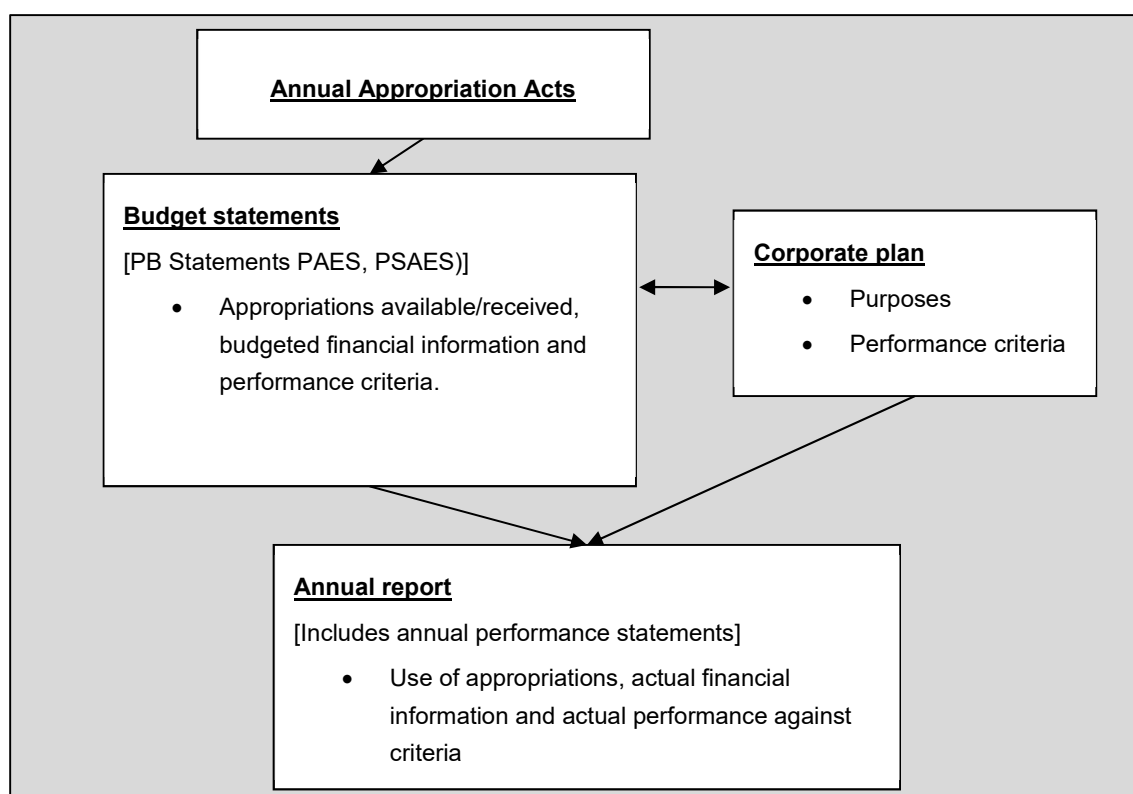
## 5.2 Consistency of reporting – the “clear read” principle

The 2020-21 PB Statements will cover the previous financial year (2019-20), the budget year (2020-21) and the forward estimates years (2021-22, 2022-23 and 2023-24).

The Commonwealth Resource Management Framework is designed to support an accountable and transparent public sector by providing the opportunity for judgments to be made on the performance of Commonwealth entities. To assist readers to form judgment, reporting by entities should provide a clear linkage (a “clear read”) between the allocation and use of public resources, and the results being achieved.

To achieve this, there must be a clear linkage from the Appropriation Bills to the budget statements, to the corporate plan and to the entity annual report. Entities should present performance information clearly and consistently (and ensure it is reconcilable) between the budget statements, corporate plan and annual report within a reporting cycle.

### 5.2.1 ‘Clear read’ linkages



Under the accounting standard *AASB 1055 Budgetary Reporting*, entities are also required to explain variances between the financial statements presented in their PB Statements (and where appropriate, their revised Budget figures in their Portfolio Additional Estimates Statements (PAES) or the following year's PB Statements) and the financial statements presented in their annual reports. These explanations will be audited by the Australian National Audit Office (ANAO) as part of their audit of the annual financial statements. Consequently, entities are reminded of the importance of maintaining internal documentation in order to substantiate the basis of the estimates included in the PB Statements.

## Sourcing information

The financial information reported in the PB Statements must match the figures in the CBMS.

CBMS is the central source of published budget information and is the basis of whole-of-government figures, the Appropriation Bills, financial data and BP Nos. 1-4. As such, all appropriation figures must be sourced from CBMS to ensure consistency between the PB Statements, the Appropriation Bills and the BP.

An entity's financial management information system may be used to supplement information in CBMS, particularly where information that is to be published in a PB Statement is reported at a finer level of granularity.

## 5.3 Clearance processes

While there is no requirement for portfolios to provide their whole PB Statements document to Finance for checking, certain material however needs to exactly match information contained elsewhere in the BP for which the Treasurer and Minister for Finance are responsible. This includes information on the appropriations and the measures tables. As the PB Statements describe measures that are published in BP No. 2, the two documents should be consistent and the PB Statements must not be printed until BP No. 2 is cleared.

*Table 1.2: Budget measures* should be provided to your Finance Agency Advice Unit (AAU) for checking against BP No. 2 measures titles and Appropriation Bills reports prior to the PB Statements being printed.

Portfolio entities are responsible for ensuring the accuracy and completeness of the information contained in their PB Statements, including the presentation of information that is consistent with CBMS. The following areas should be checked by entities prior to publication:

- the PB Statements are completed in accordance with the guidance and templates provided
- the measures table matches the final measures list provided by your Finance AAU
- the Average Staffing Level (ASL) numbers match the numbers to be published in BP No.4
- all Bills information matches the Appropriation Bill Schedule in the Appropriation Bill report from CBMS
- the relevant Chief Finance Officer (CFO) sign-offs on Bills and estimates have been provided to your Finance AAU.



## 6. Publication requirements

### 6.1 Security requirements

The PB Statements are classified as **Protected** and are under embargo right up until they are tabled in Parliament and publicly released. The Treasurer has endorsed this classification and it is the responsibility of each portfolio entity to ensure appropriate security arrangements are made. If staff are unsure of the correct security processes during the budget preparation period, they should contact their entity's security adviser.

Issues to keep in mind include:

- PB Statements should be prepared in an area of the entity appropriate for managing Protected-level material
- PB Statements documentation should not, under any circumstances, be distributed via unsecure electronic mail
- The 'need to know' principle should be applied in the distribution of all material
- PB Statements should not be prepared by external companies or contractors who cannot demonstrate that their premises meet the security standards for protected information as provided by the Protective Security Policy Framework (<http://www.protectivesecurity.gov.au>).

If you have any questions regarding security issues, please speak to the security adviser in your entity.

### 6.2 Which printer to use and printing specifications

#### 6.2.1 Paper specifications

Hard copies of the PB Statements **must** be produced on standard B5 size paper (17.6 cm x 25 cm) with the following font requirements:

- For tables (including those in the Excel workbook), Arial and 8 point (minimum font size 7.5 point)
- For other text (in the Word template), Book Antiqua and 10 point.

Adherence to the fonts and styles provided in the templates (available from CBMS User Reference Material in CBMS) ensures that the statements are consistent with other Budget documents and related papers.

For the covers, entities must use 'Tablex System Board 200gsm – Yellow" paper with the cover text in black.

For consistency, all portfolios must have the portfolio name made clearly visible on the spine of the documents.

## 6.2.2 Printer

It is recommended that portfolio departments contact CanPrint to arrange printing of their PB Statements.

If printing is carried out 'in-house' or using another printer, entities must liaise with Finance to ensure that cover stock, colour and text is consistent with other portfolios' PB Statements.

It is the responsibility of each portfolio department to arrange the printing and secure freighting of their PB Statements.

Portfolios should make sure they have sufficient hard copies of their PB Statements for their own internal needs, and make additional hard copies of their PB Statements available on request to other stakeholders, not including the distribution requirements listed below, such as:

- other departments and relevant entities
- major client organisations and
- the libraries of tertiary institutions.

## 6.3 Classification

The PB Statements are classified as **Protected** and are under embargo right up until they are tabled in Parliament (via the Senate Tabling Office). Accordingly, packaging for the PB Statements should be labelled as follows:

Protected – Budget 2020-21

Under Embargo until 20:15 hours 6 October 2020

## 6.4 Obtaining templates and covers

### 6.4.1 Obtaining Attachment B and C - Excel and Word templates

Attachment B and C are available through CBMS under:

[User Reference Material](#) → [04. Estimates Memoranda](#)

Please refer to the correct EM reference number to ensure you obtain the correct templates.

## 6.4.2 Obtaining Attachment D - Covers for the 2020-21 PB Statements

Unfortunately Attachment D - *Cover for the 2020-21 PB Statements* are not available through CBMS.

To obtain a copy of the covers please email budget framework mailbox at [Budget\\_Framework@finance.gov.au](mailto:Budget_Framework@finance.gov.au). We will email you a copy of the covers to enable your portfolio to publish their PB Statement with an official cover approved by Treasury's publishing team.

## 6.5 Delivery to Parliament House and Finance

Due to the uncertainty caused by Covid-19 the PB Statement delivery arrangements along with the number of books required for Budget lockup are still under consideration.

Treasury will provide separate advice to Portfolio Departments concerning the delivery arrangements (including the number of books required) for both the Treasury media and Treasury stakeholder lockups as soon as the Budget arrangements are settled.

All PB Statement deliveries to Parliament House (whether using CanPrint, another printer or by portfolio staff) should occur through the Parliament House loading dock (access via Brisbane Avenue).

- For those portfolios delivering their own PB Statements or using a printer other than CanPrint, please contact the Agency Accounting and Budget Framework Team in Finance by **Friday, 2 October 2020** ([Budget\\_Framework@finance.gov.au](mailto:Budget_Framework@finance.gov.au)) for delivery procedures.
- Should you have any questions or difficulties with these arrangements, please contact the Documents Officer, Senate Table Office on (02) 6277 3037.

## 6.6 Number of books

<b>Treasury will provide separate advice</b> to Portfolio Departments concerning the delivery arrangements (including the number of books required) for both the <i>Treasury media</i> and <i>Treasury stakeholder</i> lockups as soon as the Budget arrangements are settled.	
Parliament House: Documents Officer – Senate Table Office, Room SG 25 Department of the Senate Parliament House CANBERRA ACT 2600 ph: (02) 6277 3037  * Books for Parliament House are to be delivered to a single location – the <b>Senate Table Office</b> will then arrange for the books to be distributed to recipients. Please do not leave the books at the loading Dock until they are picked up by the Senate Tabling Office. Books <u>must</u> be separately boxed as follows: <ul style="list-style-type: none"> <li>• 70 copies – Senate;</li> <li>• 15 copies – House of Representatives;</li> <li>• 25 copies – Parliamentary Library.</li> <li>• Treasury will provide separate advice to Portfolio Departments concerning the delivery arrangements (including the number of books required) for both the <i>Treasury media</i> and <i>Treasury stakeholder lockups</i> as soon as the Budget arrangements are settled.</li> </ul>	110 copies *  Plus  Books required for both the <i>Treasury media lockup</i> and <i>Treasury stakeholder lockup</i> as advised by the Department of the Treasury
Finance <ul style="list-style-type: none"> <li>• CanPrint will deliver the copies to Finance on the Portfolios' behalf.</li> <li>• This allocation includes the copy for the Finance Secretary as required under the Requirement for Performance Information included in Portfolio Budget Statements (Finance Secretary Direction under section 36(3) of the <i>Public Governance, Performance and Accountability Act 2013</i>).</li> <li>• Out of the 30 copies, 3-5 copies are usually allocated to your AAU.</li> </ul>	30 copies
Your Portfolio Minister and advisors (following the Minister's sign-off on the final document)	Please confirm number required with your Minister's office
The Minister representing the portfolio in the other Chamber	

For delivery after tabling/Budget night (minimum based on 21 + no. of copies for the committees your portfolio reports to)

Parliamentary Committees

PB Statements only need to be sent to your portfolio's relevant parliamentary committee(s). PB Statements should be mailed to the following Committee address following tabling:

[Name of Committee] PO Box 6100 Parliament House Canberra ACT 2600 Australia	
Community Affairs – Health and Social Services, including Services Australia Estimates Officer - ph: (02) 6277 3515 Email: <a href="mailto:community.affairs.sen@aph.gov.au">community.affairs.sen@aph.gov.au</a>	5 copies
Economics – Industry, Innovation and Science; and Treasury Estimates Officer - ph: (02) 6277 3540 Email: <a href="mailto:economics.sen@aph.gov.au">economics.sen@aph.gov.au</a>	8 copies
Education and Employment – Education; Employment, Skills, Small and Family Business, including Industrial Relations Estimates Officer - ph: (02) 6277 3521 Email: <a href="mailto:eec.sen@aph.gov.au">eec.sen@aph.gov.au</a>	6 copies
Environment and Communications - Communications and the Arts; and Environment and Energy Estimates Officer - ph: (02) 6277 3526 Email: <a href="mailto:ec.sen@aph.gov.au">ec.sen@aph.gov.au</a>	5 copies
Finance and Public Administration - Prime Minister and Cabinet, and Finance Estimates Officer - ph: (02) 6277 3534 Email: <a href="mailto:fpa.sen@aph.gov.au">fpa.sen@aph.gov.au</a>	8 copies
Foreign Affairs, Defence and Trade - Defence (including Veterans' Affairs), Foreign Affairs and Trade Estimates Officer - ph: (02) 6277 3535 Email: <a href="mailto:fadt.sen@aph.gov.au">fadt.sen@aph.gov.au</a>	6 copies
Legal and Constitutional Affairs - Attorney-General and Home Affairs Estimates Officer - ph: (02) 6277 3560 Email: <a href="mailto:legcon.sen@aph.gov.au">legcon.sen@aph.gov.au</a>	3 copies
Rural and Regional Affairs and Transport – Agriculture, Infrastructure, Transport, Cities and Regional Development Estimates Officer - ph: (02) 6277 3511 Email: <a href="mailto:rrat.sen@aph.gov.au">rrat.sen@aph.gov.au</a>	3 copies
For delivery <u>after</u> tabling/Budget night (continued)	
Commonwealth Library Deposit and Free Issue Schemes (LDS)  Email: <a href="mailto:info@dtg.gov.au">info@dtg.gov.au</a> Ph: 02 6120 8707 Website: <a href="https://www.dta.gov.au/help-and-advice/guides-and-tools/commonwealth-library-deposit-and-free-issue-schemes">https://www.dta.gov.au/help-and-advice/guides-and-tools/commonwealth-library-deposit-and-free-issue-schemes</a>	21 copies (please check Library Deposit website prior to printing)

## 6.7 Protected-rated email / CabNet requirements

As PB Statements are under embargo until they are tabled in Parliament, Portfolios will need to send electronic copies of their Adobe PDFs and Financial Tables via Protected-rated email or via CabNet.

- To check whether your entity has Protected-rated email, please refer to the GovLink user list: <http://govlink.sge.net/home.aspx>.

Click on the *User List* to view the list of organisations currently using the GovLink network.

## 6.8 Budget media lockup hard copy and Adobe PDF requirements

Portfolios are to supply both printed copies of their PB Statements as well as Adobe PDF copies so they can be made available to the media in the Budget lock-up.

Portfolios should email Adobe PDF copies of their full PB Statements to Finance either via Protected-rated email to [Budget\\_Framework@finance.gov.au](mailto:Budget_Framework@finance.gov.au) or via CabNet for the attention of [Budget\\_Framework@finance.gov.au](mailto:Budget_Framework@finance.gov.au) by **9am Tuesday, 6 October 2020**.

Finance will then arrange for these files to be provided to the Senate Tabling Office and to Treasury for the Budget lockup.

## 6.9 Online publication

### 6.9.1 Publishing the PB Statements on the internet

All Budget documentation will be published online with hyperlinks between budget documents for ease of reference and to assist reading across these documents. The Australian Government Budget website [www.budget.gov.au](http://www.budget.gov.au) will link readers to PB Statements on each portfolio's website.

All portfolios must post an electronic copy of the PB Statements on their portfolio department's website. This should be posted in an accessible format as required by the Web Content Accessibility Guidelines issued by the Digital Transformation Agency (for example, post the document in multiple formats to be sure it can be read by screen readers).

The Web Content Accessibility Guidelines and other publishing requirements and guidance are available at <https://guides.service.gov.au/content-guide/accessibility-inclusivity/>.

