



Budget

2021–22

Portfolio Budget Statements 2021–22 **Budget Related Paper No. 1.5**

Finance Portfolio

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

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SENATOR THE HON SIMON BIRMINGHAM

**Minister for Finance
Leader of the Government in the Senate
Senator for South Australia**

Senator the Hon Scott Ryan
President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

The Hon Tony Smith MP
Speaker of the House of Representatives
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr President and Mr Speaker

I hereby submit Portfolio Budget Statements in support of the 2021-22 Budget for the Finance portfolio.

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

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

Yours sincerely

Simon Birmingham

May 2021

Abbreviations and conventions

The following notation may be used:

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nfp	not for publication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

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

Enquiries

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

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

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**User Guide
to the
Portfolio Budget Statements**

User guide

The purpose of the 2021-22 *Portfolio Budget Statements* (PB Statements) is to inform Senators and Members of Parliament of the proposed allocation of resources to government outcomes by entities within the portfolio. Entities receive resources from the annual appropriations acts, special appropriations (including standing appropriations and special accounts), and revenue from other sources.

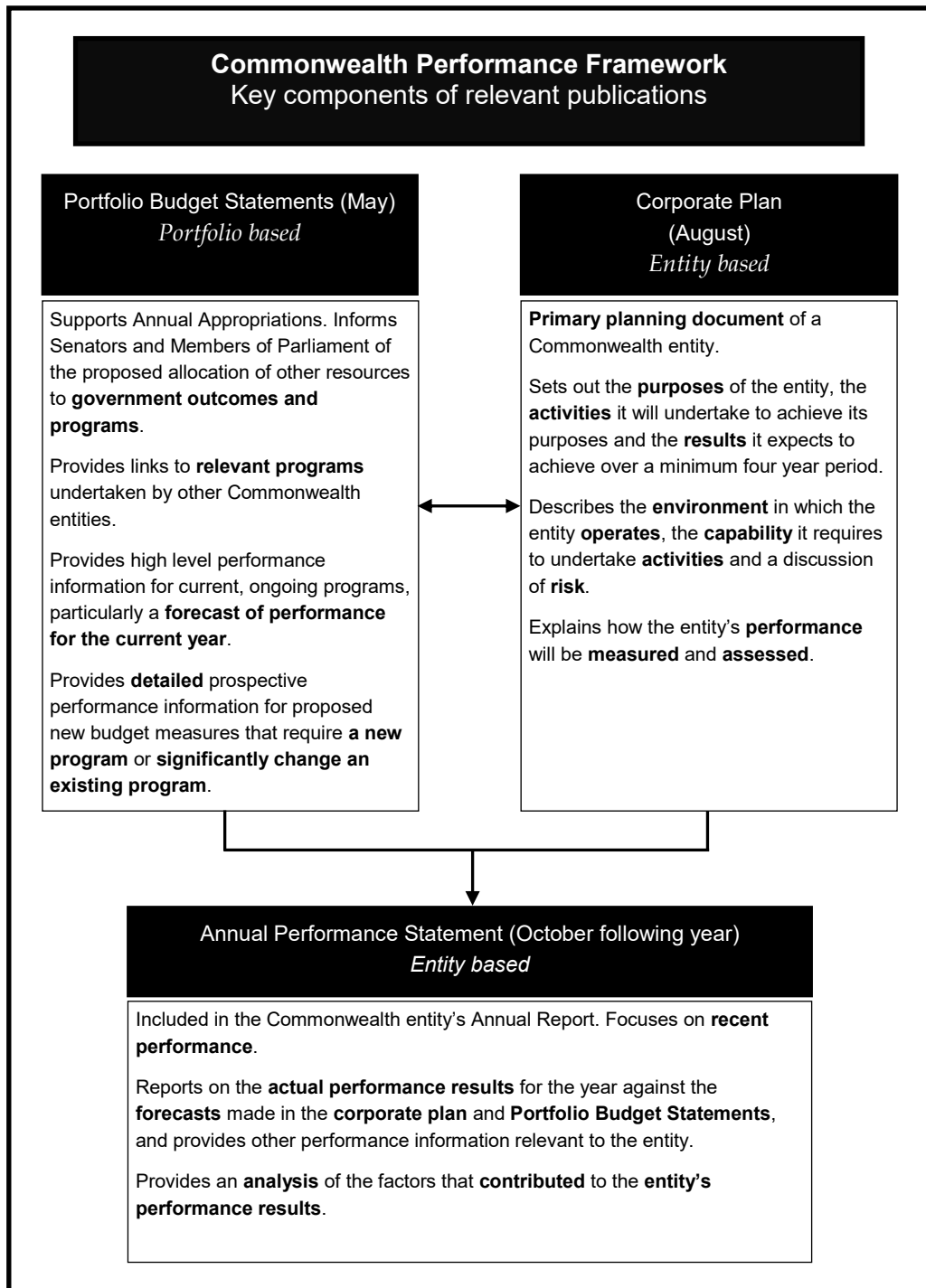
A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills (No. 1 and No. 2) 2021-22 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2021-22 for the parliamentary departments). In this sense, the PB Statements are Budget related papers and are declared by the Appropriation Acts to be 'relevant documents' to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

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

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

The Commonwealth Performance Framework

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



Portfolio Overview

Finance portfolio overview

Minister(s) and portfolio responsibilities

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

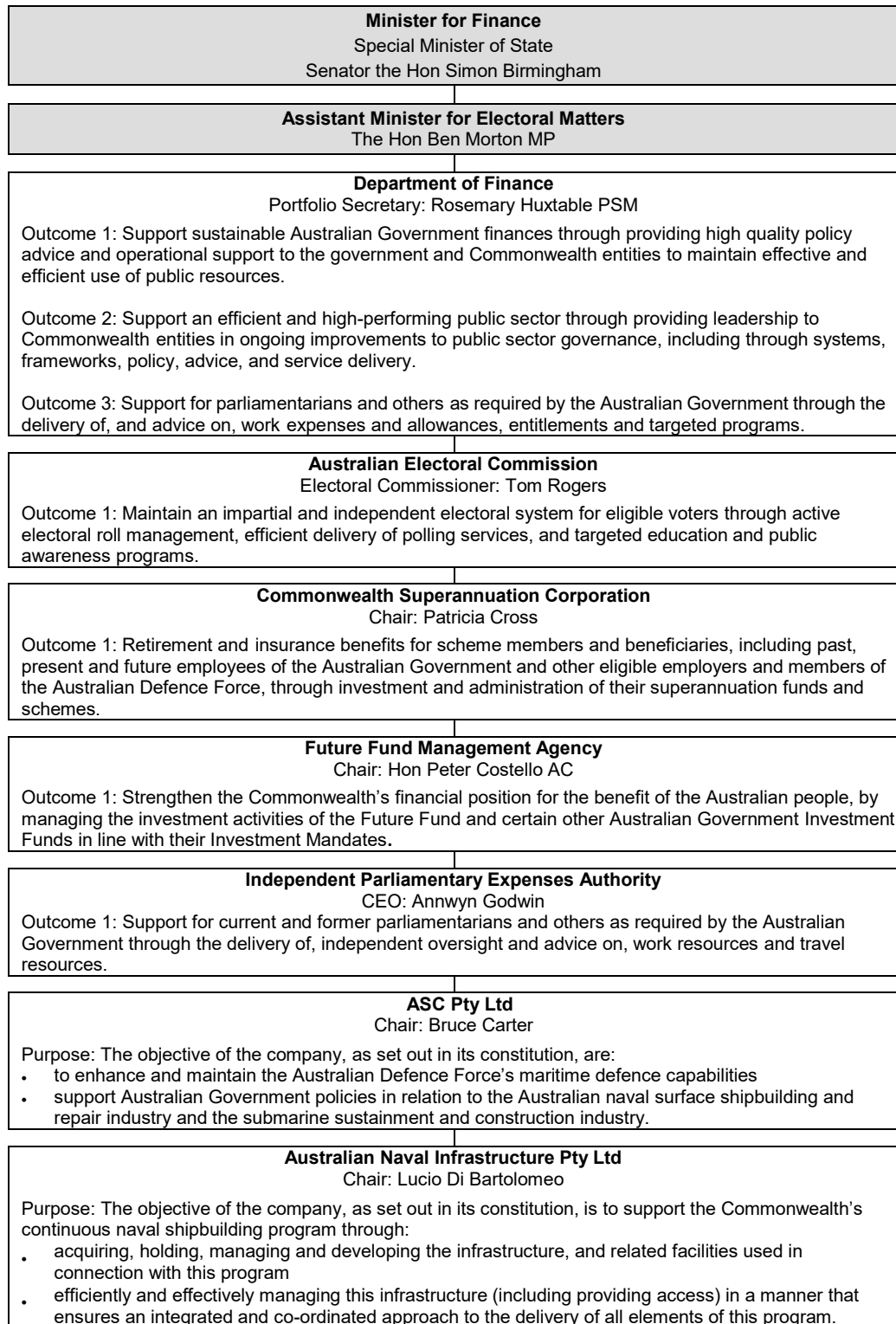
- Budget policy advice and process, and review of government programs.
- Government financial accountability, governance and financial management frameworks, including grants and procurement policy and services.
- Shareholder advice on Government Business Enterprises (GBEs) and commercial entities treated as GBEs.
- The Lands Acquisition Act review and reforms.
- Policy for, and management of, act of grace requests and waiver of debts owed to the Commonwealth.
- Policy for Comcover, the government's self-managed insurance fund, and risk policy.
- General policy guidelines for Commonwealth statutory authorities.
- Superannuation arrangements for Australian Government civilian employees and parliamentarians, and retirement benefits for Governors-General, Federal Judges and Federal Court Judges.
- Asset sales.
- Policy advice on the Future Fund and Australian Government Investment Funds, and authorisation of payments from Australian Government Investment Funds to entities.
- *Parliamentary Business Resources Act 2017* expenses framework.
- *Members of Parliament (Staff) Act 1984* employment framework (shared with the Prime Minister).