Portfolios should email the Treasury Publishing and Design team ([budget-website@treasury.gov.au](mailto:budget-website@treasury.gov.au)) no later than **4.30pm Friday, 2 October 2020** the following details:

- the URL address where the portfolio will post its PB Statements
- contact details for the author of the PB Statements
- contact details for the portfolio's webmaster.

Portfolio departments should ensure the above information is forwarded on to their internal Web Publishing area for action.

PB Statements must not be uploaded onto portfolio department's websites until they are tabled in the Senate.

- Entities can check the tabling status by referring to the Department of the Senate's *Order of Business - Dynamic Red* page:  
[www.aph.gov.au/Parliamentary\\_Business/Dynamic\\_Red](http://www.aph.gov.au/Parliamentary_Business/Dynamic_Red)
  - Portfolio departments are to scroll down the page until they find the note referencing the '2020-21 Portfolio Budget Statements'. The light red column on the right-hand side of the entry will show the time the documents were tabled, no Portfolio will be separately identified
  - It is anticipated that this notice will appear on the **Dynamic Red website** around 8.15pm Tuesday, 6 October 2020. If there is any doubt as to whether the PB Statements have been tabled, please call the Senate enquiries number (on (02) 6277 3010) which will be able to provide the necessary advice.

The PB Statements **are not** archived on the Budget.gov.au website – portfolio departments should ensure electronic copies of past PB Statements remain available on their websites.

## Standard file-naming convention

Portfolios should follow a consistent file-naming convention for electronic copies of the PB Statements as outlined below to aid file comprehension and retrieval for readers who download the documents, and to remove the confusion that occurs when files are not clearly named or numbered.

An example of the recommended convention is:

*FinancialYear\_Portfolio\_PBS\_a file sequence number (ie 01, 02 etc)\_Chapter Number (or entity name/acronym, etc)*

Examples would be:

*2020-21\_Finance\_PBS\_01\_Parts\_A\_and\_B*  
*2020-21\_Finance\_PBS\_02\_AEC*  
*2020-21\_Finance\_PBS\_03\_Outcome1*

The file sequence number simply indicates which file would be read first, second, third etc if the document were read like a book.

Naming the files in this way means that the order of files downloaded into a sub-directory would be the same order as the order of presentation of chapters in the PB Statements. This would result in the electronic files being listed in the same order as the printed chapters, and therefore easier and more intuitive navigation for those accessing the files.

## 6.9.2 Open government initiative publication on data.gov.au

As part of the Government's *Open Government* initiative to increase Budget transparency, portfolio departments are required to provide a copy of finalised PB Statements tables for publication on data.gov.au. Portfolio departments have the option for using Creative Commons BY 4.0. Finance templates by default use Creative Commons BY 3.0. This was confirmed by the Department of Treasury who sought legal advice in continuing to use Creative Commons BY 3.0.

The PB Statements tables, as received from portfolios, will be published on data.gov.au in Excel workbook format, with a separate workbook for each entity.

The collection of PB Statements financial tables will be published in machine-readable format to assist those who wish to analyse the financial information.

The following financial tables with headings and footnotes will be published on data.gov.au:

- Table 1.1: Entity resource statement
- Table 1.2: Entity 2020-21 Budget measures
- Table 2.X.1: Budgeted expenses for Outcome X
- Table 2.X.2: Program components
- Table 3.1 to 3.6: Departmental budgeted financial statements
- Table 3.7 to 3.11: Administered budgeted financial statements.

Where an entity prepares two or more sets of tables, (for example Departmental budgeted financial statements consolidated and non-consolidated), these tables should be included and clearly marked.

As PB Statements information is under embargo until tabled in Parliament, portfolio departments will need to send them to Finance either via CabNet or Protected-rated email to [Budget\\_Framework@finance.gov.au](mailto:Budget_Framework@finance.gov.au) by **9am Tuesday, 6 October 2020**.

Portfolio departments must undertake the following procedures prior to sending the financial tables to Finance:

1. Tables should be in one Excel workbook per entity
2. Tables should be presented using the wrap-text function
3. Tables should not be merged in any way
4. Figures in tables are rounded and presented in thousands
5. Figures in tables are correct and the same as those presented in the publication
6. Tables should be presented as text and figures
7. Links to other workbooks should be broken / removed
8. All hidden and working sheets, as well as cell comments, should be removed
9. All hidden rows, blank rows and columns should be removed
10. All passwords should be removed from the files
11. Footnotes must be in the correct format (one footnote per line)
12. Footnotes should be pasted as text below the relevant tables, not as pictures.
13. When portfolios table a corrigendum to the PB Statements (see Issuing corrigendum section below), updated tables should be provided to Finance following tabling for upload onto data.gov.au.

Finance will review the files to ensure they meet the above requirements and will return files to Portfolios for amendment if required, prior to publication on data.gov.au.



- It is the portfolio departments' responsibility to check the integrity of the data provided in each table and that it matches the published PB Statements.

For information on data.gov.au please email [data@digital.gov.au](mailto:data@digital.gov.au).

### 6.9.3 Checklist for preparing files for online publication on data.gov.au

Prior to sending the files to Finance, Portfolios must check they have answered 'yes' to the following:

1. Tables are presented using the wrap-text function, and there are no merged cells.
<input type="checkbox"/> Yes – go to step 2. <input type="checkbox"/> No – In Excel 2013 and later versions, select the cells, right click your mouse. Select “Format Cells”, click on “Alignment” tab; deselect ‘Merge cells’ and select “Wrap Text”.
2. Figures in Tables are rounded and presented in thousands.
<input type="checkbox"/> Yes – go to step 3. <input type="checkbox"/> No – Use the ROUND() function when entering data into the tables.
3. Figures in Tables are correct and the same as what is printed in the PB Statements
<input type="checkbox"/> Yes – go to step 4. <input type="checkbox"/> No – Review differences and check formulas that all figures required are pulling through.
4. Tables are presented as text and figures – they should not be pasted as pictures.
<input type="checkbox"/> Yes – go to step 5. <input type="checkbox"/> No – Tables will need to be pasted from the source (Excel) files as formatted text, rather than from the Word files. This may require you obtain copies of working spreadsheets from your portfolio entities.
5. Links to other workbooks have been broken or removed.
<input type="checkbox"/> Yes – go to step 6. <input type="checkbox"/> No – In Excel 2013 and later versions, go to the Data ribbon, then select “Edit links”. For each link, click “break link”.  In Excel 2010, from the Edit menu, select “Edit links to files”. For each link, click “break link”.
6. All hidden and working sheets, as well as cell comments, should be removed.
<input type="checkbox"/> Yes – go to step 7. <input type="checkbox"/> No – In Excel 2013 and later versions, click the File tab, then “Check for Issues” followed by “Inspect document”. Click “Inspect”. Click “Remove all for the “Comments and Annotations” and “Hidden Worksheets” sections.  In Excel 2010, from the “Format” menu, select “Sheet”, then “Unhide sheet”. This will need to be repeated for each hidden sheet. Once all sheets have been unhidden, delete them from the workbook. For each of the remaining worksheets, right click each comment and select “Delete comment”.

7. Hidden / blank rows and columns have been removed.
<input type="checkbox"/> Yes – go to step 8. <input type="checkbox"/> No – Select the entire worksheet and with the pointer hovering over the row numbers, right click and select “Unhide”. Delete the relevant rows.
8. Passwords have been removed from the file.
<input type="checkbox"/> Yes – go to step 9. <input type="checkbox"/> No – In Excel 2013 and later versions, from the Review ribbon, select “Protect sheet” and delete the password. From the Review ribbon, select “Protect workbook” and delete the password. In Excel 2010, from the Tools menu, select “Protect sheet”, then delete the password. From the Tools menu, select “Protect workbook”, then delete the password.
9. Footnotes are on a separate row (with wrap text) and references are in the form of (a), (b),(c)etc <b>NOT</b> (1), (2), (3) or 1,2,3 etc
<input type="checkbox"/> Yes – go to step 10. <input type="checkbox"/> No – change to correct format as data conversion program cannot recognise numbers as footnotes.
10 Footnotes have been pasted as text below the relevant tables, not as pictures.
<input type="checkbox"/> Yes – go to step 11. <input type="checkbox"/> No – Copy and paste the footnotes from the Word document as formatted text below the relevant tables in the Excel file.
11 Final check for hidden comments, document properties, personal information and hidden text etc.
<input type="checkbox"/> No – In Excel 2013 and later versions, click the File tab, then “Check for Issues” followed by “Inspect document”. Click “Inspect”. Click “Remove all”. <input type="checkbox"/> Yes – files can now be sent to Finance.

## 6.10 Use of ISBN/ISSN number

The ISSN number is for a full set of documents whilst the ISBN is for a partial set of documents. Not every portfolio is required to produce a PAES but all portfolios are required to produce a PB Statement as they require an annual appropriation. Therefore, ISBN is assigned for PAES and ISSN is assigned for PB Statements.

## 6.11 Issuing a corrigendum / addendum

If necessary, refer to the PM&C’s Tabling Guidelines at: [www.pmc.gov.au/resource-centre/government/tabling-guidelines](http://www.pmc.gov.au/resource-centre/government/tabling-guidelines).

An addendum is required where information has been omitted / missing from the PB Statement such as a table or a footnote. Portfolios who identify an error in their PB Statement or PAES should follow the following process:

- Advise your Minister’s office of the error and seek approval for the updated PB Statement/PAES tables and pages.

- Contact the PM&C Tabling Officer to advise that a correction is required:
  - (02) 6277 7212 or
  - [tabling@pmc.gov.au](mailto:tabling@pmc.gov.au).
- If the error affects figures published in the BP and/or Appropriation Bills, your Minister must submit the corrigendum (and background reports) to the Finance Minister for approval (and if required to be tabled out-of-session, a Transmittal letter - see below)
  - You must also advise your AAU and the Agency Accounting and Budget Framework Team ([Budget\\_Framework@finance.gov.au](mailto:Budget_Framework@finance.gov.au)) prior to submitting the corrigendum to the Finance Minister for approval.
- Corrections will be tabled in the same manner and subject to the same copy requirements (including approval by the relevant Minister) as the original report.
- Following approval by your Minister (and where required, the Finance Minister), for **in-session tabling** (ie when Parliament is sitting):
  - A covering memorandum should be provided to the PM&C Tabling Officer. This memorandum does not need to be approved by the Minister, but does need to note the Minister's approval of the corrigendum.
    - The covering sheet for government documents and copies of the corrigendum should also be provided to the PM&C Tabling Officer.
- For **out-of-session tabling** (ie when Parliament is not sitting):
  - The Senate Tabling Office must be advised of the requirement to table the corrigendum out-of-session.
  - A covering memorandum should be provided to the PM&C Tabling Officer. This memorandum does not need to be approved by the Minister, but does need to note the Minister's approval of the corrigendum.
    - The covering sheet for government documents and copies of the corrigendum should also be provided to the PM&C Tabling Officer.
    - A Transmittal letter is required to be sent by the Portfolio Minister to the President of the Senate to present a document when the Senate is not sitting.
- Following tabling in Parliament, a soft copy of the corrigendum and any updated Excel tables for data.gov.au should be emailed to [Budget\\_Framework@finance.gov.au](mailto:Budget_Framework@finance.gov.au).

## Guidance on the preparation of the 2020-21 PB Statements

## 7. Portfolio overview section

The *Portfolio Overview* section of the PB Statements is intended to provide the reader with a high-level summary of the portfolio, its Minister(s), portfolio entities, goals/objectives, and structure.

This section should include brief descriptions of portfolio entities and only include information that is relevant and specific from a portfolio perspective. This will avoid unnecessary duplication of entity-specific information presented in later sections. All entities within the portfolio are to be included, for example, entities outside of the General Government Sector. Please refer to the most current *PGPA Act Flipchart* of PGPA Act entities which can be found here:

<https://www.finance.gov.au/government/managing-commonwealth-resources/structure-australian-government-public-sector>

Information at a department or entity level should be included only where it contributes to a broader understanding of portfolio goals and responsibilities.

### Components of Portfolio overview:

- Minister(s) and portfolio responsibilities – text description of portfolio of around two pages.
- Portfolio structure and outcomes
  - Figure 1: Portfolio structure and outcomes.

## 7.1 Minister(s) and portfolio responsibilities

The *Minister(s) and portfolio responsibilities* section should provide a description of the Portfolio Minister(s) and the structure of the portfolio, as well as its objectives at a strategic and high level. Specifics of particular portfolio entities should be left to the relevant entity's section.

It should include a brief discussion of common themes across the portfolio outcomes, for example, the broad impacts and/or trends of health policy on the Australian Community (Health portfolio), or improvements in Indigenous Affairs (Prime Minister and Cabinet portfolio). Portfolios should also take into account the following sources of information when preparing this section:

- Major new government policy or legislation affecting the portfolio and the intended results and impacts
- Portfolio department's mission and/or purpose
- Ministerial statements by portfolio Ministers.

## 7.2 Portfolio structure and outcomes

The template for the Portfolio structure and outcomes figure can be found in the "Figure 1" tab of the Excel Tables workbook ([Attachment B](#) refers).

This figure is a graphical representation of the portfolio structure and the responsible Ministers. It should clearly indicate the names and titles of the Ministers, the portfolio department(s) and Secretary.

The figure must also include the other portfolio entities and their Chief Executive Officers, principal bodies in the portfolio as defined by the Australian Government Organisations Register, and all portfolio entities covered by the PGPA Act. Entities such as *Public Financial Corporations*, *Public Non-Financial Corporations*, and entities outside of the General Government Sector, should at least be mentioned in this Section to show the Minister responsible for their functions.

Portfolios should include the current outcome statements for each entity as agreed by the Minister for Finance. The outcome statement(s) included in Figure 1, and throughout the PB Statement, must be consistent with the Appropriation Bills.

## Source of information

- A summary of portfolio entities which are subject to the PGPA Act can be found at:

[www.finance.gov.au/government/managing-commonwealth-resources/structure-australian-government-public-sector/pgpa-act-flipchart-list](http://www.finance.gov.au/government/managing-commonwealth-resources/structure-australian-government-public-sector/pgpa-act-flipchart-list)

- Principal or Primary bodies is defined at:

[www.finance.gov.au/government/governance/australian-government-organisations-register/australian-government-organisations-register-types-bodies](http://www.finance.gov.au/government/governance/australian-government-organisations-register/australian-government-organisations-register-types-bodies)

## 8. Entity overview and resources section

The *Entity overview and resources* section of the PB Statements is aimed at providing the reader with an overall picture of each entity's objectives and resources across the budget and forward estimates period.

This section should also provide the reader with an overall picture of each entity's strategic direction and planned performance, as well as a summary of new government measures.

There are three components to this section that together link the entity strategy with the resources available.

### Components of Section 1: Entity overview and resources

- Strategic Direction Statement
- Entity Resource Statement (including *Table 1.1*)
- Budget Measures (*Table 1.2*).

### 8.1 Strategic direction statement

The *Strategic direction statement* should be no longer than two pages.

The Strategic direction statement should outline an entity's anticipated strategic direction for the budget and forward years.

The Strategic direction statement should describe an entity's outcome statement(s) in a strategic, relevant and concise manner, as well as outline the broad strategies the entity intends to adopt in order to achieve these outcomes, and the planned results and goals to be achieved. The statement should also outline how these outcome statements contribute to the achievement of whole-of-government strategic priorities and outcomes.

The statement should identify major ongoing functions, new functions (or loss of functions) and measures allocated to the entity, and any significant challenges that will impact on the entity's performance against its outcome(s) over the medium term.

The statement should be reasonably high level – a detailed discussion of operational issues can be covered in the entity's corporate plan or on its website, which should be cross-referenced in this section.

## 8.2 Entity resource statement

The template for this table can be found in the "Table 1.1" tab of the Excel Tables workbook ([Attachment B](#) refers). There is a template for non-corporate Commonwealth entities (coloured green) and a template for corporate Commonwealth entities and Commonwealth companies (coloured red).

The *Entity resource statement* provides a summary of all resources available to the entity over the budget year which it may draw upon in achieving government outcomes and objectives. This table is to be prepared on a resourcing (ie appropriations/cash available) basis.

The Entity resource statement provides a breakdown of these resources by funding source and includes undrawn and unspent amounts from prior years as well as the balances of special accounts but excludes amounts subject to quarantine or reduction. The table also provides a total estimate of ASL for the entity – this total should equal the ASL figures published for each outcome in *Table 2.X.1* (Budgeted expenses for Outcome X).

Entities with special accounts will need to ensure amounts transferred between special accounts and other appropriation sources are netted off so the appropriations are not double counted.

The "2019-20 estimated actual" column shows the estimated amount available to the entity to spend in the 2019-20 financial year – this should exclude amounts proposed through Appropriation Bills (Nos. 5 & 6), as these would not have received Royal Assent at the time the PB Statements are tabled.

### 8.2.1 2019-20 Appropriation (Coronavirus Economic Response Package) Bills 1 & 2 and the 2019-20 Appropriation Bills 5 & 6

Entities who received an appropriation under the 2019-20 Appropriation (Coronavirus Economic Response Package) Bills 1 & 2 and / or the 2019-20 Appropriation Bills 5 & 6 will be required to reflect the appropriations in T1.1 Entity resource statement.

This is required because these appropriation bills received Royal Assent on the:

- 2019-20 Appropriation (Coronavirus Economic Response Package) Bills 1 & 2 on the 24th Mar 2020.
- Appropriation Bills 5 & 6 on the 9th April.

## 8.2.2 Payments to the states

This mandatory requirement for entities receiving appropriations, through Appropriation Bill (No. 2) 2020-21, for payments to States, Territories and local government, to include additional information in a mandatory footnote to *Table 1.1 Entity Resourcing Statement*. The note only applies for the current year appropriation and not prior year comparisons.

Footnote (I) in *Table 1.1* must include the particular purposes to which the payments to the States, ACT, NT and local government will be directed (including a breakdown of proposed amounts by State/Territory), where the terms and conditions, and the programs guidelines can be found, and the statutory or other provisions under which the terms and conditions are made.

- All requirements of the footnote must be addressed.

An example is provided below.

(I) Relates to appropriations sought for payment to the States, ACT, NT and local governments in Appropriation Bill (No. 2) 2020-21. Outcome 1 – Program 1.1: Security and Justice includes the Schools Program under the Intergovernmental Agreement on Federal Financial Relations with payments of: \$0.XXm (ACT); \$XXm (NSW); \$XXm (SA); \$XXm (VIC) and \$XXm (WA). Information on the terms and conditions can be found in the Project Agreement for the Schools Security Program (<http://www.federalfinancialrelations.gov.au/content/npa/education.aspx>).

Terms and conditions are made under authority from section 7(2) of the *COAG Reform Fund Act 2008*, and the Intergovernmental Agreement on Federal Financial Relations.

## 8.2.3 Additional guidance on cash management reports and appropriation bills

Appropriation estimates are recorded in CBMS in the PBF module. The Annual Estimates module in Public Budget Formulation (PBF) is used to create the Appropriation Bills.

When an Appropriation Bill is given Royal Assent and becomes an Appropriation Act, the values captured in PBF are then used as the Appropriation Limits in Cash Management in CBMS. Appropriation limits are treated as “Hard” or “Soft” depending on their outcome requirements and/or other legal restrictions.

A “hard limit” is a limit that cannot be exceeded with a drawdown. This is because a hard limit is a legally appropriated amount, adjusted for changes authorised in law such as section 75 transfers as a result of Machinery of Government changes, section 74 External Revenue, quarantines by the Minister for Finance or the Advances to the Minister for Finance.



- For departmental operating appropriations, the hard limit equals the total amount appropriated for the entity.
- For administered operating appropriations, the hard limit is the amount provided for each outcome.

A soft limit is the limit against a portion of the hard limit after it is allocated to a program (ie administered operating) or outcome (i.e. departmental operating). These limits can be exceeded with a drawdown, providing they do not exceed the hard limit. Soft limits can be adjusted on request from entities (though they generally reflect splits identified in PB Statements/PAES).

## 8.3 Resource statement sections

In addition to the reports listed under the subsections below, the following report can be used to help quality assure all appropriation types:

[Reports](#) → [CBMS Reporting](#) → [Operational Reports](#) → [Estimates](#) → [Annual Estimates](#) → [AE.OR.17 Agency Resourcing QA Report](#).

### Prior-year annual appropriation balances

The “prior year appropriations available” rows should reflect unspent/undrawn appropriations available at the start of the financial year (ie the closing balance of the previous year). This balance should also reflect opening special account balances for that period (ie at 1 July).

- For the “2019-20 estimated actual” column, this will be the closing unspent appropriations balance from the entity’s 2018-19 annual report, adjusted for any additional s51 withholdings and/or administrative quarantines currently in place.
- For the “2020-21 estimate” column, this will be the forecast closing unspent appropriations balance as at the end of the 2019-20 year, adjusted for any additional s51 withholdings and/or administrative quarantines currently in place. Amounts expected to be appropriated through Appropriation Bills (Nos. 5 & 6) should be excluded from this figure (but referenced in the footnote), as these amounts would not have received Royal Assent at the time the PB Statements are tabled. This latter sentence will not apply for 2019-20 Appropriation (Coronavirus Economic Response Package) Bills 1 & 2 and the 2019-20 Appropriation Bills 5 & 6 as they were passed by 30 June 2020
- Entities can also check unspent, undrawn balances by running the Appropriation Balance Report from CBMS for the relevant financial year and referring to the “Available – Hard Limit” lines. The “Available – Hard Limit” lines show how much of the amount which is still available to the entity but has yet to be drawn down.
- Total available appropriation balance can be calculated by adding the Hard Limit lines for the relevant Program or Outcome for all financial years.
  - [Reports](#) → [CBMS Reporting](#) → [Operational Reports](#) → [Cash Management](#) → [Cash Operational Reports](#) → [CM.OR.010 Appropriation Balances Report](#).

The annual Appropriation Acts include a sun setting clause, where the Acts have a life span of up to three years until they are repealed. For example, all 2019-20 annual Appropriation Acts extinguished on 1 July 2022, and Appropriation Acts for 2020-21 will self-extinguish after three years on 1 July 2023.

Unspent annual appropriations relating to the 2018-19 and 2019-20 financial years still exist. However, amounts withheld under s51 of the PGPA Act, or administratively quarantined, should be excluded from the calculation of prior year balances for the purposes of the Entity resource statement, as they are not available to be spent by the entity.

- Under the PGPA Act, the Minister for Finance is able to withhold appropriations amounts under s51.
  - These amounts should not be recognised as appropriations in Table 1.1.

For information on how to reflect s51 withholdings in the financial statements, please see Part I of RMG 125 Commonwealth Entities Financial Statements Guide, available on the Finance website:

[www.finance.gov.au/publications/resource-management-guides-rmgs/commonwealth-entities-financial-statements-guide-rmg-125](http://www.finance.gov.au/publications/resource-management-guides-rmgs/commonwealth-entities-financial-statements-guide-rmg-125)

## Annual appropriations – ordinary annual services

The “Annual appropriations – ordinary annual services” rows should reflect the amount appropriated to the entity in the relevant year. The amount is made up of:

- Amounts appropriated through Appropriation Acts (No. 1)
- + Advances to the Minister for Finance (AFM)
- +/- s74 External Revenue as a result of Machinery of Government changes
- - any withholdings under s51 of the PGPA Act (such as for foreign exchange movements, savings measures, movement of funds and reallocation)
- - administrative quarantines made by Finance

For Departmental, annual appropriations are represented as a single amount, as Departmental Outcome splits are nominal only, and able to be utilised at the discretion of the entity.

For administered, the Annual appropriations is split into Outcome figures.

## s74 External revenue

The “s74 External Revenue” row should reflect the entity’s forecasted Receipts from Independent Sources. These figures should be sourced from the “Receipts” columns in the Entity Resourcing Table report from CBMS.

- *Reports → CBMS Reporting → Statutory Reports → Budget Paper 4 → B4.T1 Agency resourcing table*
- *Reports → CBMS Reporting → Operational Reports → Estimates → Annual Estimates → AE.OR.16 Annual Estimates Appropriation by Outcome/Program Report*

**Note:** Please refer to the latest EM concerning 2020-21 Budget Paper No.4 which will include advice relating to External Revenue.

## Departmental / administered capital budget

The “Departmental/Administered Capital Budget” figures should be sourced from the Capital Budget Statement Report. Choose either Departmental or Administered – figures will be recorded against “9170000 – Capital Budget – Bill 1 (DCB)”.

- [Reports → CBMS Reporting → Operational Reports → Estimates → Annual Estimates → AE.OR.06 Annual Estimates Capital Budget Statement Report](#)

## Annual appropriations – other services

The “Annual appropriations – other services” rows should be taken from the Appropriation Bill 2 report from CBMS.

- [Reports → CBMS Reporting → Statutory Reports → Appropriation Bills → Budget Bills → Appropriation Bill 2 – Portfolio Summary and Detail](#)

For portfolio departments, the Appropriation Bill 2 report should be run at the portfolio rather than entity level.

Amounts under the “Estimated Actual” column can be sourced by running the AAA Report (which provides a point-in-time figure) and adjusting for any amounts expected to be spent by 30 June 2020.

- [Reports → CBMS Reporting → Operational Reports → Estimates → Annual Estimates → AE.OR.10 Appropriation Bill – Actual Available Appropriations \(AAA\) Report](#)
- [Reports → CBMS Reporting → Operational Reports → Estimates → Annual Estimates → AE.OR.11 Annual Estimates Appropriations QA Report](#)

## Payments to corporate entities

The “Payments to corporate entities” rows should be sourced from the Appropriation Act 1 and Bill 3, and Act 2 and Bill 4 “Portfolio Summary and Detail” reports.

- [Reports → CBMS Reporting → Statutory Reports → Appropriation Bills → Budget Bills → Appropriation Bill x – Portfolio Summary and Detail](#)

## Special appropriations

The “Special Appropriations” rows should reflect the resourcing required in relation to special appropriations. These figures should match the figures published in BP No. 4 (in both the Special Appropriations table and also the Entity Resource Table) and be sourced from the Detail Listing AEIFRS Report from CBMS.

- [Reports → CBMS Reporting → Operational Reports → Estimates → Annual Estimates → AE.OR.13 Annual Estimates Detail Listing AEIFRS Report \(PBF\)](#)

Special appropriations should be reported as an aggregate in *Table 1.1*, with details of the special appropriations reported in *Table 2.X.1 (Budgeted expenses for Outcome X)*.

## Special accounts

The “Special Accounts” rows should reflect the receipts for all special accounts managed by the entity. These figures should be drawn from the “Special Accounts” report from CBMS. Trust moneys, in particular those held in “Services for Other Entities and Trust Moneys” (SOETM) accounts should be excluded from this figure as they do not constitute funds available to the entity. Details of special accounts will also be reported in *Table 2.X.1 (Budgeted expenses for Outcome X)*.

- [Reports](#) → [CBMS Reporting](#) → [Statutory Reports](#) → [Budget Paper 4](#) → [B4.T4 Special accounts table](#)
- [Reports](#) → [CBMS Reporting](#) → [Operational Reports](#) → [Estimates](#) → [Annual Estimates](#) → [AE.OR.09 Annual Estimates Special Accounts Report](#)

**Note:** There may be differences between special accounts figures published in an entity's PB Statement compared to the entity's financial statement notes in its annual report.

For example, for PB Statement estimates purposes, agencies may choose to report special account balances and flows on a Net basis as at 30 June. In an entity's annual report, special account flows will be presented on a Gross basis.

An example of where differences may arise between estimates and actuals is where an entity undertakes ongoing investment activities through their special account, and reinvests the earnings realised (from investing) within the same financial year.

## Average staffing level

The "ASL" figure should be discussed with Finance (please refer to the Contacts on section [14 Contacts](#) below of this guide) and match the figures to be published in BP No. 4 and the totals shown at the bottom of the outcome expense tables (Table 2.X.1). Please refer to the latest Finance guidance on ASL for more information on ASL reporting.

## Third party payments

The "Third Party Payments" information will be drawn from entities' own records and should be agreed with the relevant entities. These figures should be prepared on a consistent basis with the rest of *Table 1.1*, ie using resourcing/appropriations transferred figures, and the reader should be able to reconcile figures between entities.

- This sub-table should only be prepared by those entities which:
  - are identified as *Material* entities under either the *AGOR Register* and *PGPA Act Flipchart* and
  - have total third party payments of \$10 million or more in a year or
  - are considered *Small* entities who have third party payments totalling more than 25 per cent of their total resourcing.

**Note:** both *Material* and *Small* entities can be identified by looking at the *AGOR Register* or at Finance's *PGPA Act Flipchart of Commonwealth entities and companies* (please refer to the Glossary for info on AGOR and the flipchart).

- This sub-table is intended to show the types and materiality of inter-entity transfers of resourcing. Figures shown will be a sub-set of the total resourcing shown in the top section of Table 1.1.
  - "Payments made on behalf of another entity" occur where an entity accesses another entity's appropriations to pay recipients or external parties on behalf of the other entity, for example, the Services Australia would show the amount of appropriations it draws upon to pay income support recipients on behalf of the Department of Social Services (DSS).
  - "Payments made by other entities on behalf of the entity" are those payments which have been outsourced to another entity to administer, for example, DSS

would disclose the appropriations being drawn upon by Services Australia to pay income support recipients.

- “Payments made to other entities for the provision of services” are amounts paid to other entities for contracted services, for example, for shared/corporate services.
- “Receipts received from other entities for the provision of services” are amounts received where the entity provides services to another entity, for example, for the provision of shared/corporate services.
- “Payments made to corporate entities within the Portfolio” provides a breakdown of payments (from all appropriation sources) made by portfolio departments to each corporate entity in the portfolio – figures shown here should include amounts disclosed as “payments to corporate entities” in the Appropriation Bills. These amounts should be consistent with any figures reported in Table 2.X.1.

## Source of information

- Appropriation information in this table must be sourced from CBMS and an entity’s annual report and should be consistent with information captured in an entity’s financial management information system (FMIS).

For those tables that are not yet available in CBMS (ie Section 1), to assist entities with quality assurance and cross-checking data, the majority of the information for the PB Statement Tables can be sourced by running the following reports in CBMS.

### Appropriation Bill Nos. 1 and 2 (for 2020-21)

- [Reports → CBMS Reporting → Statutory Reports → Appropriation Bills → Budget Bills → Appropriation Bill 1 - Portfolio Summary and Detail](#)
- [Reports → CBMS Reporting → Statutory Reports → Appropriation Bills → Budget Bills → Appropriation Bill 2 - Portfolio Summary and Detail](#)

### Appropriation Act Nos. 3 and 4 (for 2019-20)

- [Reports → CBMS Reporting → Statutory Reports → Appropriation Bills → Additional Estimates Bills → Appropriation Bill 3 - Portfolio Summary and Detail](#)
- [Reports → CBMS Reporting → Statutory Reports → Appropriation Bills → Additional Estimates Bills → Appropriation Bill 4 - Portfolio Summary and Detail](#)

### Appropriation Bill Nos. 5 and 6 (for 2019-20)

- [Reports → CBMS Reporting → Statutory Reports → Appropriation Bills → Supplementary Bills → Appropriation Bill 5 - Portfolio Summary and Detail](#)
- [Reports → CBMS Reporting → Statutory Reports → Appropriation Bills → Supplementary Bills → Appropriation Bill 6 - Portfolio Summary and Detail](#)

### Other reports

- [Reports → CBMS Reporting → Operational Reports → Estimates → Annual Estimates → AE.OR.13 Annual Estimates Detail Listing AEIFRS Report \(PBF\)](#)
- [Reports → CBMS Reporting → Operational Reports → Estimates → Annual Estimates → AE.OR.06 Annual Estimates Capital Budget Statement Report](#)

- *Reports → CBMS Reporting → Operational Reports → Estimates → Annual Estimates → AE.OR.10 Appropriation Bill - Actual Available Appropriations (AAA) Report*
- *Reports → CBMS Reporting → Operational Reports → Cash Management → Cash Operational Reports → CM.OR.010 Appropriation Balances Report*

Note: Select the current financial year only to get the "Actual available appropriation" figure available on that day. This amount reflects what is available in Cash Management and should be adjusted for any amounts expected to be paid out by 30 June 2020. The amount shown in the AAA Report will be net of any s51 withholdings and administrative quarantines.

## 9. Budget measures

The template for this table can be found in the “*Table 1.2*” tab of the Excel Tables workbook ([Attachment B](#) refers). Note the template has been updated on 15 September 2020.

The *Budget measures* section primarily highlights new government decisions supporting the 2020-21 Appropriations Bills.

For the 2020-21 Budget, entities will only be required to report measures taken in the budget year (2020-21) and forward years (2021-22 to 2023-24). Entities should discuss with their AAU in the first instance if there are any DTYNA or indicative cost measures from a previous economic update on whether they should be reported as some of the guidance below may not apply.

For completeness, all measures need to be reported at the entity level in a PB Statement or PAES, including measures with zero financial impact.

This complements the whole-of-government public reporting of all measures in either Budget Paper No. 2 (BP No. 2) and ensures a clear-read of Government decisions to entity level across key budget publications.