The Assistant Minister for Electoral Matters assists the Finance Minister in performing functions in relation to:

- Electoral policy.
- Electoral matters (supported by the Australian Electoral Commission (AEC)).
- Government campaign advertising.
- Whole-of-Australian-Government (WoAG) property policy and administration, including non-Defence owned property (but excluding Lands Acquisition Act reform).
- Administration and operational matters for Comcover, the government's self-managed insurance fund.

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

Figure 1: Finance portfolio structure and outcomes



Entity resources and planned performance

Department of Finance

Entity resources and planned performance

Department of Finance

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Department of Finance

Section 1: Entity overview and resources

1.1 Strategic direction statement

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

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

To achieve Outcome 1, Finance:

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

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

To achieve Outcome 2, Finance:

- contributes to, and fosters, leading practice in public sector governance and accountability, encompassing the public resource management framework, procurement and grants policies and the oversight of GBEs and other commercial entities;
- develops and administers key government policies in relation to Commonwealth land, public works and property management and advertising to ensure leading practice and ongoing improvement in the public sector management of government resources;
- delivers professional services in respect of the government's non-Defence property portfolio within Australia (including major capital works projects), risk management and insurance arrangements (Comcover), WoAG purchasing arrangements (such as travel, office equipment, stationery) to ensure the efficient and effective management of government resources and certain corporate functions delivered by the Service Delivery Office (SDO); and

Finance Budget Statements

- advises on the Government's Investment Funds and administers superannuation arrangements for the Government's civilian employees, politicians and judges to support the efficient and effective management of government resources.

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

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

1.2 Entity resource statement

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

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for Finance's operations) classification.

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

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

Table 1.1: Department of Finance resource statement — Budget estimates for 2021-22 as at Budget May 2021

	2020-21 Estimated actual \$'000	2021-22 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	52,586	56,039
Departmental appropriation (c)	709,837	263,238
s74 External Revenue (d)	30,683	33,783
Departmental capital budget (e)	6,445	6,413
Annual appropriations - other services - non-operating (f)		
Prior year appropriations available (b)	30,545	11,475
Equity injection	2,183	2,283
Total departmental annual appropriations	832,279	373,231
Special accounts (g)		
Opening balance	929,550	1,310,152
Appropriation receipts (h)	496,776	82,529
Non-appropriation receipts	306,189	329,949
Total special accounts	1,732,515	1,722,630
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	<i>(496,776)</i>	<i>(82,529)</i>
Total departmental resourcing	2,068,018	2,013,332
Administered		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	18,176	26,116
Outcome 1	-	-
Outcome 2	11,372	11,527
Outcome 3	289,034	335,126
Administered capital budget (i)	5,223	5,279
Annual appropriations - other services - non-operating (f)		
Prior year appropriations available (b)	88,484	87,863
Administered assets and liabilities	348,873	58,117
Total administered annual appropriations	761,162	524,028
Total administered special appropriations	7,977,801	8,487,397

Table continues on next page

Table 1.1: Department of Finance resource statement — Budget estimates for 2021-22 as at Budget May 2021 (continued)

	2020-21 <i>Estimated actual</i> \$'000	2021-22 Estimate \$'000
Special accounts (g)		
Opening balance	-	354,363
Appropriation receipts (h)	7,924,551	4,965,000
Non-appropriation receipts	46,253,510	48,021,839
Total special account receipts	54,178,061	53,341,202
<i>less administered appropriations drawn from annual/special appropriations and credited to special accounts</i>	<i>(7,924,551)</i>	<i>(4,965,000)</i>
Total administered resourcing	54,992,473	57,387,627
Total resourcing for Department of Finance	57,060,491	59,400,959
	2020-21	2021-22
Average staffing level (number)	1,262	1,263

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

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

- (a) Appropriation Bill (No. 1) 2021-22.
- (b) Represents estimated unspent appropriations available from 2019-20.
- (c) Excludes departmental capital budget (DCB).
- (d) Estimated retained revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).
- (e) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (f) Appropriation Bill (No. 2) 2021-22.
- (g) For further information on special appropriations and special accounts, please refer to *Budget Paper No.4 - Agency Resourcing*. Please also refer to Table 2.1.1, 2.2.1 and 2.3.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.
- (h) Amounts credited to the special account(s) from Finance's annual and special appropriations.
- (i) Administered capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.10 for further details. For accounting purposes, this amount is designated as a 'contribution by owner'.

Table 1.1: Department of Finance resource statement — Budget estimates for 2021-22 as at Budget May 2021 (continued)

Third party payments from and on behalf of other entities

	2020-21 Estimated actual \$'000	2021-22 Estimate \$'000
Payments made on behalf of another entity (as disclosed in the respective entity's resource statement)		
Attorney-General's Department		
<i>Law Officers Act 1964</i>	310	310
Payments made by other entities on behalf of Department of Finance (disclosed above)		
Attorney-General's Department		
<i>Parliamentary Business Resources Act 2017</i>	1,300	1,300
Commonwealth Superannuation Corporation		
<i>Governance of Australian Government Superannuation Schemes Act 2011</i>	2,075	1,225
<i>Same-Sex Relationships (Equal Treatment in Commonwealth Laws - General Law Reform) Act 2008</i>	69	65
<i>Superannuation Act 1922</i>	58,057	49,896
<i>Superannuation Act 1976</i>	4,716,547	4,901,273
<i>Superannuation Act 1990</i>	2,846,738	3,174,307
<i>Appropriation Act (No.1) (a)</i>	500	500
<i>Appropriation Act (No.1) (b)</i>	1,138	1,350
<i>Appropriation Act (No.2) (b)</i>	733	536
Department of the House of Representatives		
<i>Australian Constitution s 66</i>	4,064	4,064
<i>Parliamentary Business Resources Act 2017</i>	43,534	44,269
<i>Parliamentary Superannuation Act 2004</i>	5,397	5,692
Department of Parliamentary Services		
<i>Parliamentary Business Resources Act 2017</i>	20,342	20,342
Department of the Senate		
<i>Australian Constitution s 66</i>	1,553	1,308
<i>Parliamentary Business Resources Act 2017</i>	21,608	21,972
<i>Parliamentary Superannuation Act 2004</i>	2,760	2,804
Fair Work Commission		
<i>Judges' Pensions Act 1968</i>	7,500	7,500

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

(a) Compensation and legal payments.

(b) Act of grace payments.

1.3 Budget measures

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

Table 1.2: Department of Finance 2021-22 Budget measures
Measures announced since the 2020-21 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000
Payment measures					
Aged Care — Government response to the Royal Commission into Aged Care Quality and Safety — residential aged care services and sustainability (a)	2.1				
Departmental payment		-	100	-	-
Australian Security Intelligence Organisation — additional funding (b)	2.1				
Departmental payment		100	100	100	100
Building Australia's Resilience (c)	2.1				
Departmental payment		135	135	135	135
Commonwealth Parliamentary Offices (d)	3.1				
Administered payment		5,985	4,979	1,501	1,402
Commonwealth's Deregulation Agenda (e)	2.5				
Departmental payment		2,027	1,892	-	-
COVID-19 Response Package — supporting Australians overseas (f)	2.1				
Departmental payment		77	-	-	-
Digital Economy Strategy (g)	2.1				
Departmental payment		235	235	-	-
GovERP — Common Corporate Australian Public Service System (h)	2.1, 2.6				
Departmental payment		nfp	nfp	-	-
Murray-Darling Basin — managing water resources (i)	2.1				
Departmental payment		100	100	100	100
Office of Supply Chain Resilience and Public Sector Capability (j)	2.1				
Departmental payment		5,000	2,000	2,000	2,000
Parliamentary Staff and Parliamentarians — Independent Review into Commonwealth Parliamentary Workplaces and additional support measures (k)	3.1				
Administered payment		nfp	-	-	-
Rum Jungle Rehabilitation Project (l)	2.1				
Departmental payment		nfp	nfp	nfp	nfp
Total		13,659	9,541	3,836	3,737