All details of 2020-21 Budget measures must match the final measures list provided by Finance before being reported in *Table 1.2*. Measure figures are to be reported on the same basis on which BP No. 2 is prepared.

Commencing from the 2020-21 Budget, measures will be reported in Budget Paper No.2 and PB Statements in UCB terms.

The measure title for cross Portfolio measures should be the same in each PB Statements affected by the measure. To increase transparency, where an entity is not the lead entity in a measure package, they are required to name the lead entity in a footnote to the measure to allow easy cross reference to the measure description in BP No. 2 and across PB Statements. This should be done with the following text:

The lead entity for measure titled xxxxxxxx is xxxxxxxx. The full measure description and package details appear in Budget Paper No. 2 under the xxxxxxxx portfolio.

For the 2020-21 Budget only, the PB Statement's *Table 1.2 Entity 2020-21 Budget measures* only consists of one part that reports measures announced after *Economic and Fiscal Update July 2020*.

To assist entities the measures table has been modified to meet the minimum reporting requirements required to support the 2020-21 Appropriation Bills 1 and 2.

The Budget measures published in *Table 1.2* should match the measures published as printed in the 2020-21 BP No. 2. With the change to presenting measures in UCB terms, the financial implications table will reflect receipt and payment impacts only. Capital spending components will be rolled into the payment impacts.

It is unlikely there will be any measures reported in BP No.2 that were reported as *Decisions taken but not yet announced* at the Mid-Year Economic and Fiscal Outlook (MYEFO) or other



set of appropriation bills. If an entity happens to have any then they should consult with their AAU in the first instance on whether to report these in their PB Statements.

## 9.1 Measure reversals

Where a measure reversal will be reported in BP No. 2, the measure reversal needs to be reported in Part 1 of the measures table.

Where a measure reversal has been reported in MYEFO, but has not been reported in PAES, the reversal needs to be reported in Part 2 of the measures table.

Measure reversals reported in either Part 1 or 2 of the measures table need to be reported on the following basis:

- where it is a full reversal, the measure should include dashes in fiscal impact (as zero net fiscal impact) and
- where it is a partial reversal, the measure should reflect the final amount to be appropriated (ie the difference between the initial measure and the partial reversal).

### Example – Reporting Measure Reversals

Entity X has two measures that were announced in an Economic Statement, the Pre-Election Economic and Fiscal Outlook or the Mid-Year Economic and Fiscal Outlook:

Measure Title	2020-21 \$m	2021-22 \$m	2022-23 \$m	2023-24 \$m
X Measure	\$4	\$6	\$8	\$10
Y Measure	\$2	\$3	\$4	\$5

These measures were subsequently reversed at Budget (fully or partially) through the announcement of the following measure reversals:

Measure Title	2020-21 \$m	2021-22 \$m	2022-23 \$m	2023-24 \$m
X Measure – reduction	(\$2)	(\$3)	(\$4)	(\$5)
Y Measure – cessation	(\$2)	(\$3)	(\$4)	(\$5)

Entity X should report the following in their PB Statements that shows the net effect of these full/partial reversals, with an explanatory footnote to provide context:

Table 1.2: Entity 2020-21 Budget Measures

Measures announced since the 2020 July Economic Statement Update

	Program	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000
<b>Payment measures</b>					
X Measure (a)	1.1				
Administered payment		2,000	3,000	4,000	5,000
Total		2,000	3,000	4,000	5,000



Y Measure (b)	2.2				
Administered Payment	-	-	-	-	-
Total	-	-	-	-	-
<p>(a) This measure was originally announced in the 20XX Economic Statement/20XX Pre-Election Economic and Fiscal Outlook/2019-20 Mid-Year Economic and Fiscal Outlook (whichever applies) and has been partially reversed by (measure title) announced in the 2020-21 Budget. The above financial figures reflect the current net fiscal impact of the measure.</p> <p>(b) This measure was originally announced in the 20XX Economic Statement/20XX Pre-Election Economic and Fiscal Outlook/2019-20 Mid-Year Economic and Fiscal Outlook (whichever applies) and has been fully reversed by (measure title) announced in the 2020-21 Budget. The above dashes reflect that the measure has no fiscal impact as it has ceased.</p>					

## 9.2 Decisions taken but not yet announced

Where a measure was included in an economic statement as a “Decision taken but not yet announced” (DTBNYA) but has since been announced, it should generally be published in the next available budget statement following that announcement.

- The measure should be listed in Table 1.2 with its full measure title and dashes ‘-’ for the financials as these costs were previously included as an aggregate amount.
- A footnote will be required explaining the item such as “Decision taken but not yet announced in the 20XX-XX Budget/MYEFO, with the following impact: 20XX-XX \$XX.XXX million; 20XX-XX \$X.XXX million and 20XX-XX \$X.XXX million”.
- Where the measure has not been or will not be (ie for national security reasons) announced publicly at the release of the next budget statement, the costs for the measure should continue to be included as part of the “Decisions taken but not yet announced” total line at the bottom of Table 1.2. The measure title should not be listed separately.

For further information the relevant AAU should be contacted in the first instance.

**Note:** Amounts in the **contingency reserve (CR)** must not be entered as estimates in PBF for the relevant entity, whether they are intended to be appropriated as annual or special appropriations. While in the CR, these are not appropriated amounts.

## 9.3 Measures with indicative costs

Where measures are published in an economic statement with indicative costs, these measures should be listed in *Table 1.2* only where the costs are known for an affected entity.

- Once final costs have been agreed, entities may republish the measure in *Table 1.2* of the PAES or PB Statements, and include a footnote stating that the measure was previously published in BP No. 2/MYEFO/the relevant economic statement and the costs shown are now final.
- For cross-portfolio measures where final costs have now been agreed for each entity, the measure should be listed in *Table 1.2* with the final agreed costs, with a footnote noting that it is a cross-portfolio measure previously published in BP No. 2/MYEFO/the relevant economic statement and naming the lead entity.

- The measure should be listed in *Table 1.2* with its full measure title and dashes ‘-’ for the financials as these costs have previously been allocated to the entity.

## 9.4 Machinery of government changes

Where there are Machinery of Government changes, the gaining entity should publish any new measures relating to the function(s) being gained.

For further information on showing Machinery of Government changes in the PB Statements, please refer to chapter *12.1 Machinery of Government changes* within this guide.

### Source of information

- To confirm the correct amounts, please refer to the costing agreement provided by your AAU
- Information to be included in this table may also be taken from estimates adjustments for measures (ie those entered against the reason code “Government decision or measure”) in CBMS
- Titles of measures are to be confirmed against the final agreed measures list provided by Finance.

## 10. Outcomes and planned performance

For queries regarding performance reporting in the PB Statements, please contact the Accountability and Reporting Branch in Finance ([PGPA@finance.gov.au](mailto:PGPA@finance.gov.au)) or on (02) 6215 3130.

For advice on changing outcome statements or programs, please contact your AAU in Finance in the first instance.

The PBS *Outcomes and planned performance* section (Section 2) details the expenses incurred in delivering the outcomes and programs of an entity, and the performance information that will be used by the Parliament and other key stakeholders to indicate the impact of this expenditure.

The 2020-21 PB Statements are used to provide structured summary reporting of an entity's intended performance, focusing on programs. The reporting structure allows entities to demonstrate their intended performance in a logical and consistent manner, indicating to the public and the Parliament the resourcing provided and the progress towards achieving Government policy objectives.

*Table 2.X.3: Performance Criteria for Outcome X* takes into account the reporting requirements of the Commonwealth performance framework and the clear read principle (that is, that performance information across reporting documents (PB Statements, corporate plans and annual reports) should be presented clearly and consistently such that information is reconcilable between/across the documents).

Further explanation of the relationship between these reporting documents is provided in a standard diagram, 'Commonwealth Performance Framework – key components of relevant publications', situated in the User Guide section of the PB Statement Word template. Links to the entity's most recent corporate plan and annual performance statement are to be included in the standard note box situated in Section 2: Outcomes and planned performance in the 2020-21 PB Statements Word template.

### 10.1 Finance Secretary Direction

The requirements for reporting program performance in PB Statements are set out in a direction issued by the Finance Secretary under subsection 36(3) of the PGPA Act (available at [www.finance.gov.au/government/managing-commonwealth-resources/managing-money-property/managing-money/annual-appropriations/portfolio-budget-statements](http://www.finance.gov.au/government/managing-commonwealth-resources/managing-money-property/managing-money/annual-appropriations/portfolio-budget-statements)). This direction sets out the minimum mandatory requirements for performance information to be included in PB Statements, and the links that this information has to corporate plans and annual performance statements.

The mandatory minimum requirements are that an entity must do the following in its PB Statements:

1.	Map outcomes, programs and performance criteria to the entity's purposes as expressed in its corporate plan.
2.	For existing programs, include at least one high level performance criterion, as well as targets and expected dates of achievement.
3.	For new or materially changed existing programs, outline all performance criteria, targets and expected dates of achievement.
4.	Include forecasts of program performance against expected targets for the current financial year. For the budget year and the three forward estimate years, include program performance criteria and expected targets.
5.	Report links with the programs and outcomes of other entities.

Subsection 36(3) of the PGPA Act requires the accountable authorities of all entities to comply with the Finance Secretary's Direction. The following guidance is intended to assist entities to comply with this Direction. In respect to Requirement 4, 'Include forecasts of program performance against expected targets for the current financial year', as the 2020-21 Budget is being delivered after the 2019-20 financial year, entities should report the actual performance outcomes for each program for the 2019-20 period. This should be consistent with the reporting of performance outcomes in the 2019-20 annual performance statements.

## 10.2 Structure of section 2

The following illustrates the recommended structure for Section 2 of the PB Statements. Each outcome is described in a subsection 2.X as follows:

### Example - Structure of Section 2

#### **Outcome Statement X**

#### **Linked programs box**

#### **Table 2.X.1: Budgeted expenses for Outcome X**

#### **Table 2.X.2: Program components for Outcome X (optional)**

#### **Table 2.X.3: Planned performance criteria for Outcome X**

Entities with multiple outcomes would repeat subsection 2.X for each and every outcome (ie 2.1 for Outcome 1, 2.2 for Outcome 2, etc). Entities with a single outcome would include the elements shown above under a single subsection 2.1.

Entities should use the table numbering scheme shown in the above example. For example, *Table 2.1.1* for the Budgeted expenses for Outcome 1; *Table 2.1.2* for program components related to Outcome 1 (if included); and *Table 2.1.3* for planned performance information for Outcome 1 (or *Table 2.1.2* if no program components are reported). For Outcome 2, these table numbers would run in the following sequence: *Table 2.2.1*; *Table 2.2.2* and *Table 2.2.3*. This scheme is intended to make it easy for readers to refer to information and provide consistency across PB Statements tabled by different ministers.

## 10.3 Outcome statements

The *Outcome statements* should repeat the wording approved by the Minister for Finance (as per the Outcome and Programs policy referred to below). Entities that wish to vary their outcome statements to reflect changes in government policy or its strategic environment should consult their relevant AAU in Finance well in advance of the preparation of the 2020-21 Budget Appropriation Bills (and PB Statements) to agree on the wording of any proposed revisions and to ensure they have the best prospects of obtaining the approval of the Minister for Finance.

As outlined in the Commonwealth's Outcome Statements and Approval Policy (Outcomes policy), outcome statements articulate Government objectives and form an integral part of the appropriations framework. They:

1. explain the purpose for which annual appropriations are approved by the Parliament for use by entities
2. provide a basis for budgeting and reporting against the use of appropriated funds

An outcome statement should provide an immediate impression of what success looks like. It should provide readers with a sense of what performance information is likely to be useful in assessing whether a specific outcome is delivered satisfactorily. Performance information described in PB Statements (for example, in section 2.x.3 and discussed in section [10.7 Overview of table 2.X.3 – performance information](#) below) should relate to the expectation created by the relevant outcome statement.

For information on amending an entity's existing Outcome Statement(s) or program structure, please refer to the Outcomes policy and Programs policy, both are available on the Finance website:

[www.finance.gov.au/sites/default/files/2019-11/outcome-statements-policy-and-approval-process\\_1.pdf](http://www.finance.gov.au/sites/default/files/2019-11/outcome-statements-policy-and-approval-process_1.pdf)

[www.finance.gov.au/sites/default/files/2019-11/commonwealth-programmes-policy-and-approval-process.pdf](http://www.finance.gov.au/sites/default/files/2019-11/commonwealth-programmes-policy-and-approval-process.pdf)

## 10.4 Linked programs box

The *linked programs box* should appear immediately after the Outcome Statement in subsection 2.X relevant to Outcome X. The information in this box is intended to provide readers with a sense of how the programs under Outcome X join up with programs delivered by other Commonwealth entities to contribute to common government objectives.

### Identifying linked programs

To identify linked programs, entities should consider whether one or more of its programs under an Outcome X has objectives in common with programs delivered by one or more other Commonwealth entities. Entities should work together to describe common objectives and ensure information in PB Statements is presented on a consistent basis.

The template for reporting linked programs is included under the “Linked Programs” heading in the Word template and, for convenience, is reproduced below. The red text provides a description of what information is to be provided in each row.

### Example - Linked programs

<b>Entity A</b> <i>(insert the name of the entity with programs linked to Outcome X)</i>
<b>Programs</b> <ul style="list-style-type: none"><li>• Program X.X – <i>insert program name</i></li><li>• Program X.X – <i>insert program name</i></li></ul>
<b>Contribution to Outcome X made by linked programs</b> <i>Insert one or two sentences on how Outcome X benefits from the linked programs.</i>

The information included under the heading “Contribution to Outcome X made by linked programs” should provide the reader with an understanding of how the linked program makes a contribution to the successful delivery of the entity’s Outcome X. Where linked programs are covered by a cross-entity arrangement (ie a Memorandum of Understanding) or an intergovernmental agreement (ie a National Partnership Agreement) the name of this arrangement should be referenced in the contribution made by linked programs.

Some entities will have an Outcome X that is linked to programs delivered by other entities simply because they manage transactions on behalf of those other entities (ie payments to individuals under a range of programs or payments to other governments). In such cases, these entities should replace the “Contribution to Outcome X by linked Programs” with the heading “Contribution made by Outcome X” followed by a form of words similar to:

*“Outcome X contributes to the linked programs above by making payments on behalf of the entities listed.”*

The following provides an example of the linked program box relevant to Finance's Outcome 2:

<p><b>Outcome 2:</b> 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.</p>
<p><b>Linked Programs</b></p>
<p>Commonwealth Superannuation Corporation</p>
<p>Program 1.1 – Superannuation Scheme Governance</p>
<p>Contribution to Outcome 2 by linked programs</p>
<p>The Commonwealth Superannuation Corporation works with Finance to ensure that the management of public sector superannuation is consistent with legislative obligations.</p>
<p>Future Fund Management Agency</p>
<p>Program 1.1 – Management of the investment of the Future Fund  Program 1.2 – Management of the investment of the Nation Building Fund; Disability Care Australia Funds; the Asset Recycling Fund; and the Medical Research Future Fund.</p>
<p>Contribution to Outcome 2 by linked programs</p>
<p>The Future Fund Management Agency works with Finance to ensure that there are provisions for meeting long-term liabilities of public sector superannuation, and to ensure that the management of Australian Government Investment Funds is consistent with legislation and maximises returns to taxpayers.</p>

In the above example, the linked programs box has been split into two boxes as the links between Finance's Outcome 2 and programs delivered by other entities fall into two categories – one focussed on managing obligations to members of Commonwealth Superannuation Schemes and the other focussed on managing investments on behalf of the Government by the Future Fund Board of Guardians (which is supported by the Future Fund Management Agency).

## 10.5 Budgeted expenses by outcome table

The template for this table can be found in the “*Table 2.X.1*” tab of the Excel Tables workbook ([Attachment B](#) refers). There is a template for non-corporate Commonwealth entities (coloured green) and a template for corporate Commonwealth entities and Commonwealth companies (coloured red).

The *Budgeted expenses by Outcome table* (Table 2.X.1) provides the reader with further detail of an entity’s programs and expenses. In particular, this table shows the proposed use of appropriations, and links this expenditure to the entity’s financial statements (specifically the income statement). It provides a breakdown of total expenses for each outcome by funding source, and a short description of each outcome and program. A separate table should be prepared for each outcome.

- Where an entity wishes to describe a program in greater detail, for example, where it is made up of several sub-components, this should be done in *Table 2.X.2: Program components* (described in section [10.6 Program components](#) below).

*Table 2.X.1* also provides an estimate of ASL by outcome for the budget and prior year. The total ASL figures across all outcomes should reconcile with the ASL figures to be published in BP No. 4 and the entity-level total included at the bottom of *Table 1.1: Entity Resource Statement*. Please refer to the latest Finance guidance on ASL. For more information on ASL reporting, contacts are provided in Section 13 of this guide.

*Table 2.X.1* also includes information on movement of administered funds agreed at an outcome and program-level. This section details the amount of unexpended annual administered funding which the Government has agreed to reallocate from current or a prior financial years to the budget and forward years (2020-21 to 2021-24).

*Table 2.X.1* complements the *Table 1.1: Entity resource statement*, which in contrast, provides a summary of funding sources but not forecast expenditure.

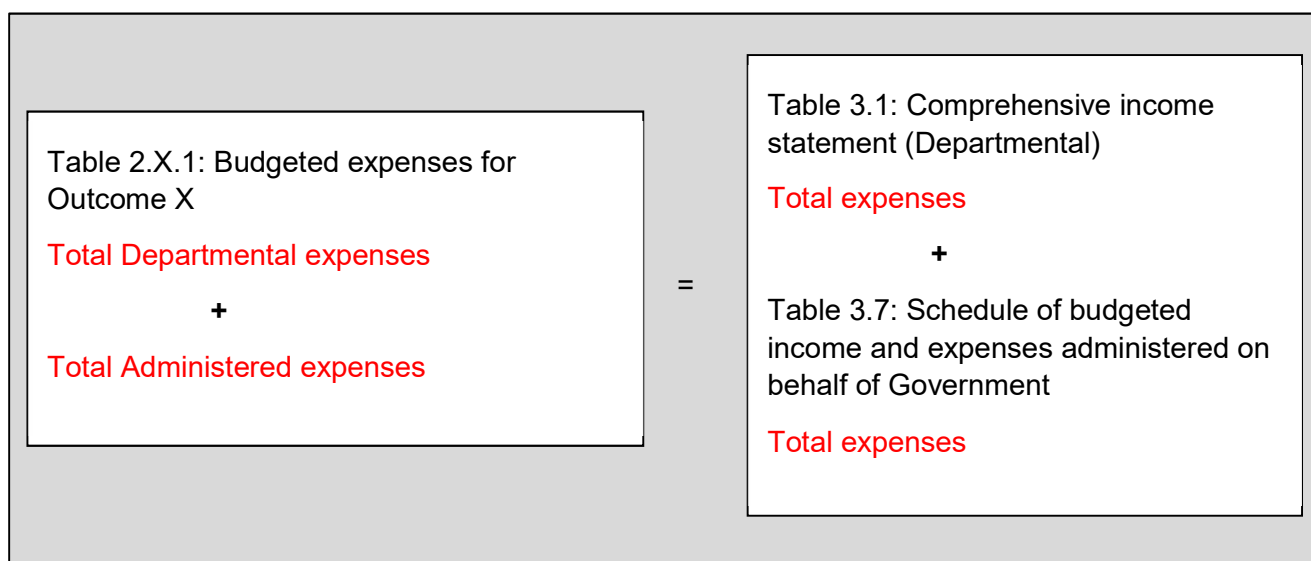
### 10.5.1 Minimum reporting requirements

- At a minimum, there should be a *Table 2.X.1* for each outcome delivered by an entity (where X is “1” for Outcome 1, “2” for Outcome 2, etc)
- The total budgeted expenses for all outcomes reported in *Table 2.X.1* must equal the aggregate of total Departmental and Administered expenses as outlined in the Comprehensive income statement (*Table 3.1*) and Schedule of budgeted income and expenses administered on behalf of Government (*Table 3.7*)
- Total expenses shown in *Table 2.X.1* should reconcile to program and outcome expenses captured in CBMS
- Where amounts are drawn down from an annual or special appropriation and credited to a special account, please ensure that the expenses are not double counted, for example, by only showing the final expenses against the special account rather than the annual appropriation. Entities may wish to include a footnote describing such transfers at a program-level
- For portfolio departments, payments made to corporate entities should be disclosed as a separate line item under the relevant outcome and program.



- Entities are to report on the costs of delivering specific, administered programs – these are referred to as program support. As program support will typically include an apportionment of corporate/overhead expenses (in addition to direct costs), a reliable and consistent allocation methodology should be used by entities to produce accurate information
- Expenses deemed to be “program support” are likely to be recorded against the “Other Departmental” program in CBMS. Where these expenses are apportioned as “program support”, entities should ensure that estimates presented in the Outcome expense tables overall reconcile to the data in CBMS.
  - “Other Departmental” must not be used as a program name in the PB Statements. For CBMS programs named as “Other Departmental”, these should be reported in the PB Statements as either:
    - “program support” or
    - where the entity only has one program and that funding covers the whole functions of the entity, against the entity’s name (ie the Productivity Commission reports under a single program titled “Productivity Commission”).
- Where relevant, entities may wish to include a footnote to relevant tables which explains that the allocation of departmental expenses to programs is notional only and based on attribution models maintained by entities.

A summary of the relationship between *Table 2.X.1* and the income statements is provided below:



## 10.5.2 Interest and depreciation of Right-of-Use assets reported as part of departmental appropriation expenses

There are three main leasing components that are required to be calculated and included as part of the table's derivation. These are the *Interest on RoU*, *Depreciation of RoU assets* and the *Credit applied to rental supplier expenses*.

The following leasing components will be included in the Departmental appropriation expenses line:

*Interest on RoU assets* - as the account is reported as part of the Comprehensive Income Statement this needs to be reported as part of the 'Departmental appropriation expenses'.

*Depreciation/amortisation of RoU asset* - for **Non-Corporate Commonwealth entities** who receive a DCB, will need to split their depreciation expenses between RoU assets and Non-RoU assets. The latter Non-RoU depreciation will still be reported as *Expenses not requiring appropriation* and the RoU depreciation included as part of the entity's *Departmental appropriation expenses*.

For **Corporate Commonwealth Entities** who are funded for depreciation, there will be no change in how they will continue to report the Depreciation/Amortisation of RoU assets in their program table as they should already report this as part of their *Departmental appropriation expenses*.

*Credit applied to rental / supplier expenses* - applicable only to entities upon transitioning to the new standard AASB 16 *Leases*, entities were required to reduce their rental / supplier expenses in order to debit their *Interest on RoU* and *Principal repayment* component of their previous lease expenses. As appropriations have not changed and *Depreciation on RoU assets* is a new program expense item, the components of the program expense table will need to be adjusted to reduce the impact that leases has on the *Departmental appropriation expenses* line item.

Since the introduction of AASB 16 *Leases*, the appropriation expenses reported by the *Table 2.x.1 Budgeted expenses for outcomes* should generally match total expenses as reported in the comprehensive income statement (when all outcomes are aggregated).

Under the new standard, the principle repayments are reported through the balance sheet and cash-flow statement with the deficits and surpluses reported in an entity's income statement correlating with the non-funded RoU assets depreciation expenses.

This means the most consistent way to report Depreciation on RoU assets across government will be to factor the line-item as part of *appropriation expenses* rather than *expenses not requiring an appropriation* as reported in *Table 2.x.1 Budgeted expenses for outcomes*, as entities are still appropriated for the rental expenses/payments through appropriation Bill 1 ordinary annual services.

Entities may notice assuming no other variables that the entity's Comprehensive income statement results for deficits reported in the first half of the lease's life balance with the surpluses reported in the later half.

An illustrative example has been provided below to demonstrate how to calculate depreciation appropriation expenses in the Budgeted expenses by outcome table.

**Note:** The text highlighted in *pale Yellow* and in *pale Blue* below are intended to show how the Departmental appropriation expenses line item is derived, they are not intended to be published as distinct separate line-items in the program table.

<b>Program Table 2.x Budgeted expenses by outcome</b>					
	2019-20 Estimated Actual *	2020-21 Budget	2021-22 Forward estimated expenses	2022-23 Forward estimated expenses	2023-24 Forward estimated expenses
Program 1.x (insert program name here)					
<b>Departmental expenses</b>					
Departmental appropriation expenses *	5,770	6,010	6,100	6,285	6,453
<u>Consists of:</u>					
Other Expenses	5,750	6,000	6,100	6,300	6,477
Interest on RoU a/c (2422020)	16	14	12	10	8
Depreciation on RoU assets	380	380	380	380	380
Credit applied to rental supplier expenses (rental payments)	-376	-384	-392	-405	-412
s74 External Revenue	30	30	30	30	30
Expenses not requiring appropriation in the Budget Year	100	100	100	100	100
<u>Consists of:</u>					
Other Depreciation	100	100	100	100	100
Departmental program expenditure	5,900	6,140	6,230	6,415	6,583
* Reporting as per the new accounting standard AASB 16 Leases came into effect for Commonwealth entities from 1 July 2019.					

## Source of information

Data for Budgeted Expenses by Program (the tables in Section 2 of the document) can only be sourced from CBMS at a total level (ie program-level expense information by appropriation is not available). This data will need to be sourced from the Entity's internal FMIS.

The system generated reports are located at:

[Reports](#) → [CBMS Reporting](#) → [Statutory Reports](#) → [PBS](#) → [PBS.T2.1 Budgeted Expenses for Outcomes](#)

- The "Expenses not requiring appropriation in Budget year" line is to be used by entities where there is a government policy not to fund those expenses within the year; where the

funding has been provided in a prior year but the expense will be incurred in the current year; or where the expenses reflect the usage of services provided free of charge

- For example, depreciation expenses which the Government has provided a separate capital budget/Collection Development Acquisition Budget should be shown in this line, along with expenses associated with audit services provided by the ANAO, and non-cash expenses for which the entity has received operating loss approval
- Items which do not or will not involve a cash flow impact (such as bad debt expenses) are also considered “expenses not requiring appropriation”.
- ASL figures across all outcomes should be discussed with Finance (please refer to section [14 Contacts](#) below of this guide) and match the figures to be published in BP No. 4 and at the bottom of Table 1.1: Entity resource statement. Please refer to the latest Finance guidance on ASL for more information on ASL reporting.
- Information on Movements of Funds should be sourced from approved movement of funds requests (as detailed in correspondence from the Minister for Finance) and/or adjustments in CBMS against the reason code “Movement of Funds”.
  - For information on the Movement of Funds process, please contact your AAU.

## 10.6 Program components

The template for the *Program components* table can be found in the “*Table 2.X.2 Program Components*” tab of the Excel Tables workbook ([Attachment B](#) refers).

Entities are not required to provide reporting below the program level.

Program component reporting is a subset of program-level reporting, and program components can be funded through administered and departmental appropriations. If entities choose to provide program components, these should be clearly identified as components and not described as a program. An example of a program component that an entity chooses to report on could be an item of special public interest or political sensitivity.

Should entities choose to report on program components, a program component expense table should be provided for each and every program with more than one component. The full program expenses must still be shown in *the Budgeted expenses by Outcome X Table (Table 2.X.1)*. The itemised sub-set of expenses is then provided for each relevant program component. Sub-program expenses must reconcile with the relevant program total.

## 10.7 Overview of table 2.X.3 – performance information

The template for *Table 2.X.3* can be found in the Word template ([Attachment C](#) refers).

The illustration below summarises the components of *Table 2.X.3* and their relationship to each other. Information for each program associated with an Outcome X begins with the program title, a brief description of the program objective and how it contributes to the wider objectives of Outcome X.

- The “Delivery” cell in *Table 2.X.3* will include information on how the program is delivered (ie through payments to eligible individuals) and the group/s targeted
- The performance criteria cell in *Table 2.X.3* includes reporting on estimated performance results for 2019-20 and performance expectations for 2020-21 and over the forward estimates
- The “Purposes” cell in *Table 2.X.3* indicates how a program is linked to purposes described in an entity’s corporate plan.

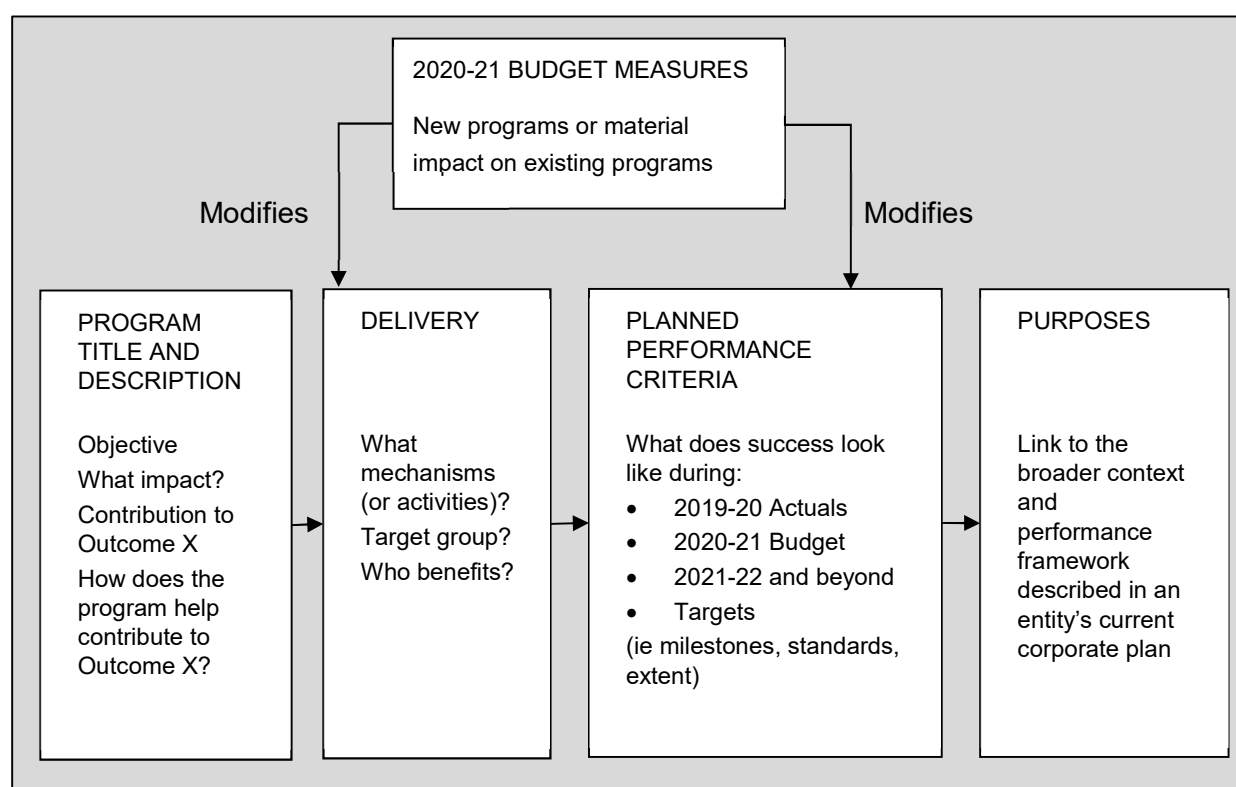


Table 2.X.3: Performance criteria for Outcome X

Outcome X – Repeat relevant outcome statement for Outcome X		
Program X.1 – Brief description of Program X.1 (objective and how it contributes to delivering Outcome X)		
Delivery	Insert a brief description of the mechanisms through which Program X.1 will be delivered (ie the high-level activities) and the target group to be impacted.	
Performance information		
Year	Performance criteria (a)	2019-20 Actual Achievement/Targets
2019-20	Performance criteria for 2019-20 described in 2019-20 Portfolio Budget Statements	Actual performance against targets for 2019-20 described in 2019-20 Portfolio Budget Statements.
2020-21	Criteria for assessing performance in 2020-21 [Note – performance criteria that reflect the material impact of 2020-21 Budget measures should be italicised]	Insert description of each target and value aimed at in 2020-21.
2021-22 and beyond	Criteria for assessing performance over the forward estimates [Note – if same criteria as 2020-21, use “As per 2020-21”.]	Insert description of each target and value aimed at over 2021-22 to 2023-24
Purposes (b)	Purpose statement – as it appears in current corporate plan – for each and every purpose to which Program X.1 contributes.	
Material changes to Program X.1 resulting from the following measures:		
Measure title – XXXX (Insert title of each measure that creates or materially impacts Program X.1)		

- (a) New or modified performance criteria that reflect new or materially changed programs are shown in italics. Where new programs are established in the 2020-21 Budget, all of the performance criteria related to that program need to be shown.
- (b) Insert footnote if purposes have been updated since the 2019-20 Corporate Plan (ie a form of words similar to “Refers to updated purposes that will be reflected in the 2020-21 Corporate Plan”).

*Table 2.X.3* also includes a list of new Budget measures in 2020-21 that either create new programs or materially impact on existing programs (in addition to the list of Budget measures in *Table 1.2*). Advice on assessing whether a new Budget measure impacts on an existing program and how to account for these impacts in *Table 2.X.3* is provided below.