Table continues on next page

**Table 1.2: Department of Finance 2021-22 Budget measures
Measures announced since the 2020-21 Mid-Year Economic and Fiscal Outlook
(MYEFO) (continued)**

Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000
Total payment measures				
Administered	5,985	4,979	1,501	1,402
Departmental	7,674	4,562	2,335	2,335
Total	13,659	9,541	3,836	3,737

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

- (a) The lead entity for measure titled *Aged Care — Government response to the Royal Commission into Aged Care Quality and Safety — residential aged care services and sustainability* is the Department of Health. The full measure description and package details appear in Budget Paper No. 2 under the Health portfolio.
- (b) The lead entity for measure titled *Australian Security Intelligence Organisation — additional funding* is the Department of Home Affairs. The full measure description and package details appear in Budget Paper No. 2 under the Home Affairs portfolio.
- (c) The measure titled *Building Australia's Resilience* is a cross portfolio measure. The full measure description and package details appear in Budget Paper No. 2 under Cross Portfolio..
- (d) The lead entity for measure titled *Commonwealth Parliamentary Offices* is the Department of Finance. The full measure description and package details appear in Budget Paper No. 2 under the Finance portfolio.
- (e) The measure titled *Commonwealth's Deregulation Agenda* is a cross portfolio measure. The full measure description and package details appear in Budget Paper No. 2 under Cross Portfolio.
- (f) The lead entity for measure titled *COVID-19 Response Package — supporting Australians overseas* is the Department of Foreign Affairs and Trade. The full measure description and package details appear in Budget Paper No. 2 under the Foreign Affairs and Trade portfolio.
- (g) The measure titled *Digital Economy Strategy* is a cross portfolio measure. The full measure description and package details appear in Budget Paper No. 2 under Cross Portfolio.
- (h) The measure titled *GovERP — Common Corporate Australian Public Service System* is a cross portfolio measure. The full measure description and package details appear in Budget Paper No. 2 under Cross Portfolio. The financials are not for publication due to commercial sensitivities.
- (i) The lead entity for measure titled *Murray-Darling Basin — managing water resources* is the Murray-Darling Basin Authority. The full measure description and package details appear in Budget Paper No. 2 under the Agriculture, Water and the Environment portfolio.
- (j) The lead entity for measure titled *Office of Supply Chain Resilience and Public Sector Capability* is the Department of the Prime Minister and Cabinet. The full measure description and package details appear in Budget Paper No. 2 under the Prime Minister and Cabinet portfolio.
- (k) The measure titled *Parliamentary Staff and Parliamentarians — Independent Review into Commonwealth Parliamentary Workplaces and additional support measures* is a cross portfolio measure. The full measure description and package details appear in Budget Paper No. 2 under Cross Portfolio. The financials are not for publication due to commercial sensitivities.
- (l) The lead entity for measure titled *Rum Jungle Rehabilitation Project* is the Department of Industry, Science, Energy and Resources. The full measure description and package details appear in Budget Paper No. 2 under the Industry, Science, Energy and Resources portfolio. The financials are not for publication due to commercial sensitivities.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the PB Statements are part of the Commonwealth performance framework established by the PGPA Act. It is anticipated that the performance measures described in PB Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports - to provide a complete picture of an entity's planned and actual performance.

The most recent corporate plan for Finance can be found at:
<https://www.finance.gov.au/publications/corporate-plan/corporate-plan-2020-21>.

The most recent annual performance statement can be found at:
<https://www.finance.gov.au/publications/annual-report/annual-report-2019-20>
and
<https://www.transparency.gov.au/annual-reports/department-finance/reporting-year/2019-20>.

2.1 Budgeted expenses and performance for Outcome 1

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

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Program 1.1: Budget and Financial Management					
Departmental expenses					
Departmental appropriation (a)					
Budget Advice	65,794	66,748	67,835	66,992	68,353
Financial Reporting	30,098	31,372	31,862	31,797	32,228
Expenses not requiring appropriation in the Budget year (b)	24,837	24,928	24,812	24,805	24,805
Departmental total	120,729	123,048	124,509	123,594	125,386
Total expenses for Program 1.1	120,729	123,048	124,509	123,594	125,386
Outcome 1 Totals by appropriation type					
Departmental expenses					
Departmental appropriation (a)	95,892	98,120	99,697	98,789	100,581
Expenses not requiring appropriation in the Budget year (b)	24,837	24,928	24,812	24,805	24,805
Departmental total	120,729	123,048	124,509	123,594	125,386
Total expenses for Outcome 1	120,729	123,048	124,509	123,594	125,386
	2020-21	2021-22			
Average staffing level (number)	469	469			

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

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

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

Table 2.1.2: Performance measures for Outcome 1

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

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

Table continues on next page

Table 2.1.2: Performance measures for Outcome 1 (continued)

Performance information: Program 1.1 – Budget and Finance Management		
Year	Performance measure (a)	Actual Achievement/Targets
2020-21	Budget updates and Appropriation Bills Budget papers, related updates (e.g. the MYEFO) and Appropriation Bills are accurate, consistent with external reporting standards, delivered within required timeframes and meets the Government's fiscal and policy objectives and legislative obligations.	On Track <u>Budget and related papers meet timeframes</u> The 2019-20 FBO was released on 25 September 2020. The 2020-21 Budget was delivered on 6 October 2020. The 2020-21 MYEFO was released on 17 December 2020. The 2021-22 Budget was released on 11 May 2021. <u>Accuracy of Budget Estimates</u> Through each economic update, Budget and Financial Reporting Group works with entities to ensure expense estimates take into account the best available information at the time of the update. Other activities such as the scrutiny and agreement of costs for expense, capital and non-taxation revenue policy proposals and the Material Estimates Variations process further support the accuracy of expense estimates. <u>Timeliness of Appropriation Bills</u> The 2020-21 Budget Appropriation Bills were introduced in the House of Representatives on 6 October 2020, in line with the timing of the 2020-21 Budget. Additional Estimates Bills for 2020-21 were introduced during the February 2021 sittings of Parliament.
	Financial statements The Government's financial statements, including monthly statements, are complete, fairly presented and released publicly on timeframes agreed with the Government.	On Track The 2020-21 monthly financial statements have been provided to the Minister for Finance on average within 21 days of the end of each month since the release of FBO. The Auditor-General issued an unmodified audit report on the 2019-20 Consolidated Financial Statements on 24 November 2020.
	Daily disbursement of cash Commonwealth entities have access to cash, in near real-time, as required.	On Track All payment requests from entities have been met for each day for each request being approved/processed by the entity. Entities no longer have to process their payment requests before 2pm on business days and can now process these requests any time between 8.45am and 4.45pm on any day.

Table continues on next page

Table 2.1.2: Performance measures for Outcome 1 (continued)

Performance information: Program 1.1 – Budget and Finance Management		
Year	Performance measure	Actual Achievement/Targets
2021- 22	Budget updates and Appropriation Bills Budget papers, related updates (e.g. the MYEFO) and Appropriation Bills are accurate, consistent with external reporting standards, delivered within required timeframes and meets the Government's fiscal and policy objectives and legislative obligations.	Accuracy of Budget Estimates. Variances between estimated expenses and final outcome are within set parameters. <ul style="list-style-type: none"> • First forward year – difference between estimated expenses and FBO <2%. • Budget year – difference between Budget estimated expenses and FBO <1.5%. • Current year – difference between the revised current year estimates at MYEFO and FBO <1%. • Current year – difference between the current year estimates at budget time and Final Budget Outcome <0.5%. Significant variances between estimated expenses and final outcome are explained. Timeliness of Budget Estimate Updates and Appropriation Bills. <ul style="list-style-type: none"> • Budget papers and related updates meet timeframes set out in the <i>Charter of Budget Honesty Act 1998</i>. • Appropriation Bills introduced at times intended by government. Timeliness of Budget Estimate Updates and Appropriation Bills.
	Financial statements The Government's financial statements, including monthly statements, are complete, fairly presented and released publicly on timeframes agreed with the Government.	Complete and fairly presented Financial Statements. <ul style="list-style-type: none"> • The Auditor-General issues an unmodified audit report on consolidated financial statements. Timeliness of Financial Statements. <ul style="list-style-type: none"> • Monthly statements (prepared within 21 days of the end of month, on average, following release of FBO). • Consolidated financial statements (provided to the Auditor-General by 30 November each year).
	Daily disbursement of cash Commonwealth entities have access to cash, in near real-time, as required.	Cash needs of all entities are met in near real-time, each and every day (including outside business hours), for each financial year.
2022-23 and beyond	As per 2021-22.	As per 2021-22.
Purpose	To assist the Australian Government to achieve its fiscal and policy objectives by advising on expenditure, managing sustainable public sector resourcing, driving public sector transformation and delivering efficient, cost-effective services to, and for, government.	

(a) The complete suite of performance measures are detailed in Finance's Corporate Plan 2020-21 and are reported in the Annual Performance Statements.

2.2 Budgeted expenses and performance for Outcome 2

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

Linked programs

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

Budgeted expenses for Outcome 2

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

Table 2.2.1: Budgeted expenses for Outcome 2

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Program 2.1: Public Sector Governance					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)					
Grant in Aid - Australian Institute of Policy and Science	39	39	40	41	42
Grant in Aid - Chifley Research Centre	240	251	254	258	264
Grant in Aid - Green Institute	92	93	95	96	98
Grant in Aid - Menzies Research Centre	245	249	253	258	263
Grant in Aid - Page Research Centre	118	120	122	124	127
Grant in Aid - Royal Humane Society of Australasia	28	29	29	30	30
Grant in Aid - RSPCA Australia Inc	39	39	40	41	42
Administered total	801	820	833	848	866
Departmental expenses					
Departmental appropriation (a)					
Financial Framework	22,710	31,222	27,043	24,020	23,620
Government Shareholder Oversight	23,525	19,041	16,703	16,511	16,767
Special Financial Claims	3,180	2,935	2,857	2,823	2,877
Expenses not requiring appropriation in the Budget year (b)	1,708	1,701	1,588	1,588	1,588
Departmental total	51,123	54,899	48,191	44,942	44,852
Total expenses for Program 2.1	51,924	55,719	49,024	45,790	45,718

Table continues on next page

Table 2.2.1: Budgeted expenses for Outcome 2 (continued)

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
Program 2.2: Transforming Government					
Departmental expenses					
Departmental appropriation (a)					
Transforming the Public Sector	45,048	15,611	16,296	16,187	16,407
Expenses not requiring appropriation in the Budget year (b)	350	352	354	354	354
Departmental total	45,398	15,963	16,650	16,541	16,761
Total expenses for Program 2.2	45,398	15,963	16,650	16,541	16,761
Program 2.3: Property and Construction					
Departmental expenses					
Special accounts					
Property Special Account	126,730	83,855	85,836	108,554	117,669
Departmental total	126,730	83,855	85,836	108,554	117,669
Total expenses for Program 2.3	126,730	83,855	85,836	108,554	117,669
Program 2.4: Insurance and Risk Management					
Departmental expenses					
Special accounts					
Comcover Special Account	642,025	166,818	170,563	175,305	180,169
Departmental total	642,025	166,818	170,563	175,305	180,169
Total expenses for Program 2.4	642,025	166,818	170,563	175,305	180,169
Program 2.5: Technology and Procurement					
Departmental expenses					
Departmental appropriation (a)					
Technology Transformation	16,127	16,511	16,799	16,667	16,855
Procurement Framework	9,479	10,886	11,141	11,031	11,205
Special accounts					
Coordinated Procurement Contracting Special Account	27,028	29,096	27,774	29,393	29,240
Expenses not requiring appropriation in the Budget year (b)	3,022	3,096	3,070	3,070	3,070
Departmental total	55,656	59,589	58,784	60,161	60,370
Total expenses for Program 2.5	55,656	59,589	58,784	60,161	60,370
Program 2.6: Service Delivery Office					
Departmental expenses					
Special accounts					
SDO Special Account	32,090	46,389	34,654	30,353	29,372
Departmental total	32,090	46,389	34,654	30,353	29,372
Total expenses for Program 2.6	32,090	46,389	34,654	30,353	29,372

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Table 2.2.1: Budgeted expenses for Outcome 2 (continued)

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Program 2.7: Public Sector Superannuation					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)					
Act of Grace	1,138	1,350	1,323	1,294	1,263
Compensation and legal expenses	500	500	500	500	500
Superannuation administration costs	8,857	8,857	8,857	8,857	8,857
Special appropriations					
<i>Federal Circuit Court of Australia Act 1999</i>	858	830	869	903	928
<i>Government Superannuation Schemes Act 2011</i>	2,075	1,225	1,225	1,225	1,225
<i>Governor-General Act 1974</i>	400	705	673	642	10,197
<i>Judges' Pensions Act 1968</i>	93,045	86,494	95,991	99,937	102,797
<i>Parliamentary Contributory Superannuation Act 1948</i>	23,857	37,106	35,608	35,110	36,016
<i>Parliamentary Superannuation Act 2004</i>	8,350	8,496	8,645	8,818	9,038
<i>Same-Sex Relationships (Equal Treatment in Commonwealth Laws General Law Reform) Act 2008</i>	30	123	126	129	132
<i>Superannuation Act 1922</i>	7,048	15,167	13,741	12,439	11,757
<i>Superannuation Act 1976</i>	1,378,273	2,607,201	2,538,016	2,466,588	2,501,109
<i>Superannuation Act 1990</i>	6,179,610	5,234,763	5,348,665	5,453,151	5,730,809
Administered total	7,704,041	8,002,817	8,054,239	8,089,593	8,414,628
Departmental expenses					
Departmental appropriation (a)					
Public Sector Superannuation	2,535	2,963	3,001	2,944	3,002
Expenses not requiring appropriation in the Budget year (b)	133	140	136	136	136
Departmental total	2,668	3,103	3,137	3,080	3,138
Total expenses for Program 2.7	7,706,709	8,005,920	8,057,376	8,092,673	8,417,766

Table continues on next page

Table 2.2.1: Budgeted expenses for Outcome 2 (continued)

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
Program 2.8: Australian Government Investment Funds					
Administered expenses					
Special accounts					
DisabilityCare Australia Fund Special Account (c)	2,351,931	1,354,184	1,098,882	1,155,687	12,645
Medical Research Future Fund Special Account (d)	631,209	544,885	740,942	741,836	743,101
Aboriginal and Torres Strait Islander Land and Sea Future Fund Special Account (e)	60,591	64,441	65,478	66,604	68,112
Future Drought Fund (f)	111,640	117,736	118,069	118,412	119,782
Emergency Response Fund (g)	62,193	19,145	19,945	20,776	21,698
Administered total	3,217,564	2,100,391	2,043,316	2,103,315	965,338
Total expenses for Program 2.8	3,217,564	2,100,391	2,043,316	2,103,315	965,338
Outcome 2 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	11,296	11,527	11,513	11,499	11,486
Special appropriations	7,693,546	7,992,110	8,043,559	8,078,942	8,404,008
Special accounts	3,217,564	2,100,391	2,043,316	2,103,315	965,338
Administered total	10,922,406	10,104,028	10,098,388	10,193,756	9,380,832
Departmental expenses					
Departmental appropriation (a)	122,604	99,169	93,840	90,183	90,733
Special accounts	827,873	326,158	318,827	343,605	356,450
Expenses not requiring appropriation in the Budget year (b)	5,213	5,289	5,148	5,148	5,148
Departmental total	955,690	430,616	417,815	438,936	452,331
Total expenses for Outcome 2	11,878,096	10,534,644	10,516,203	10,632,692	9,833,163
Average staffing level (number)	648	649			

- (a) Departmental appropriation combines ordinary annual services (Appropriation Bill No. 1) and estimated receipts retained under section 74 of the PGPA Act.
- (b) 'Expenses not requiring appropriation in the Budget year' is made up of depreciation expenses and amortisation expenses.
- (c) More information on the DisabilityCare Australia Fund can be found in Table 2.2.1.1 on page 29.
- (d) More information on the Medical Research Future Fund can be found in Table 2.2.1.2 on page 30.
- (e) More information on the Aboriginal and Torres Strait Islander Land and Sea Future Fund can be found in Table 2.2.1.3 on page 31.
- (f) More information on the Future Drought Fund can be found in Table 2.2.1.4 on page 32.
- (g) More information on the Emergency Response Fund can be found in Table 2.2.1.5 on page 33.

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

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
DisabilityCare Australia Fund (a)					
Opening balance	16,507,380	14,962,851	14,646,155	14,829,059	15,218,717
Revenue and gains					
Additional Medicare Levy - equity (b)	4,712,500	4,965,000	5,210,000	5,472,500	-
Investment earnings and gains	94,902	72,488	71,786	72,845	75,982
Expenses					
Management fees	(13,785)	(12,232)	(12,138)	(12,310)	(12,645)
Transfers to reimburse accounts for DisabilityCare Australia expenditure (c)					
Commonw ealth - equity	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)
States and Territories - expense	(2,338,146)	(1,341,952)	(1,086,744)	(1,143,377)	-
Closing balance	14,962,851	14,646,155	14,829,059	15,218,717	11,282,054

- (a) The DCAF consists of the DCAF Special Account and investments of the DCAF. The investments are managed by the Future Fund Board of Guardians. The special account is used to record all transactions relating to the DCAF, including interest and Medicare levy proceeds received and payments.
- (b) The Commonwealth agreed to credit the DCAF with money raised from the increase in the Medicare levy for 10 years to fund the additional costs of delivering the National Disability Insurance Scheme (NDIS) (formerly DisabilityCare Australia). This 10 year period concludes in 2023-24.
- (c) The transfers relate to reimbursing the Commonwealth and the States and Territories for the costs of the operations of the NDIS.