### 10.7.1 Program title and brief description

The program titles inserted in *Table 2.X.3* should be the same as they appear in CBMS for the relevant program.

Program titles should be followed by a brief description that includes the:

- objective of the program (ie the difference it aims to make, the intended results, etc)

- contribution it makes to achieving Outcome X (or why Outcome X cannot be delivered successfully without the program).

Program descriptions should be concise. It is anticipated that a program description will be no more than a few sentences (ie two or three). For example, a program that provides payments to assist rural families might be described along the following lines:

“Program X.1 – to support rural families facing hardship through payments that allow them to adjust to structural changes in their local economy and benefit from the broader set of initiatives to deliver a sustainable regional Australia.”

In this hypothetical example, it is clear that the object of Program X.1 is to make payments to eligible families, and that it sits under an outcome that seeks to improve the economic sustainability of regional Australia.

## 10.7.2 Delivery

Entities should enter Delivery details in *Table 2.X.3* for each program associated with each Outcome X.

- The mechanism (or “the how”) through which the program is delivered – the primary high-level activities undertaken by an entity to deliver a program. For the regional assistance example this could be:
  - administering legislated criteria that allows eligible recipients to be identified and payment levels to be determined
  - managing application processes and making the payments
  - public awareness campaigns to ensure that eligible recipients are aware of the opportunities to receive assistance.
- The target group (or “the who”) – the people who are to be benefited and/or those whose behaviour is to be influenced. For example, the target group for the illustrative regional assistance program would be rural families who are to benefit. An anti-smoking campaign may target those that smoke to encourage them to quit, or it may target young people to dissuade them from commencing.

When using information from previous PB Statements, entities should ensure that the 2020-21 PB Statements take into account material changes that have occurred during the 2019-20 Budget year.

The assessment of whether a material change has occurred to a program will, in the first instance, depend on how a program was described in an entity’s 2019-20 PB Statements. If a decision was taken at some other time during the 2019-20 Budget year (ie at MYEFO 2019-20), then reporting in relevant budget documents will form the basis for making a judgement on whether 2020-21 Budget measures materially affect a program.

### Identifying material changes

Material changes will typically result from Budget measures announced in the 2020-21 Budget or major government initiatives announced since the 2019-20 Budget.

When assessing if a new Budget measure or government initiative materially impacts on a program, entities should consider if the following has happened:

- the objective or intended impact of the program has changed;
- the mechanism(s) through which the program is delivered has changed; and/or
- the target group or those to be influenced has been changed.

The changes in the appropriations allocated to a program do not form the only basis for identifying material changes to a program.

A significant change to appropriation may also serve as a flag for reconsidering how a program is described in PB Statements but it will be variations in the nature of the program (ie the delivery mechanism, objective or target group) as a result of funding decisions that should be used as the ultimate indicator of material changes.

### Example – material change

Consider the example of a program to dissuade young people from taking up smoking:

- If a Budget measure increased funding for an advertising campaign to increase the number of people informed of the ill-effect of smoking it is unlikely to result in a material change in the program. The mode of delivery (government advertising) and the target group (young people) remain the same.
- However, a new Budget measure to substitute advertising to include the ill-effects of smoking in school curricula would be a material change. The target group and object of the program remains unchanged, but the delivery mechanism has changed. There will be a need to alter how “Delivery” (and other) information is described in Table 2.X.3.



### 10.7.3 Performance criteria

Entities should enter performance criteria in *Table 2.X.3* for each program associated with each Outcome X.

The Finance Secretary Direction under subsection 36(3) of the PGPA Act requires there is at **least one performance criterion** for each program.

Performance criteria included in *Table 2.X.3* need to indicate how an entity will assess whether a program objective has been achieved, and whether the specific program makes the intended contribution to the overall outcome with which it is associated.

Entities should include the following performance criteria for the following reporting periods:

- **2019-20** (*Last Budget Year*) – actual performance against targets for 2019-20 described in 2019-20 Portfolio Budget Statements
- **2020-21** (*New Budget Year*) – a description of what criteria will be used to assess whether a specific program delivers on its objectives in 2020-21
- **2021-22 and beyond** (*Forward Estimates*) – a description of what criteria will be used to assess whether a specific program delivers on its objectives for each forward estimate (ie 2021-22, 2022-23 and 2023-24).

**Note:** if the performance criteria to be applied during 2020-21 and beyond are the same as 2019-20, entities may wish to describe them “as per 2019-20” to avoid duplicating text.

Performance criteria included in 2020-21 PB Statements should be focused on the impact of programs.

The performance criteria reported in *Table 2.X.3* must make sense within the context of the broader set of performance information in corporate plans, annual performance statements and any other public reporting under legislation or required by government. Information across these documents should form an integrated set that allows readers to understand an entity’s planned and actual performance story, including the links between programs described in PB Statements and their relationship to purposes described in the entity’s corporate plan.

Entities should note advice provided in *RMG 131 – Developing good performance information* and *RMG 131A – Developing performance measures* <https://www.finance.gov.au/publications/resource-management-guides> when developing performance measures.

The Finance Secretary Direction under subsection 36(3) of the PGPA Act requires PB Statements to include targets. Such targets are expected to complement descriptions of performance criteria used to assess a program in 2020-21 and across the forward estimates. Targets are to be included in *Table 2.X.3* following the description of performance criteria for relevant years.

Targets will typically help readers understand the standard to which certain aspects of program delivery will be achieved or the extent to which it is achieved (ie the reach of a government advertising campaign). For example, targets may be benchmarks that identify ideal performance or milestones that indicate progress to longer-term outcomes.

As noted above, targets complement performance criteria.

Because targets are likely to be quantitative (ie number of transactions completed, satisfaction ratings or cost per output) they will tend to provide useful information on how a program is delivered. Judgements on the impact of this delivery should be supported by other information, which will often draw on a mix of quantitative and qualitative sources. For further information, refer to *RMG 131 – Developing good performance information* and *RMG 131A Developing performance measures* <https://www.finance.gov.au/publications/resource-management-guides>.

#### 10.7.4 Presentation of new or modified performance criteria

As discussed, an entity's 2020-21 PB Statements should reflect changes since the 2019-20 Budget that have had a material impact on a program (ie as a result of a new 2020-21 Budget measure or announcement of government initiative).

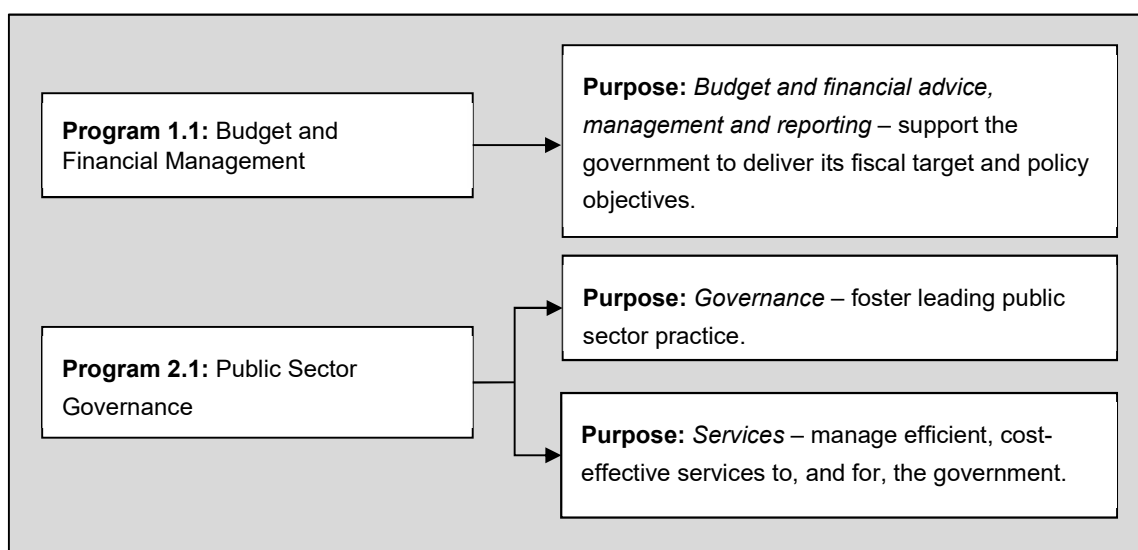
Performance criteria that have been modified or added to reflect such changes should be presented underlined and in *italics* in the Performance Criteria section of *Table 2.X.3* for the relevant program.

Presenting new or modified performance criteria underlined and in *italics* will indicate to readers that the program has materially changed (ie because its objective, delivery mechanism and/or target group has changed) and the way success is assessed has been adjusted appropriately. Where new programs are established in the 2020-21 Budget, all of the performance criteria related to that program need to be shown.

#### 10.7.5 Purposes

*Table 2.X.3* should indicate the relationship between each program and the purposes described in an entity's current corporate plan – prepared in accordance with requirements set out in the Public Governance, Performance and Accountability Rule 2014 (the PGPA Rule).

How a program maps to purposes described in a corporate plan will depend on an entity's specific circumstance. Programs may map to more than one purpose.



If entities revise their purposes, they should include a footnote indicating the purposes have been changed since their 2019-20 corporate plan was published, and the new purposes will be reflected in the 2020-21 corporate plan to be published by 31 August 2020.

For further information on purposes, refer to *RMG 132: Corporate plans for Commonwealth entities* <https://www.finance.gov.au/publications/resource-management-guides>.

Performance information should be presented clearly and consistently (and be reconcilable) between an entity's PB Statements, corporate plan and annual report within a reporting cycle.

A clear read across reporting documents allows performance information in different places—and different levels of granularity—to be combined to provide stakeholders a complete picture of an entity's planned and actual performance.

Entities are reminded that there is an expectation that corporate plans will be updated and published as soon as practical following any material changes that affect their purposes, how these purposes are fulfilled or the operating context in which the entity operates. Such material changes are likely to include any changes noted in PB Statements that create new programs or modify significant existing programs.

## 11. Budgeted financial statements

The budgeted financial statements section of the PB Statements provides readers with financial information about the entity's operations over the budget and three forward years. They also include estimated actual information for the current financial year.

Section 3 also provides a linkage between an entity's forecast resources and its forecast expenditure in achieving its outcomes.

Readers are also able to compare information in the Budgeted financial statements to the financial statements published in an entity's annual report to form a view on the financial performance of the entity.

Entities should, to the extent that it is possible in an estimates context, be consistent in preparing their budgeted financial statements, applying the same accounting assumptions and processes that they used at Budget and expect to use in preparing the financial statements to be included in the 2020-21 Annual Report.

Entities are to refer to, and follow the Public Governance, Performance and Accountability (Financial Reporting) Rule 2015, the *RMG 125 Commonwealth Entities Financial Statements Guide* and the *Primary Reporting and Information Management Aid (PRIMA)* Forms of Financial Statements when preparing their budgeted financial statements. These documents are available at: [www.finance.gov.au/government/financial-reporting-accounting-policy/financial-reporting-commonwealth-entities](http://www.finance.gov.au/government/financial-reporting-accounting-policy/financial-reporting-commonwealth-entities)

**Note:** For administered financial statements, entities should not report an administered appropriation receivable balance. This is consistent with Division 4 of the Financial Reporting Rule available in the link above.

Information in the budgeted financial statements must be sourced from CBMS, with the exception of the Impact of Net Cash Appropriation Arrangements note in Table 3.1 and the certain sections of the Capital Budget Statement (Table 3.5 and 3.10) and Asset Movement Table (Table 3.6 and 3.11).

Where applicable, Appropriation Bills 5 and 6 will be included in the data extracted from CBMS. When the Appropriation Bills 5 & 6 are produced, the financial impacts of these statements are reflected in the PB Statements.

## 11.1 Tables constituting the budgeted financial Statements

The following tables form part of the budgeted financial statements for both Departmental and Administered appropriations.

### Departmental

- Table 3.1: Comprehensive income statement (showing Net Cost of Services) for the period ended 30 June
- Table 3.2: Budgeted departmental balance sheet (as at 30 June)
- Table 3.3: Departmental statement of changes in equity – summary of movement (Budget year 2020-21)
- Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)
- Table 3.5: Departmental capital budget statement (for the period ended 30 June)
- Table 3.6: Statement of asset movements (2020-21)

### Administered (where applicable):

- Table 3.7: Schedule of Budgeted income and expenses administered on behalf of Government (for the period ended 30 June)
- Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)
- Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June)
- Table 3.10: Schedule of administered capital budget statement (for the period ended 30 June)
- Table 3.11: Statement of administered asset movements (2020-21)

## 11.2 AASB 1055 link to budgetary reporting

The accounting standard AASB 1055 Budgetary Reporting requires entities to provide in their annual departmental and administered financial statements a comparison and explanations of major variances between their annual financial statements and the corresponding original budget amounts (from the PB Statements). These explanations will be audited by the ANAO as part of their audit of the annual financial statements. Prior year budget comparatives are not required. Entities may also choose to include revised budget information (from the PAES) as part of their variance explanations, however this is not compulsory.

Note: Entities are reminded of the importance of maintaining internal documentation in order to substantiate the basis of the estimates included in the PB Statements. Appropriate documentation would include CBMS reconciliations, CFO sign-offs and Budget allocation authority. Entities also are reminded that PB Statement numbers must reconcile with those in CBMS.

For further information on the AASB 1055 reporting requirements, please refer to RMG 125: Commonwealth Entities Financial Statements Guide and the PRIMA Forms of Financial Statements. Questions or concerns relating to the application of AASB 1055 to entities'

financial statements can be directed to the Accounting Policy Team ([accountingpolicy@finance.gov.au](mailto:accountingpolicy@finance.gov.au)).

## Sources of information

System generated Section 3 PB Statement tables for the Budgeted Financial Statements can be generated directly from CBMS through:

*Reports → CBMS Reporting → Statutory Reports → PBS → Table 3.1 etc.*

**Note:** The PB Statement reports available from CBMS have not yet been updated to align with the new leasing account codes created. Therefore, entities will be required to manually derive the leasing components. A user guide exists that provides suggested mappings to derive tables this can be obtained from:

*CBMS User Reference Material → 09. Reference Material → CBMS → Annual Estimates → PBS, PAES & PSAES Mappings*

Entities are encouraged to use these reports and become familiar with their use to improve entity processes in checking and completing their PBS tables.

Entities must use the Excel templates in Attachment B to prepare their PBS document for publication.

The following report contains transaction-level and can be used to cross-check / verify data sourced from other reports:

*Reports → CBMS Reporting → Operational Reports → Estimates → Annual Estimates → AE.OR.13 Annual Estimates Detail Listing AEIFRS Report (PBF)*

## 11.3 Departmental comprehensive income statement (showing net cost of services)

The template for the Departmental comprehensive income statement (showing net cost of services) table can be found in the "Table 3.1" tab of the Excel Tables workbook (available from CBMS User Reference Material in CBMS).

This statement depicts the entity's estimated income and expenses in relation to its departmental operations over the financial year.

## Source of information

Information for these tables should also be sourced and cross-checked from the following CBMS operational reports:

*Reports → CBMS Reporting → Operational Reports → Estimates → Annual Estimates → AE.OR.01 Annual Estimates Financial Statements*

**Note:** that all Account Hierarchies should be expanded (by right clicking on one of the Account Hierarchy items and selecting *Hierarchical Navigation → All → Expand all hierarchies*) prior to downloading reports

*Reports → CBMS Reporting → Operational Reports → Estimates → Annual Estimates → AE.OR.02 Annual Estimates and Equity Report*

[Reports → CBMS Reporting → Operational Reports → Estimates → Annual Estimates → AE.OR.06 Capital Budget Statement Report](#)

In preparing the “Note: Impact of Net Cash Appropriation Arrangements”, please refer to the similar note at the bottom of the CBMS Income Statement and also refer to *RMG 125: Commonwealth Entities Financial Statements Guide* from which figures should be shown in the “Depreciation/amortisation expenses previously funded through revenue appropriations” line. RMG 125 is available at <https://www.finance.gov.au/publications/resource-management-guides> (note this is manually derived).

## 11.4 Budgeted departmental balance sheet

The template for the Budgeted departmental balance sheet table can be found in the “Table 3.2” tab of the Excel Tables workbook (available from User Reference Material in CBMS).

**Note:** all references to reports hereunto can be sourced from User Reference Material in CBMS.

This statement depicts the entity’s estimated assets and liabilities in relation to its departmental operations at the end of the financial year.

### Source of information

The following report from CBMS should be used to prepare Table 3.2:

[Reports → CBMS Reporting → Operational Reports → Estimates → Annual Estimates → AE.OR.01 Annual Estimates Financial Statements](#)

Select “Departmental” as the control type and go to “Program View”.