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

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
Medical Research Future Fund (a)					
Opening balance	17,221,711	20,895,382	21,114,838	21,314,143	21,551,815
Investment credits (b)	3,212,051	-	-	-	-
Revenue and gains					
Investment earnings and gains	1,092,829	764,341	940,247	979,508	1,067,564
Expenses					
Management fees	(58,624)	(89,885)	(90,942)	(91,836)	(93,101)
Transfers to portfolio special accounts for project payments					
MRFF Health portfolio special account - expense	(572,585)	(455,000)	(650,000)	(650,000)	(650,000)
Closing balance	20,895,382	21,114,838	21,314,143	21,551,815	21,876,278

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

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

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

Table 2.2.1.3: Aboriginal and Torres Strait Islander Land and Sea Future Fund (ATSILSFF) – Estimates of fund balances

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
Aboriginal and Torres Strait Islander Land and Sea Future Fund (a)					
Opening balance	1,952,540	2,036,958	2,066,658	2,092,957	2,121,980
Revenue and gains					
Investment earnings and gains	145,009	94,141	91,777	95,627	104,756
Expenses					
Management fees	(5,744)	(8,593)	(8,713)	(8,832)	(9,098)
Transfers to portfolio special accounts for project payments					
Indigenous Land and Sea Corporation special account expense	(54,847)	(55,848)	(56,765)	(57,772)	(59,014)
Closing balance	2,036,958	2,066,658	2,092,957	2,121,980	2,158,624

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

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

Table 2.2.1.4: Future Drought Fund (FDF) - Estimates of fund balances

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
Future Drought Fund (a)					
Opening balance	4,133,092	4,330,952	4,414,713	4,494,046	4,582,449
Revenue and gains					
Investment earnings and gains	309,500	201,497	197,402	206,815	227,936
Expenses					
Management fees	(11,640)	(17,736)	(18,069)	(18,412)	(19,782)
Transfers to portfolio special accounts for project payments special account expense	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
Closing balance	4,330,952	4,414,713	4,494,046	4,582,449	4,690,603

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

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

Table 2.2.1.5: Emergency Response Fund (ERF) - Estimates of fund balances

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
Emergency Response Fund (a)					
Opening balance	4,129,623	4,379,991	4,567,468	4,754,568	4,955,566
Revenue and gains					
Investment earnings and gains	312,561	206,622	207,045	221,774	249,788
Expenses					
Management fees	(12,193)	(19,145)	(19,945)	(20,776)	(21,698)
Transfers to portfolio special accounts for project payments special account expense	(50,000)	-	-	-	-
Closing balance	4,379,991	4,567,468	4,754,568	4,955,566	5,183,656

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

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

Table 2.2.2: Performance measures for Outcome 2

Table 2.2.2 below details the performance measures for each program associated with Outcome 2. It also summarises how each program is delivered and where 2021-22 Budget measures have created new programs or materially changed existing programs.

Outcome 2 – Support an efficient and high-performing public sector through providing leadership to Commonwealth entities in ongoing improvements to public sector governance, including through systems, frameworks, policy, advice and service delivery.		
Program 2.1 – Public Sector Governance This program contributes to the outcome through developing and maintaining the public sector resource management framework and improving the standard of governance, performance and accountability of Commonwealth entities.		
Delivery	Providing advice on policy and implementation issues to the Government in relation to the financial framework, in particular: <ul style="list-style-type: none">○ Relevant legislation and rules.○ Grant policy and related matters.○ Act of Grace requests and waiver of debt applications.○ Guidance material.○ Training and communication. <ul style="list-style-type: none">• Undertaking Assurance Reviews of major projects and programs over their lifecycle, to provide assurance to the Government and Senior Responsible Officers regarding delivery and implementation.• Implementing recommendations from the Independent Review of the <i>Public Governance, Performance and Accountability Act 2013</i> and Rule.• Paying Grants in Aid funding to approved organisations.• Providing advice on strategy, governance, operations, financial forecasts and performance on GBEs and other commercial entities.• Strengthening public sector capability through regular capacity-building activities.• Monitoring and reporting on the Government's cash balances to the Government.	
Performance information: 2.1 – Public Sector Governance		
Year	Performance measure (a)	Actual Achievement/Targets
2020-21	Governance and accountability Finance ensures the resource management framework is maintained as a fit-for-purpose framework for the proper use of public resources, and supports Commonwealth entities and companies to meet high standards of governance, performance and accountability through effective engagement and the provision of guidance.	On Track Finance has undertaken its annual PGPA survey of Commonwealth entities, which will provide feedback on the effectiveness of Finance's stewardship, policy advice, engagement and guidance. Survey results are currently being compiled and will be available before the end of 2020-21. Reports by the Auditor-General and the Joint Committee of Public Accounts and Audit are continually monitored for findings in relation to Finance and the resource management framework.

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Table 2.2.2: Performance measures for Outcome 2 (continued)

Performance information: 2.1 – Public Sector Governance		
Year	Performance measure (a)	Actual Achievement/Targets
2021-22	Governance and accountability Finance ensures the resource management framework is maintained as a fit-for-purpose framework for the proper use of public resources, and supports Commonwealth entities and companies to meet high standards of governance, performance and accountability through effective engagement and the provision of guidance.	Effectiveness of Finance's stewardship, policy advice, engagement and guidance on governance and accountability arrangements. Parliamentary and independent audit report findings related to the PGPA framework and the effectiveness of Finance's support services and guidance are applied to maintain a fit-for-purpose framework.
2022-23 and beyond	As per 2021-22.	As per 2021-22.
Purpose	To assist the Australian Government to achieve its fiscal and policy objectives by advising on expenditure, managing sustainable public sector resourcing, driving public sector transformation and delivering efficient, cost-effective services to, and for, government.	

Table continues on next page

Table 2.2.2: Performance measures for Outcome 2 (continued)

Program 2.2 – Transforming Government This program contributes to the outcome by providing leadership in the development and delivery of reforms and initiatives that support the modernisation of government and increase public sector productivity.		
Delivery	Transforming the Public Sector <ul style="list-style-type: none">Supporting the Government's transformation agenda through key projects, including implementation of the <i>Improving Public Sector Productivity: Roadmap</i>; the Shared and Common Services Program and the delivery of projects supported by the Modernisation Fund; and advising the Government on delivering its Smaller Government objectives.Providing advice to the Government on the efficient and effective delivery of government activities.Delivering scoping studies to the Government and implementing agreed scoping study outcomes.Implementing recommendations from the Independent Review of the WoAG Internal Regulations for the Government.	
Performance information: Program 2.2 – Transforming Government		
Year	Performance measure (a)	Actual Achievement/Targets
2020-21	GovTEAMS improves public sector productivity Commonwealth entities and companies have access to GovTEAMS, a new generation platform to provide a single environment for both internal and external collaboration across government.	On Track Set performance targets are fully operational, (99% of the time) and were achieved. Target exceeded. Current registered users in excess of 110,000 (Target: 90,000 users).
2021-22	GovTEAMS improves public sector productivity Commonwealth entities and companies have access to GovTEAMS, a new generation platform to provide a single environment for both internal and external collaboration across government.	GovTEAMS platform is fully operational in accordance with set performance targets (99%). GovTEAMS user adoption rates meet set performance targets (90,000).
2022-23 and beyond	As per 2021-22.	As per 2021-22.
Purpose	To assist the Australian Government to achieve its fiscal and policy objectives by advising on expenditure, managing sustainable public sector resourcing, driving public sector transformation and delivering efficient, cost-effective services to, and for, government.	

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Table 2.2.2: Performance measures for Outcome 2 (continued)

Program 2.3 – Property and Construction		
This program contributes to the outcome by providing policy advice, guidance and support on managing Commonwealth property, land and public works across the Government; and managing specified major capital works projects and the government's non-Defence property portfolio within Australia.		
Delivery	<ul style="list-style-type: none">• Providing advice to the Government on property management issues such as ownership, construction, divestment and management of residual issues from previous divestments, leasing and acquisition.• Assisting entities to use the Commonwealth Property Management Framework.• Collecting property data for the Government on Commonwealth leasing trends and assisting in the disposal of Commonwealth property.• Managing properties within the Finance-managed portfolio for the Government through adoption of effective property management systems and processes.• Providing advice and support to the Government and entities in relation to the <i>Lands Acquisition Act 1989</i>, the <i>Public Works Committee Act 1969</i>, relevant sections of the <i>Native Title Act 1993</i>, the National Land Ordinance and the Commonwealth Property Disposal Policy.	
Performance information: 2.3 – Property and Construction		
Year	Performance measure (a)	Actual Achievement/Targets
2020-21	<p>Commonwealth property initiatives are efficient and effective</p> <p>The management of Commonwealth property demonstrates best practice effectiveness in an evolving environment, and delivers efficiencies in relation to leasing and facilities management for non-corporate Commonwealth entities.</p>	<p>On Track</p> <p>The 2020 Australian Government Property Register (AGPR) collection is nearing completion (commencement was delayed due to COVID-19), so new AGPR figures are not yet available.</p> <p>The 2019 Office Occupancy Report, published on 30 June 2020, highlights that efficiency gains have been locked in since the Property Services Coordinated Procurement (PSCP) Arrangements commenced in 2017, including improvements in both occupational density and the proportion of tenancies meeting the density target. The Strategic Property Adviser advises that the Commonwealth's average office cost is below the estimated average cost for the broader market.</p> <p>The WoAG PSCP Arrangements are also achieving efficiencies for covered entities, with Property Service Providers on track to meet Property Operating Expense savings targets, as required under contractual arrangements.</p> <p>Further to these quantitative measures, Finance's support of Commonwealth property management delivers a range of non-financial qualitative benefits including improved service delivery, best practice industry expertise and utilisation of Indigenous Providers and Small and Medium Enterprises.</p>

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Table 2.2.2: Performance measures for Outcome 2 (continued)

Performance information: 2.3 – Property and Construction		
Year	Performance measure (a)	Actual Achievement/Targets
2021-22	<p>Commonwealth property initiatives are efficient and effective</p> <p>The management of Commonwealth property demonstrates best practice effectiveness in an evolving environment, and delivers efficiencies in relation to leasing and facilities management for non-corporate Commonwealth entities.</p>	<p>Property efficiencies are delivered through the WoAG PSCP Arrangements for leasing and facilities management.</p> <p>Effectiveness of Finance's stewardship, policy advice, engagement and guidance on Commonwealth property management.</p>
2022-23 and beyond	As per 2021-22.	As per 2021-22.
Purpose	To assist the Australian Government to achieve its fiscal and policy objectives by advising on expenditure, managing sustainable public sector resourcing, driving public sector transformation and delivering efficient, cost-effective services to, and for, government.	

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Table 2.2.2: Performance measures for Outcome 2 (continued)

Program 2.4 – Insurance and Risk Management		
This program contributes to the outcome by providing general insurance services and promoting risk management across the Government through the Comcover Special Account.		
Delivery	<ul style="list-style-type: none"> • Providing a self-managed insurance fund (Comcover) to protect Commonwealth entities against the impact and volatility of insurable losses. • Providing a consistent WoAG approach to managing legal liability claims against Commonwealth entities. • Providing risk management and education services to entities to support best practice risk management across the Government. 	
Performance information: Program 2.4 – Insurance and Risk Management		
Year	Performance measure (a)	Actual Achievement/Targets
2020-21	<p>Treatment of insurable risks and claims management</p> <p>Comcover is effectively managed to ensure the fund is financially sustainable, there is a consistent, WoAG approach to the management of claims and Comcover supports the improvement of risk maturity in General Government Sector entities over time.</p>	<p>On Track.</p> <p>As at 31 December 2020, Comcover net assets are projected to be \$36.2 million at 2020-21 financial year-end.</p> <p>Finance is undertaking all litigation consistently with its obligations to act as a model litigant and other obligations under the <i>Legal Services Directions 2017</i>.</p> <p>To date, Comcover's Risk Education Program is on track with strong attendance at both face-to-face and virtual workshops, and a high rate of completions in the eLearning modules and views of microbites.</p> <ul style="list-style-type: none"> • In the Generalist program, there was a 50% increase in understanding of risk management across five capabilities. • In the SES program, there was a 43% increase in understanding of risk management across four capabilities. <p>The biennial Risk Benchmarking survey is currently being completed by participating entities. Results will be available in the next reporting period.</p>

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Table 2.2.2: Performance measures for Outcome 2 (continued)

Performance information: Program 2.4 – Insurance and Risk Management		
Year	Performance measure (a)	Actual Achievement/Targets
2021-22	<p>Treatment of insurable risks and claims management</p> <p>Comcover is effectively managed to ensure the fund is financially sustainable, there is a consistent, WoAG approach to the management of claims and Comcover supports the improvement of risk maturity in General Government Sector entities over time.</p>	<p>An appropriate level of net assets is maintained. Litigation is undertaken honestly and fairly as a model litigant.</p> <p>Effectiveness of Comcover's stewardship, policy advice, engagement and guidance on risk management.</p>
2022-23 and beyond	As per 2021-22.	As per 2021-22.
Purpose	<p>To assist the Australian Government to achieve its fiscal and policy objectives by advising on expenditure, managing sustainable public sector resourcing, driving public sector transformation and delivering efficient, cost-effective services to, and for, government.</p>	

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Table 2.2.2: Performance measures for Outcome 2 (continued)

Program 2.5 – Technology and Procurement This program contributes to the outcome through providing timely and relevant procurement policy advice; providing advice to the Government on advertising; establishing and maintaining WoAG procurement arrangements for common goods and services; and establishing, developing and maintaining WoAG and cross-entity ICT infrastructure, platforms, systems and services.		
Delivery	<ul style="list-style-type: none"> • Developing and managing WoAG procurement arrangements for entities. • Providing assistance and advice to Commonwealth entities on the process of developing government advertising campaigns. • Procurement policy advice. • Developing and managing AusTender and GrantConnect. • Providing appropriate WoAG ICT services, including communications networks and online services to entities. 	
Performance information: Program 2.5 – Technology and Procurement		
Year	Performance measure (a)	Actual Achievement/Targets
2020-21	Stewardship over procurement systems and policies Finance works with external stakeholders to: Provide stewardship over systems and policies to support a fair, efficient, and transparent procurement framework. Implement and maintain WoAG procurement arrangements for non-ICT services (e.g. travel bookings and major office equipment) to generate price savings and operating efficiencies.	On Track. Finance takes a proactive approach to its role as policy steward providing entities with web guidance on the Commonwealth Procurement Framework and tailored advice through a dedicated outreach program and inbox. Finance deliver a scheduled outreach program, which is a mechanism for two-way communication between central procurement areas and the policies, which support the Framework. Engagement on strategic procurement matters and related policies takes place through the Senior Procurement Officials Reference Group (SPORG). As at 31 December 2020, 10 outreach sessions have been attended by 45 entity representatives and six SPORG meetings have been attended by 667 representatives from 102 entities. For the period 1 July to 31 December 2020, the AusTender platform and data was available to users in excess of 99.5% of the time. For the period 1 July to 31 December 2020, Finance participated in: <ul style="list-style-type: none"> • Two rounds of trade negotiations with the United Kingdom. • Two rounds of trade negotiations with the European Union. • Two meetings of the Organisation for Economic Cooperation and Development Working Party of the Leading Practitioners on Public Procurement and the World Trade Organisation Committee on Government Procurement. • Four surveys by international organisations on issues such as responsible business conduct in public procurement, and anti-corruption mechanisms.

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Table 2.2.2: Performance measures for Outcome 2 (continued)

Performance information: Program 2.5 – Technology and Procurement		
Year	Performance measure (a)	Actual Achievement/Targets
2020-21 (continued)		<p>Finance is establishing a new WoAG Management Advisory Services Panel (the Panel) to improve the quality, consistency and efficiency of engaging these services.</p> <p>The Panel will be established in three phases:</p> <ul style="list-style-type: none"> • Phase 1 – Financial Management Advisory Services. • Phase 2 – Corporate Management Advisory Services. • Phase 3 – Commercial Management Advisory Services. <p>The Phase 1 Request for Tender was released on 5 November 2020 and closed on 11 December 2020.</p>
2021-22	<p>Stewardship over procurement systems and policies</p> <p>Finance works with external stakeholders to:</p> <p>Provide stewardship over systems and policies to support a fair, efficient, and transparent procurement framework.</p> <p>Implement and maintain WoAG procurement arrangements for non-ICT services (e.g. travel bookings and major office equipment) to generate price savings and operating efficiencies.</p>	<p>Effectiveness of Finance's stewardship, policy advice, engagement and guidance on procurement systems and policies.</p> <p>AusTender platform and data is available to users 99.5% of the time.</p> <p>Engagement with domestic and international stakeholders supports information exchange on advances in procurement policy.</p> <p>Savings and efficiencies from WoAG arrangements are compared, where possible, against similar arrangements, previous arrangements or markets.</p>
2022-23 and beyond	As per 2021-22.	As per 2021-22.
Purpose	To assist the Australian Government to achieve its fiscal and policy objectives by advising on expenditure, managing sustainable public sector resourcing, driving public sector transformation and delivering efficient, cost-effective services to, and for, government.	