## 11.5 Departmental statement of changes in equity

The template for the Departmental statement of changes in equity table can be found in the “Table 3.3” tab of the Excel Tables workbook.

This statement depicts the forecast movement in the entity’s equity position over the financial year (ie the change in the Government’s ownership interests in the entity).

### Source of information

The following report from CBMS should be used to prepare Table 3.3:

[Reports → CBMS Reporting → Operational Reports → Estimates → Annual Estimates → AE.OR.02 Annual Estimates and Equity Report](#)

Select “2019-20” as the financial year and “Departmental” as the control type.

## 11.6 Budgeted departmental statement of cash flows

The template for the Budgeted departmental statement of cash flows table can be found in the “Table 3.4” tab of the Excel Tables workbook.

This statement depicts the entity’s estimated cash flows over the financial year.

## Source of information

The following report from CBMS should be used to prepare Table 3.4:

[Reports](#) → [CBMS Reporting](#) → [Operational Reports](#) → [Estimates](#) → [Annual Estimates](#)  
→ [AE.OR.01 Annual Estimates Financial Statements](#)

Select “Departmental” as the control type and look up “Program View”.

## 11.7 Departmental capital budget statement

The template for the Departmental capital budget statement table can be found in the “Table 3.5” tab of the Excel Tables workbook.

This statement outlines the entity’s capital appropriations that will be provided through Appropriation Bills (No.1 and 2) and the purpose for which they were provided (either to purchase assets, or for departmental supplementation), compared to their forecast capital expenditure.

## Source of information

The following report from CBMS should be used to prepare Table 3.5:

[Reports](#) → [CBMS Reporting](#) → [Operational Reports](#) → [Estimates](#) → [Annual Estimates](#)  
→ [AE.OR.06 Capital Budget Statement Report](#)

Select “Departmental” as the control type.

Information to be included in the “Reconciliation of cash used to acquire assets to Asset Movement Table” should be sourced from the cash flow statement (Table 3.4) and the entity’s FMIS.

## 11.8 Departmental statement of asset movements

The template for the Departmental statement of asset movements table can be found in the “Table 3.6” tab of the Excel Tables workbook.

This statement outlines the movements in the entity’s asset holdings, such as the acquisition of new or replacement assets, disposals, revaluations or depreciation.

This statement now includes new line-items dealing with AASB 16 Leases (RoU Assets).

## Source of information

The following report from CBMS should be used to prepare Table 3.6:

[Reports](#) → [CBMS Reporting](#) → [Operational Reports](#) → [Estimates](#) → [Annual Estimates](#)  
→ [AE.OR.02 Annual Estimates and Equity Report](#)

Select “2020-21” as the financial year and “Departmental” as the control type.

Information to be included in the “Estimated expenditure on new or replacement assets” should be consistent with information included in an entity’s Departmental Capital Management Plan and information contained in their FMIS.



## 11.9 Administered financial statements (Tables 3.7 to 3.11)

The templates for the Administered financial statements (Tables 3.7 to 3.11) tables can be found in the Excel Tables workbook.

These statements describe the resources managed by the entity on behalf of the Government and the public.

### Source of information

Information for these tables can be sourced by running the same CBMS reports as Table 3.1 to 3.6 (see Sections 10.2 to 10.7 above) but changing the control type to “Administered”.

The “net cash appropriation arrangements” note does not apply to Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government, even though it may appear on the CBMS report.

## 12.Related issues

### 12.1 Machinery of Government changes

Transfers of appropriations under section 75 of the PGPA Act as a result of Administrative Arrangement Order (AAO) changes must be reported in PB Statements and/or PAES.

Where section 75 transfers have not been agreed in time to be reported in the PB Statements, entities should note in their PB Statements that further details of the AAO changes will be reported in the next budget statement (ie PAES).

Affected entities should use explanatory footnotes to provide more detail and context wherever AAO changes apply.

Further information on implementing AAO changes can be found on the Australian Public Service Commission's website [www.apsc.gov.au/publications-and-media/current-publications/machinery-of-government](http://www.apsc.gov.au/publications-and-media/current-publications/machinery-of-government).

#### 12.1.1 Entity resource statement (Table 1.1)

The Entity Resource Statement should explain by way of footnote for each affected entity the resourcing impact of functions that are gained and/or transferred, and from/to which entity it was transferred.

The Third Party payments section should also reflect functions transferred between portfolios. Entities should include a footnote describing the changes and the amounts transferred.

#### Gaining entities

These are entities that gain functions under the new AAOs.

- The "2019-20 Estimated Actual" column should reflect all the resources available to the entity, including resourcing for those functions it has gained
  - Where the AAO changes occur part-way through a financial year, the gaining entity should only show those resources available from the agreed date of effect of the AAO changes onwards
- Entities should include a footnote to *Table 1.1* detailing the effects of the AAO changes.

#### Losing entities

These are entities that lose functions under the new AAOs.

- The "2019-20 Estimated Actual" column should reflect all the resources available to the entity, excluding those functions it has lost
  - Where the AAO changes occur part-way through a financial year, the losing entity should only show those resources available up to the agreed date of effect of the AAO changes
- Entities should include a footnote to *Table 1.1* detailing the effects of the AAO changes.

## 12.1.2 Outcome information

Entities should describe any changes to outcome and program structures as a result of AAO changes to Section 2 of their PB Statements, including information on functions/entities transferred and to/from whom.

- Outcome statements presented must be those approved by the Minister for Finance (or his delegate), and program names/structures must be those approved by Finance and as reported in CBMS.
  - An optional template for showing outcome and program changes is included in the “Table 2 optional” tab of the Excel Tables workbook (available from CBMS User Reference Material in CBMS). Entities may choose to show outcome and program changes in an alternative table or pictorial format – the presentation chosen will depend on the scope of the changes.
- Previous year actuals figures reported in *Table 2.X.1 (Budgeted expenses by Outcome X)* should match expense figures captured in CBMS.
  - Gaining entities are not required to report prior year actual (ie 2018-19) for functions gained in the previous financial year (ie 2019-20) – they should however include a reference to the losing entity’s PAES and/or upcoming annual report for further information
  - Losing entities should show prior year actual (ie 2018-19) for functions lost in the previous financial year (ie 2019-20), or describe where such information can be found, for example, in the entity’s PAES and/or upcoming annual report
  - Further information on reporting AAO changes in financial statements can be found at [www.finance.gov.au/publications/resource-management-guides/commonwealth-entities-financial-statements-guide-rmg-125](http://www.finance.gov.au/publications/resource-management-guides/commonwealth-entities-financial-statements-guide-rmg-125). For enquiries, please contact your AAU in the first instance.

## 12.1.3 Budgeted financial statements

Entities’ financial statements should reflect the financial impact of functions/activities/programs transferred.

- Gaining entities should report the financial impact of the AAO changes from the agreed date of transfer onwards
- Losing entities should report the financial impact of the AAO changes up to the agreed date of transfer.

## 12.1.4 Other important information

### Subsequent AAO changes following the PB Statements

AAO changes can be announced at any time. This can occasionally be after the preparation of the Appropriation Bills has commenced or after the PB Statements have been completed but not yet tabled in Parliament.

If changes are announced so close to the presentation of the Appropriation Bills to Parliament that neither the Bills nor the budget statements can reflect the announced changes, these should be explained in the next budget statements and subsequently in the entity’s annual report.

## Program and outcome changes

Changes to outcomes and programs cannot be reflected in the PB Statements until the requisite approval from Finance and/or the Minister has been received.

For information on changing programs and/or outcomes, please refer to the latest EM on the Outcome Statements and Programs.

The policy and approval process for outcomes and programs changes please refer to section [10.3 Outcome statements](#) above of this guidance for further information on outcome and program changes.

## 13. Working with the templates

### 13.1 Saving the files

Do not open and save the files. Use your email program to save the attachments. For example, using Outlook 2016:

1. Select the email containing the attachments
2. Click File and select Save Attachments.

### 13.2 Excel table specifications

The Excel Tables have been formatted to B5 size. Should you need to reformat any of the tables, please use the following specifications:

Font name	Arial	
Font size	8 pts (colour = Black not automatic)	
Height/width dimensions Portrait tables	Width 13.6 cm (13 cm in a shaded cell) Height 21 cm	
Landscape	Width 21 cm Height 13.6 cm	
Row height Text and numbers in the body of table (8pt font size)	Set row height to 11.25 pts (Table Row Height button on the Treasury ribbon)	
If you need to squeeze a table onto one page, you can reduce the font size in the table to 7.5 pts. <b>Note: fonts cannot be reduced any smaller than 7.5 pts.</b>	Set row height to 10.5 pts	
Table cell alignment Text	Horizontal	Vertical
	Left align	Centre
Numbers (use ROUND function)	Right align	Centre
Braced column headings	Centre	Centre

Borders	Colour = Black, hairline weight (first option in list, not the default) (Apply Table Border button on the Treasury ribbon)
Column width	Be consistent particularly if there are similar tables on the one page
Blank columns and rows Columns To separate columns where braced headings have been used	Set column width to .5 Remove the bottom border for blank columns (see example table 1)
Rows	Set row height to 3 pts (Table Row Height button on the Treasury ribbon)

**Note:** Please use minimal capitalisation. Wrap text if text goes over a column width.

### 13.2.1 Formatting an existing table to budget standards

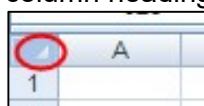
To create an Excel table which fits into a Budget word document's set margins.

#### *Portrait tables*

1. In Excel from "Page Layout" ribbon select Page Layout → Margins → Custom Margins
2. Click on the "Page" tab, select "Portrait orientation"
3. Ensure the Scaling is set to 100% normal size
4. Click on the "Margins tab" and set margins to:
  - Left and right = 3.7cm
  - Top and bottom = 4.3cm
  - Landscape tables
5. In Excel from the "Page Layout" ribbon, select Page Layout → Margins → Custom Margins.
6. Click on the "Page" tab, select "Landscape orientation"
7. Ensure the Scaling is set to 100% normal size
8. Click on the "Margins" tab.
  - Left and right = 4.3cm
  - Top and bottom = 3.7cm

### 13.2.2 Setting font and text alignment

1. Click the select all button in the upper left corner of the worksheet (where the row and column headings meet)

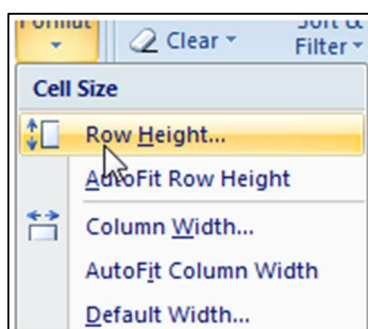


2. From the “Home” ribbon, on the “Font” tab set font to 8 pts Arial
3. Select the “Alignment” tab set the Vertical text alignment to “Centre”



### 13.2.3 Row height

1. Select the rows to be adjusted
2. From the “Home” ribbon, in the “Cells” group select “Format” and then “Row height”



3. Enter 11.25 and then click OK

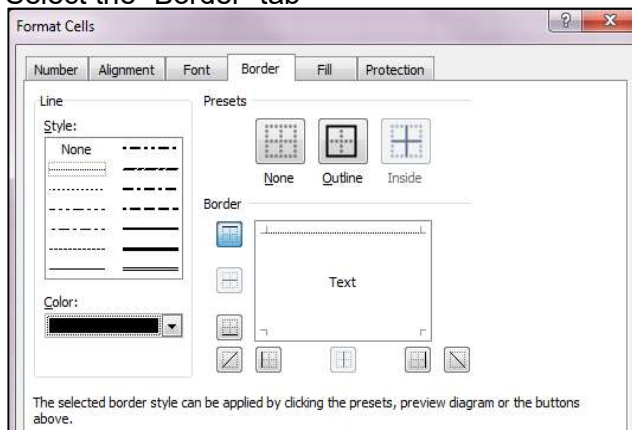
Tip: If a table is difficult to fit onto a Word page the row height can be reduced. In Word check the printed page to ensure that numbers and text are not cut off.

### 13.2.4 Table borders

1. Select the row to contain the ruled line
2. From the “Home” ribbon, select the “Font” tab



### 3. Select the “Border” tab



### 4. Select the first weight (first in list) and Colour = Black

Note: though the line appears to be broken it will appear as solid when linked in Word.

### 5. Click OK.

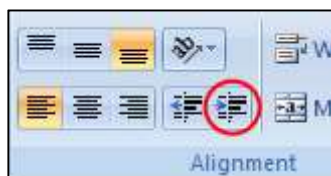
Tip: Only apply borders to the row with the description and values, not the row above or below

## 13.2.5 Shading

1. Select the cells to be shaded
2. Select the “Fill” tab from the “Font” group
3. Select “More colours”
4. Select the “Custom” tab
5. Set as: Red – 235, Green – 235 and Blue – 235.

## 13.2.6 Indenting text

Use the “Right Indent” button to indent text in columns. Do not create a second column to indent text or use spaces to indent text.



## 13.2.7 Inserting linked excel tables into the word template

The standard practice for preparing Budget documentation is to link tables and charts from Excel into Word. There are a number of reasons for this:

- When the Excel tables are updated, the Word template can be easily updated by pressing the F9 key in Word

- Placing a linked object into a document helps to keep the file size smaller. An unlinked object increases the document size
- When you double click on a linked object in Word you cannot open a copy of the Excel workbook (unless you have access to the Excel file).

#### *To insert a linked Excel table into the Word template:*

1. In Excel, format the table to budget standards (see page 59)
2. In Excel, select and copy the table
3. In Word, enter the appropriate heading and apply the Table Heading format to the text
4. In Word, select “Paste Special”, choose “Paste Link – Excel Object” and click “OK”
5. In Word, type in the footnotes and other text
6. In Word lock the links by right clicking the linked table and choosing Linked Worksheet Object → Links and then checking the “Locked” tick box, then click “OK”.

#### *To update linked tables*

1. In Excel, open the source workbook to update the table
2. To update the table, in Word, right click the table and select Linked Worksheet Object → Links. Uncheck the “Locked” tick box, then select update now, then re-check the “Locked” tick box, then click “OK”
3. If you have not locked the tables, press F9 to update the table in the Word document.

## 13.3 Preparing the word template for printing

To prepare the Word template for printing, the links to the Excel template should be broken. To break the links:

1. In Word, click the Office button, then “Prepare” and then “Edit Links to Files”.
2. For each link listed, click “Break Link”.
3. Save the file and if required by your publisher, convert to Adobe PDF format for printing.

## 13.4 Preparing the word template for online publication

In order to prepare the Word template for online publication and to ensure they are web accessible, entities will need to re-paste the Excel tables into the Word document in HTML format:

1. In Excel, select and copy the table
2. In Word, select “Paste Special”, choose “Paste – HTML Format” and click “OK”
3. Save the file. It is now ready for conversion into Adobe PDF or HTML format by your Web Publishing area.



## 13.5 Web accessibility requirements

Entities must ensure web content published on government websites meets the mandatory accessibility standard 'Web Content Accessibility Guidelines Version 2.0'. Details of the standard and associated policy advice can be found online at <https://guides.service.gov.au/content-guide/accessibility-inclusivity/>.

The tables for the PB Statements and PAES have been reformatted to improve accessibility for users with a disability. Changes to improve the accessibility of the tables include:

- Removal of blank cells and rows so text-to-speech reader software can read tables
- Wrapping text so that entire phrases, titles or sentences appear in the one cell, rather than being split over several lines
- Using “soft returns” in cells so headings in the electronic version can be read by text-to-speech reader software but headings are formatted correctly in the printed version and
- More consistent capitalisation so sighted users can differentiate between new cells versus new lines within a cell/row.

### 13.5.1 Guide to making accessible soft copy documents

Entities are responsible for making their documents accessible and it is recommended entities contact their publishing or web teams early to ensure requirements are met.

#### 1. Content structure — use styles:

- Using styles such as heading types, bullet point lists and numbered lists makes it easier for users with disabilities to navigate through a document.
- Use the styles that are available on the Office ribbon under the Home tab or through the Styles window (Alt + Ctrl + Shift + S) (ie Heading 1, Heading 2, Heading 3, Heading 4, Normal etc).