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Table 2.2.2: Performance measures for Outcome 2 (continued)

Program 2.6 – Service Delivery Office		
This program contributes to the outcome through providing a range of corporate services to Australian Government entities.		
Delivery	Providing the following services to Australian Government entities: <ul style="list-style-type: none">• Accounts payable.• Accounts receivable.• Credit card management.• Travel and expense management.• Payroll and payroll systems administration.• ICT functions supporting the Enterprise Resource Planning (ERP) solution.	
Performance information: Program 2.6 – Service Delivery Office		
Year	Performance measure (a)	Actual Achievement/Targets
2020-21	Shared services hub meets clients' needs As a Shared Services hub, the SDO provides quality and efficient services to client entities.	On Track The SDO has agreed service level agreements with clients. As at 31 March 2021: <ul style="list-style-type: none">• the SDO was meeting service level outcomes for accounts payable, accounts receivable, payroll administration, credit card management and HUB usage.• there were 8,257 HUB users, continuing the increasing trend in the number of HUB users. 100% of clients were able to manage their services, data and ledger maintenance activities through the HUB.• over 80,000 tickets were raised and resolved, with an average resolution time of 4.4 days. Results from the SDO client surveys across the first three quarters of 2020–21 found 'positive' or 'very positive' response rates of: <ul style="list-style-type: none">• Quality – 52%• Timeliness – 53%• Interaction – 53%• Overall Experience – 54%

Table continues on next page

Table 2.2.2: Performance measures for Outcome 2 (continued)

Performance information: Program 2.6 – Service Delivery Office		
Year	Performance measure (a)	Actual Achievement/Targets
2020-21 continued		<p>During 2020–21, the SDO increased its service offer by successfully on-boarding seven agencies to the end-to-end corporate process for travel and expense management.</p> <p>In December 2020, the SDO successfully on-boarded the Department of Education, Skills and Employment to the e-invoicing solution.</p>
2021-22	<p>Shared services hub meets clients' needs</p> <p>As a Shared Services hub, the SDO provides quality and efficient services to client entities.</p>	<p>Service level agreements with client entities, including measurement of efficiency and effectiveness of services, are met, including:</p> <ul style="list-style-type: none"> • Average resolution time of client request of 10 days. • 1% increase in client satisfaction surveys. <p>The benefits of shared, standard and sustainable technologies and processes are realised:</p> <ul style="list-style-type: none"> • Increased client uptake of shared ERP technology solutions (year-on-year increase). • Increased client adoption of end-to-end WoAG business processes (year-on-year increase).
2022-23 and beyond	As per 2021-22.	As per 2021-22.
Purpose	To assist the Australian Government to achieve its fiscal and policy objectives by advising on expenditure, managing sustainable public sector resourcing, driving public sector transformation and delivering efficient, cost-effective services to, and for, government.	

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Table 2.2.2: Performance measures for Outcome 2 (continued)

Program 2.7 – Public Sector Superannuation This program contributes to the outcome through advising the Government on the stability of the Government's unfunded superannuation liabilities and its associated administered expense items and superannuation arrangements for government employees. This includes the administration and management of superannuation arrangements for parliamentarians, as well as current and former governors-general, federal judges and Federal Circuit Court Judges.		
Delivery	<ul style="list-style-type: none"> • Providing policy advice to the Government on its unfunded superannuation liability and associated administered expenses. • Providing policy and legislation advice to the Government on the superannuation schemes for civilian employees and office holders, parliamentarians, governors-general and federal judges. • Administer the pension schemes for former parliamentarians, governors-general, federal judges and certain Federal Circuit Court Judges. 	
Performance information: Program 2.7 – Public Sector Superannuation		
Year	Performance measure (a)	Actual Achievement/Targets
2020-21	Public sector civilian superannuation schemes The legislative framework for the Commonwealth Government's civilian superannuation schemes enables the schemes to be administered in accordance with the applicable regulatory and legislative requirements.	On Track The legislation establishing the civilian superannuation schemes continues to comply with the broader regulatory and legislative requirements.
	Administration of pension schemes for former parliamentarians, judges and governors-general The pension schemes are administered by Finance effectively, in accordance with the applicable regulatory and legislative requirements.	On Track The operations of the pension schemes administered by Finance continue to comply with the regulatory and legislative requirements: <ul style="list-style-type: none"> • No major IT system administration issues causing disruption to critical functions. • Regular pension payments (every fortnight/monthly) processed on schedule. • Annual scheme reports have been submitted to regulatory agencies (Australian Taxation Office and Australian Prudential Regulation Authority) by the due dates.
2021-22	Public sector civilian superannuation schemes The legislative framework for the Commonwealth Government's civilian superannuation schemes enables the schemes to be administered in accordance with the applicable regulatory and legislative requirements.	The legislation establishing the civilian superannuation schemes is reviewed as needed to ensure it complies with the broader regulatory and legislative requirements.

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Table 2.2.2: Performance measures for Outcome 2 (continued)

Performance information: Program 2.7 – Public Sector Superannuation		
Year	Performance measure (a)	Actual Achievement/Targets
2021-22 (continued)	Administration of pension schemes for former parliamentarians, judges and governors-general The pension schemes are administered by Finance effectively, in accordance with the applicable regulatory and legislative requirements.	The operations of the pension schemes administered by Finance continue to comply with the regulatory and legislative requirements.
2022-23 and beyond	As per 2021-22.	As per 2021-22.
Purpose	To assist the Australian Government to achieve its fiscal and policy objectives by advising on expenditure, managing sustainable public sector resourcing, driving public sector transformation and delivering efficient, cost-effective services to, and for, government.	

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Table 2.2.2: Performance measures for Outcome 2 (continued)

Program 2.8 – Australian Government Investment Funds		
This program contributes to the outcome through providing advice on investment mandates and governance arrangements for the Government's Investment Funds, to maximise the value of the funds to the Government. This includes advice on credit of amounts to the Funds and debits for payments from the Funds. The Funds are:		
<ul style="list-style-type: none">• Future Fund• DisabilityCare Australia Fund• Medical Research Future Fund• Aboriginal and Torres Strait Islander Land and Sea Future Fund• Future Drought Fund• Emergency Response Fund.		
Delivery	Providing advice to the government on the Australian Government Investment Funds, including investment mandates, governance matters, credits to, and payments from the Funds.	
Performance information: Program 2.8 – Australian Government Investment Funds		
Year	Performance measure (a)	Actual Achievement/Targets
2020-21	Investment mandates for each Australian Government Investment Fund Investment mandates are set for each Australian Government Investment Fund which assist in achieving the financial and risk objectives and are consistent with the policy, regulatory and legislative framework.	On Track The Future Fund Board of Guardians advises that the Future Fund, the Medical Research Future Fund, the Aboriginal and Torres Strait Islander Land and Sea Future Fund, the Future Drought Fund, the Emergency Response Fund and the DisabilityCare Australia Fund all met their target returns. No changes to investment mandates have been made.
2021-22	Investment mandates for each Australian Government Investment Fund Investment mandates are set for each Australian Government Investment Fund which assist in achieving the financial and risk objectives and are consistent with the policy, regulatory and legislative framework.	Investment mandates for the managed funds issued by the Australian Government are set and appropriately monitored.
2022-23 and beyond	As per 2021-22.	As per 2021-22.
Purpose	To assist the Australian Government to achieve its fiscal and policy objectives by advising on expenditure, managing sustainable public sector resourcing, driving public sector transformation and delivering efficient, cost-effective services to, and for, government.	

(a) The complete suite of performance measures are detailed in Finance's Corporate Plan 2020-21 and are reported in the Annual Performance Statements.

2.3 Budgeted expenses and performance for Outcome 3

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

Budgeted expenses for Outcome 3

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

Table 2.3.1: Budgeted expenses for Outcome 3

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Program 3.1: Ministerial and Parliamentary Services					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)					
Electorate and ministerial support costs	277,173	338,405	274,837	277,678	305,047
Australian Political Exchange Program	1,797	1,884	1,884	1,884	1,889
Australian Political Parties for Democracy Program	2,200	2,200	2,200	2,200	2,200
Special appropriations					
<i>Australian Constitution s 66 (a)</i>	5,372	5,372	5,372	5,372	5,372
<i>Parliamentary Business Resources Act 2017</i>	223,152	225,863	226,016	226,469	226,470
Expenses not requiring appropriation in the Budget year (b)	25,350	25,350	25,350	25,350	25,350
Administered total	535,044	599,074	535,659	538,953	566,328
Departmental expenses					
Departmental appropriation (c)					
Services to Senators, Members and their staff	29,439	28,065	28,565	28,242	28,714
Car-with-driver and associated transport services	50	-	-	-	-
Expenses not requiring appropriation in the Budget year (b)	1,627	1,628	1,588	1,588	1,588
Departmental total	31,116	29,693	30,153	29,830	30,302
Total expenses for Program 3.1	566,160	628,767	565,812	568,783	596,630

Table continues on next page

Table 2.3.1: Budgeted expenses for Outcome 3 (continued)

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
Outcome 3 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	281,170	342,489	278,921	281,762	309,136
Special appropriations	228,524	231,235	231,388	231,841	231,842
Expenses not requiring appropriation in the Budget year (b)	25,350	25,350	25,350	25,350	25,350
Administered total	535,044	599,074	535,659	538,953	566,328
Departmental expenses					
Departmental appropriation (c)	29,489	28,065	28,565	28,242	28,714
Expenses not requiring appropriation in the Budget year (b)	1,627	1,628	1,588	1,588	1,588
Departmental total	31,116	29,693	30,153	29,830	30,302
Total expenses for Outcome 3	566,160	628,767	565,812	568,783	596,630
	2020-21	2021-22			
Average staffing level (number)	145	145			

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

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

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

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

Table 2.3.2: Performance measures for Outcome 3

Table 2.3.2 below details the performance measures for each program associated with Outcome 3. It also summarises how each program is delivered and where 2021-22 Budget measures have created new programs or materially changed existing programs.