- Use heading styles to apply a logical structure to your document. Headings will allow screen reader users to navigate through the page easily and will make the page more usable for everyone. Use the Outline view to see the hierarchy of styles
  - Do not skip any heading level — this may affect the logical reading order of the document when used by a screen reader
  - Make a page break to move text to the next page to ensure there is no blank space for screen reader audio.
- #### 4. Alternative text:
- Charts and images all need to have alternative text, this text will be read by a screen reader in a Word file and will remain intact when exported to HTML or PDF

- You must always provide an alternative text (ALT Text) description for all non-text objects and should communicate the essential content of the image as efficiently as possible
  - To enter in ALT text right click on the image, select Format Picture/Shape and then select the ALT text tab to enter in the title and description.
5. Use the accessibility checker:
- If you wish to check the accessibility of your document or template (see Technique 1, above), Word 2016 offers an “Accessibility Checker” to review your document against a set of possible issues that users with disabilities may experience in your file:
    - Select File → Info
    - Select ‘Check for Issues’ → ‘Check Accessibility’.
6. Convert Word documents to tagged PDF files
- Microsoft Office 2016 allows you to create tagged PDF files. If you want to verify the accessibility of the PDF or edit the tags that are created, you will still need Acrobat Professional (your web team can help).
    - Select File → Save As
    - Under ‘Save as’ type: select PDF. Before you save the file, select ‘Options’ and ensure that the ‘Document structure tags for accessibility’ option is selected.
7. Making Excel tables accessible
- Because of the complex nature of the Budget tables, it’s difficult to make them accessible using Microsoft Office 2016 features. There are two options to make this content available - entities can either make the data behind the tables available on their website or they can convert the Excel tables to Word.
    - Portfolios may also wish to include a link on their website to <http://www.data.gov.au>, where most PB Statement financial tables will be available in Excel format following tabling of the PB Statements in Parliament.

## 14. Contacts

### 14.1 Department of Finance

In the first instance, entities should contact Finance staff in the relevant AAU with enquiries.

For guidance on the preparation of the PB Statements (including publication on data.gov.au but excluding performance reporting), entities can contact the **Agency Accounting and Budget Framework Team**:

[Budget\\_Framework@finance.gov.au](mailto:Budget_Framework@finance.gov.au)

(emails rated up to Protected)

For guidance on **Performance Information** and annual performance statements (Section 2 of the PAES; excluding *Table 2.x.1* and *2.x.2*), corporate plans and annual reports entities should contact the:

- Accountability and Reporting Branch [PGPA@finance.gov.au](mailto:PGPA@finance.gov.au)

For guidance on the production of the **Appropriation Bills**, the CFO sign-off process and outcome changes, entities should contact:

- The Annual Appropriation Team or email [G&TAnnualAppropriations@finance.gov.au](mailto:G&TAnnualAppropriations@finance.gov.au).

For queries regarding **ASL reporting**, please contact your Agency Advice Unit.

## 14.2 Treasury

Treasury sets formatting standards for PBS templates and uploads PBS links to [www.budget.gov.au](http://www.budget.gov.au). Treasury also coordinates the Budget lock-up at Australian Parliament House and undertakes budget coordination activities at the agency level.

Key Treasury contacts:

- General Budget communications queries  
[budgetcommunications@treasury.gov.au](mailto:budgetcommunications@treasury.gov.au)
- Publishing and formatting  
[budget.publishing@treasury.gov.au](mailto:budget.publishing@treasury.gov.au)
- Web content  
[budget-website@treasury.gov.au](mailto:budget-website@treasury.gov.au)

The Treasury Budget communications team can also be reached via (02) 6263 3788.

## 14.3 CanPrint

CanPrint is the preferred printer for BP and PB Statements. If printing is carried out 'in-house' or with another printer, entities must liaise with Finance to ensure that cover stock, colour and text is consistent with all other portfolio entities.

It is the responsibility of each portfolio departments to arrange the printing and secure freighting of their PB Statements.

Contact details for CanPrint Communications Pty Ltd are:

- Address: Canprint Communications Pty Ltd  
16 Nyrang Street  
Fyshwick, ACT 2609

## 14.4 Senate Table Office

The **Senate Table Office** receives deliveries from entities of PB Statements for the Senate, House of Representatives, Budget lockup and the Parliamentary Library. Their contact details are:

- Address: Room SG 25  
Department of the Senate  
Parliament House  
Canberra, ACT 2600

# 15. Glossary of terms

## Activities

The actions/functions performed by entities to deliver government policies.

## Actual available appropriation

The Actual Available Appropriation indicates the total appropriations available to the entity for 2017-18 as at the 2019-20 Budget. It includes all appropriations made available to the entity in the year (+/- section 75 transfers, Advances to the Minister for Finance, withholdings under section 51 of the *Public Governance, Performance and Accountability Act 2013* and other administrative quarantines made by Finance). It is to be the same as the comparator figure included in the Appropriation Bills, and as such provides a comparison with the appropriation proposed for the budget year.

## Administered item

Administered items are usually those managed by an entity on behalf of the Government. Entities do not have control over these items, which are normally related to activities governed by eligibility rules and conditions established by the legislation (for example, grants, subsidies and benefit payments).

This funding is not at the discretion of the entity and any unspent appropriation is returned to the CRF at the end of the financial year. An administered item is a component of an administered program. It may be a measure but will not constitute a program in its own right.

## Administrative Arrangement Order (AAO)

Administrative Arrangements Orders (AAOs) specify firstly, the subject matters, and secondly, the legislation dealt with by particular government departments.

## Agency advice unit

Advisers within the Budget and Financial Reporting Group, Finance that analyse expenditure trends of entities, agree costings of Policy Proposals, validate entities' program estimates and advise entities on financial and budget matters.

## Appropriation

An amount of public money the Parliament authorises for spending (ie funds to be withdrawn from the CRF). The Parliament makes laws for appropriating money under the Annual Appropriation Acts and under Special Appropriations, with spending restricted to the purposes specified in the Appropriation Acts.

## Appropriations and cash management module

A module of the CBMS from which entities draw down funds from the CRF.

## Australian Government Organisation Register (AGOR)

Provides information on the function, composition, origins and other details of Australian Government bodies. The scope is based on the characteristics used to describe the 12 main types of bodies identified for classification purposes.

The AGOR dataset forms part of the Organisation and Appointments Register (OAR) which supports the front-facing website known as [directory.gov.au](http://directory.gov.au):

[www.directory.gov.au/reports/australian-government-organisations-register](http://www.directory.gov.au/reports/australian-government-organisations-register)

The portfolio departments are responsible for collecting information about the entities and bodies listed. Further information can also be found on Finance's website at:

[www.finance.gov.au/government/managing-commonwealth-resources/structure-australian-government-public-sector/australian-government-organisations-register](http://www.finance.gov.au/government/managing-commonwealth-resources/structure-australian-government-public-sector/australian-government-organisations-register)

## Budget Paper 1 (BP No.1)

Budget Strategy and Outlook. Provides information on the economic and fiscal outlook for the Australian Government, including information on the Government's fiscal strategy.

## Budget Paper 2 (BP No. 2)

Budget Measures. Provides a description of each budget measure (revenue, expense and capital) by Portfolio.

## Budget Paper 3 (BP No.3)

Australia's Federal Relations. Provides information and analysis on Federal funding provided to the States, Territories and local government.

## Budget Paper 4 (BP No.4)

Agency Resourcing. Contains information on resourcing for Australian Government entities (including special appropriations, special accounts and a summary of agency resourcing).

## Central Budget Management System

CBMS is the Australian Government's central budget and financial management information system administered by Finance. It contains the Commonwealth's program list and produces the annual Appropriation Bills.

## Clear read principle

The Commonwealth Resource Management Framework is designed to support an accountable and transparent public sector by providing the opportunity for the Parliament and the public to make judgements on the performance of Commonwealth entities. To assist readers to form a judgment, reporting by entities should provide a clear linkage (a "clear read") between the allocation and use of public resources, and the results being achieved.

Entities should present information clearly and consistently (and ensure it is reconcilable) between/across reporting documents.

## Consolidated revenue fund

The principal operating fund from which money is drawn to pay for the activities of the Government. Section 81 of the Australian Constitution provides all revenue raised or monies received by the Executive Government forms one consolidated revenue fund from which appropriations are made for the purposes of the Australian Government.

## Contractor

A person engaged by an entity, usually on a temporary basis. Treated as an employee of the entity for the purposes of program performance reporting.

## Departmental item

Resources (assets, liabilities, revenues and expenses) that the entity's Accountable Authority controls directly. This includes outsourced activities funded and controlled by the entity. Examples of departmental items include entity running costs, accrued employee entitlements and net appropriations. A departmental item is a component of a departmental program.

## Economic and Fiscal Update July 2020

The Economic and Fiscal Update released on the 23 July 2020 shows the impact of the COVID-19 pandemic on our nation's finances as well as the scale of the support that has been provided to prepare our health system and cushion the blow for millions of households and businesses.

## Entities

For the purposes of this guidance, this means Commonwealth entities and Commonwealth companies as defined under the PGPA Act that are within the General Government Sector; the High Court of Australia; and the Future Fund Board of Guardians.

## Estimated actual expenses

Details of the current year's estimated final figures as included in the Budget documentation. As the Budget is released in May each year, but the financial year does not end until 30 June, the current year numbers that are used for comparison with Budget amounts can only be estimates.

## Expenses not requiring appropriation in the Budget year

Expenses which do not involve a cash flow impact in the Budget year are generally excluded from the calculation of an appropriation. An example of such an event is goods or services received free of charge that are then expensed (ie Australian National Audit Office (ANAO) audit services — the ANAO does not charge for audit services however the expense must be recognised). Similarly, bad debts are recognised as an expense but are not recognised for the purpose of calculating appropriation amounts to be sought from Parliament.

## Financial management information system

A system that holds the financial information of an entity.

## Forward estimates period

The three years following the budget year. For example, if 2020-21 is the budget year, 2021-22 is forward year 1, 2022-23 is forward year 2 and 2023-24 is forward year 3. This period does not include the (2019-20) or the budget year (2020-21).

## General government sector

A Government Finance Statistics' classification of all entities that are controlled and largely funded by the Australian Government. The GGS provides public services that are mainly non-market in nature and for the collective consumption of the community or involve the transfer or redistribution of income. These services are largely financed through taxes and other compulsory levies, user charging and external funding. This sector comprises all government departments, offices and some other bodies.

## Government finance statistics

A reporting framework that is a specialised statistical system designed to support economic analysis of the public sector. It allows for comprehensive assessments of the economic impact of government and is consistent with international statistical standards of the International Monetary Fund and the System of National Accounts.

## Intended result

Intended result is a key part of an outcome statement and describes the goal or objective of an entity. The intended result is typically distilled from the Government's economic, social, health or environmental policy goals.

## Materiality

Reflects the importance of government financial or other information that if omitted, misstated or not disclosed has the potential to adversely affect decisions about the allocation of resources made by users of the financial report, or the discharge of accountability by the management or governing body of an entity.

## Measure

A new policy or savings decision of the government with financial impacts on the government's underlying cash balance; fiscal balance; operating balance; headline cash balance; net debt or net worth. Such proposals are normally made in the context of the annual Budget, and are typically published in BP No. 2, in the MYEFO and the Pre-election Economic and Fiscal Outlook (PEFO).

## Mid-year economic and fiscal outlook

The MYEFO provides an update of the government's budget estimates by examining expenses and revenues in the year to date, as well as provisions for new decisions that have been taken since the Budget. The report provides updated information to allow the



assessment of the government's fiscal performance against the fiscal strategy set out in its current fiscal strategy statement.

## Official public account

The Official Public Account (OPA) is the Australian Government's central bank account held within the Reserve Bank of Australia. The OPA reflects the operations of the Consolidated Revenue Fund.

## Operating expenditure (of heritage and cultural assets)

The following is a list of expenditure items that Collection Institutions might include in the "Operating expenditure for heritage and cultural assets" section of *Table 3.6* and *Table 3.11*:

1. supply of goods and services, for example, outsourced repairs to artwork or insurance costs
2. direct labour on-costs, for example, the salaries and associated costs of staff researching and restoring items, lease of storage facilities
3. associated utility costs (electricity, water, gas)
4. cataloguing costs
5. containers and packaging and transportation
6. cleaning of collections and storage facilities
7. substitution costs (preparation of copies/surrogates of art work for public display).

The costs above do not include full absorption costing such as an allocation for corporate administration costs or costs that are eligible to be capitalised.

Depreciation is not operating expenditure for the purposes of this definition.

## Outcome

An outcome is the intended result, consequence or impact of Government actions on the Australian community.

## Outcome statement

An outcome statement articulates the intended results, activities and target group of an Australian Government entity. An outcome statement serves three main purposes within the financial framework:

- to explain and control the purposes for which annual appropriations are approved by the Parliament for use by entities
- to provide a basis for annual budgeting, including (financial) reporting against the use of appropriated funds
- to measure and assess entity and program non-financial performance in contributing to Government policy objectives.

## PB Statements

Are the Portfolio Budget Statements and also commonly referred to as either the PB Statements or as the PBS Statements.

Refer to section 3. *Purpose* within this guide for an explanation to purpose of the statements.

## PGPA Act Flipchart and List

The Flipchart is a reference of all non-corporate and corporate Commonwealth entities and companies. Commonwealth entities and companies are government bodies that are subject to the PGPA Act.

Commonwealth entities and companies on the Flipchart are organised by their portfolio.

The PGPA Act Flipchart is located at:

[www.finance.gov.au/government/managing-commonwealth-resources/structure-australian-government-public-sector/pgpa-act-flipchart-list](http://www.finance.gov.au/government/managing-commonwealth-resources/structure-australian-government-public-sector/pgpa-act-flipchart-list)

## Portfolio Additional Estimates Statements

The PAES provide an update to Parliament on updated entity expenditure estimates for the current budget year and reflect changes since the Budget. The PAES should be considered a supplement to the Portfolio Budget Statements (PB Statements) explaining subsequent changes to Budget estimates as they appear in the Additional Estimates Appropriation Bills No. 3 and 4.

## Portfolio budget statements

Budget related paper detailing budget initiatives and explanations of appropriations specified by outcome and program by each entity within a Portfolio.

Refer to section [3 Purpose](#) above for an explanation to the statement's purpose.

## Pre-Election Fiscal Outlook

The PEFO provides an update, to the fullest extent possible, on all Government decisions and all other circumstances that may have a material effect on the economic, fiscal outlook before the issue of the writs for the election.

## Primary Reporting and Information Management Aid

The Primary Reporting and Information Management Aid (PRIMA) model demonstrates the most common disclosures and presentation affecting entities. There are two separate sets of PRIMA forms to demonstrate tiered reporting requirements (Tier 1, full disclosure; or Tier 2, Reduced Disclosure Requirements).

The key principle of PRIMA is to include disclosures that are required by most Australian Accounting Standards or the Financial Reporting Rule.

## Program

Activity that delivers benefits, services or transfer payments to individuals, industry and/or the community as a whole, with the aim of achieving the intended result specified in an outcome statement.

## Program support

The entity's running costs allocated to a program. This is funded through an entity's departmental appropriations.

## Public Budget Formulation

Public Budget Formulation (module of CBMS), is used to record an entity's annual estimates. The module is also used to generate the Appropriation Bills.

## *Public Governance, Performance and Accountability Act 2013*

The PGPA Act establishes a coherent system of governance and accountability for public resources, with an emphasis on planning, performance and reporting.

The PGPA Act applies to all Commonwealth entities and Commonwealth companies.

The official version of the PGPA Act is available from [www.legislation.gov.au](http://www.legislation.gov.au)

## Purpose

The purposes of a Commonwealth entity include the objectives, functions or role of the entity. For further information see *RMG 132 – Corporate plans for Commonwealth entities* (<https://www.finance.gov.au/publications/resource-management-guides>).

## Right-of-Use Asset

AASB 16 *Leases* (the Standard), removes the distinction between operating and finance leases for lessees and requires the recognition of an RoU asset and lease liability on the balance sheet for most leasing arrangements. The Standard comes into effect for the 2019-20 financial reporting period. From 1 July 2019, all Commonwealth entities and companies are required to report on their RoU assets and associated lease liabilities in their financial statements.

## Senate estimates hearings

Senate Standing Committees hold hearings to scrutinise the Appropriation Bills and any explanatory documentation tabled to accompany them. Public servants may be called to attend hearings as witnesses.

## Specific purpose payments

Commonwealth payments to the States for specific purposes in order to pursue important national policy objectives in areas that may be administered by the States.

## Sub-function

Government Finance Statistics classification of government expenses.

## System of national accounts

The 2008 System of National Accounts (2008 SNA) is a comprehensive, consistent and flexible set of macroeconomic accounts to meet the needs of government and private-sector analysts, policy-makers, and decisions-takers. It was prepared jointly by the International Monetary Fund, the European Union, the Organization for Economic Co-operation and Development, the United Nations, and the World Bank.

## Target group

A specific group being targeted for assistance by government policy.

## Third party payments

Payments made on behalf of another entity, or by other entities on behalf of the agency. For example, payments made in relation to Special Appropriations.

## Transfer

Cash paid to recipients of the applicable program. This includes welfare payments and tax rebates.