Outcome 3 – Support for parliamentarians and others as required by the Australian Government through the delivery of, and advice on, work expenses and allowances, entitlements and targeted programs.		
Program 3.1 – Ministerial and Parliamentary Services		
This program contributes to the outcome through the provision of advice on, access to, and payment of Parliamentary and post-Parliamentary, work expenses, allowances and entitlements and targeted programs.		
Delivery	<ul style="list-style-type: none">• Providing advice and support to clients and stakeholders.• Paying accounts relating to work expenses, allowances and entitlements.• Managing and maintaining the <i>Members of Parliament (Staff) Act 1984</i> employment framework.• Providing client and event transport (car-with-driver) and associated ground transport services to eligible recipients.• Managing Commonwealth Parliament Offices and the ministerial wing of Parliament House.• Managing the Australian Political Exchange Program and the Australian Political Parties for Democracy Program.• Providing property and office facilities management.	
Performance information: Program 3.1 – Ministerial and Parliamentary Services		
Year	Performance measure (a)	Actual Achievement/Targets
2020-21	Services meet clients' needs Services meet the needs of parliamentarians, their employees and others as required by the Australian Government.	On Track <ul style="list-style-type: none">• Our help desks acknowledged 97.0% of client contacts or queries within 24 hours and responded to them within agreed timeframes.• 99.9% of payments (including payroll) were made within agreed timeframes.• 100% of office establishment and relocation projects have been delivered in accordance with the National Fitout Standards.• COMCAR completed 99.6% of reservations without service failure.

Table continues on next page

Table 2.3.2: Performance measures for Outcome 3 (continued)

Performance information: Program 3.1 – Ministerial and Parliamentary Services		
Year	Performance measure (a)	Actual Achievement/Targets
2020-21 (continued)	<p>Improve administration of parliamentary work expenses</p> <p>The timeliness, efficiency, clarity and transparency of the administration of parliamentary work expenses is improved.</p>	<p>On Track</p> <p>Parliamentary Expenses Management System (PEMS) portal (web-based application) access was delivered in 2018, allowing parliamentarians and their staff to access PEMS from any computer or mobile device, to lodge, monitor and certify work expense claims. This provides increased efficiencies and reduces the administrative burden on parliamentarians' offices.</p> <p>A number of targeted PEMS adoption strategies have been implemented, resulting in increased usage of the PEMS portal by parliamentarians and their staff for office expense claims and travel expense claims:</p> <ul style="list-style-type: none"> • 62% of parliamentarians have personally used PEMS to certify claims (office or travel). • 91% of parliamentary offices have used PEMS to certify at least one claim (office or travel). • 85% of office expense claims have been processed through PEMS (where PEMS functionality is available). <p>On Track</p> <p>PEMS is on track to deliver increased HR functionality by mid-2021 through the release of the HR and Payroll Administration functions. When released, parliamentarians and their staff will have access to increased self-service HR management functions enabling access to payslips, to apply for additional leave types, to maintain personal information and to apply for authorisations in the one system.</p> <p>Not achieved and under active management</p> <p>The delivery of increased work expenses functionality by mid-2021 is at risk and under active management, with the release of the work expenses functionality now expected no later than mid-2022.</p>

Table continues on next page

Table 2.3.2: Performance measures for Outcome 3 (continued)

Performance information: Program 3.1 – Ministerial and Parliamentary Services		
Year	Performance measure (a)	Actual Achievement/Targets
2021-22	Services meet clients' needs Services meet the needs of parliamentarians, their employees and others as required by the Australian Government.	The following service standards are met or exceeded. <ul style="list-style-type: none"> • Client contacts acknowledged within 24 hours and responded to within agreed timeframes 95% of the time. • Payments (including payroll) will be made within agreed timeframes 95% of the time. • Office establishment and relocation projects will be delivered in accordance with the National Fitout Standards 100% of the time. • COMCAR reservations will be completed without service failure 99% of the time.
	Improve administration of parliamentary work expenses The timeliness, efficiency, clarity and transparency of the administration of parliamentary work expenses is improved.	The PEMS delivers increased work expenses functionality by mid-2022. Increased usage of PEMS by parliamentarians and their staff.
2022-23 and beyond	As per 2021-22.	As per 2021-22.
Purpose	To assist the Australian Government to achieve its fiscal and policy objectives by advising on expenditure, managing sustainable public sector resourcing, driving public sector transformation and delivering efficient, cost-effective services to, and for, government.	

(a) The complete suite of performance measures are detailed in Finance's Corporate Plan 2020-21 and are reported in the Annual Performance Statements.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021-22 Budget year, including the impact of Budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

Comprehensive income statement – Departmental

2021-22

Finance is forecasting expenses of \$579.8 million in 2021-22, an increase from the \$546.7 million forecast in the 2020-21 Portfolio Additional Estimates Statements (PAES). This is primarily due to an increase in budgeted supplier expenses.

Finance is forecasting total own source income of \$349.4 million, an increase from the \$333.0 million forecast in the 2020-21 PAES. This is mainly due to an increase in gains from sale of assets.

Finance is budgeting for a surplus of \$29.3 million, an increase from the \$23.4 million forecast in the 2020-21 PAES. This is mainly due to an increase in gains from sale of assets.

Balance sheet – Departmental

The budgeted net asset position as at 30 June 2022 of \$2,298.7 million represents a decrease from the \$2,327.0 million forecast in the 2020-21 PAES. This is primarily due to revised estimates for cash and cash equivalents and non-financial asset balances.

Schedule of budgeted income and expenses – Administered

2021-22

Total Administered income is \$2,423.5 million in 2021-22, a decrease from \$2,686.2 million reported in the 2020-21 PAES. This is primarily due to interest and dividends for the Australian Government Investments Funds.

Finance is budgeting for Administered expenses of \$10,703.1 million, a decrease from the \$11,173.6 million budgeted for in the 2020-21 PAES. This is primarily due to revisions in estimates for superannuation.

Schedule of budgted assets and liabilities – Administered

Administered assets are budgeted to total \$50,165.6 million by 30 June 2022, an increase from the \$49,983.3 million estimated in the 2020-21 PAES. This is primarily due to investments for the Australian Government Investment Funds.

Administered liabilities are estimated to total \$145,594.4 million by 30 June 2022, an increase from the \$145,071.8 million estimated in the 2020-21 PAES. This is mainly due to superannuation liabilities.

3.2. Budgeted financial statements tables

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
EXPENSES					
Employee benefits	164,073	164,242	163,722	163,722	163,722
Suppliers	184,057	179,246	160,252	171,337	174,296
Depreciation and amortisation (a)	66,330	67,678	67,788	68,518	69,324
Finance costs	7,793	7,676	7,546	7,404	7,246
Losses from asset sales (b)	1,131	-	45	-	-
Write-down and impairment of assets	43,645	1,000	5,556	9,178	16,482
Insurance claims	628,859	151,557	155,610	160,243	164,991
Other expenses	8,069	8,380	8,380	8,380	8,380
Total expenses	1,103,957	579,779	568,899	588,782	604,441
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Contracts with customers	80,895	83,112	84,385	85,401	82,497
Insurance premiums	166,890	166,966	171,405	174,379	179,243
Rental income	77,056	74,556	75,932	76,123	77,407
Other	911	2,330	2,350	2,402	2,402
Total own-source revenue	325,752	326,964	334,072	338,305	341,549
Gains					
Gains on valuations	30	-	-	-	-
Gains from asset sales (b)	-	21,084	-	-	-
Other (c)	1,835	1,348	1,368	1,368	1,368
Total gains	1,865	22,432	1,368	1,368	1,368
Total own-source income	327,617	349,396	335,440	339,673	342,917
Net (cost of)/contribution by services	(776,340)	(230,383)	(233,459)	(249,109)	(261,524)
Revenue from Government	709,837	263,238	245,735	241,019	242,400
Surplus/(deficit) before income tax	(66,503)	32,855	12,276	(8,090)	(19,124)
Income tax expense	3,578	3,578	3,578	3,578	3,578
Surplus/(deficit) after income tax	(70,081)	29,277	8,698	(11,668)	(22,702)
OTHER COMPREHENSIVE INCOME					
Total comprehensive income/(loss)	(70,081)	29,277	8,698	(11,668)	(22,702)
Total comprehensive income/(loss) attributable to the Australian Government	(70,081)	29,277	8,698	(11,668)	(22,702)

Table continues on next page

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

Note: Impact of net cash appropriation arrangements

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
Total comprehensive income/(loss) - as per the statement of comprehensive income	(70,081)	29,277	8,698	(11,668)	(22,702)
plus: depreciation/amortisation of assets funded through appropriations (DCB funding and /or equity injections) (a)	48,168	49,516	49,626	50,356	51,162
plus: depreciation/amortisation for ROU (d)	18,162	18,162	18,162	18,162	18,162
less: principal repayments on leased assets (d)	7,258	7,884	8,539	9,223	9,938
Total comprehensive income/(loss) less depreciation/amortisation expenses previously funded through revenue appropriations	(11,009)	89,071	67,947	47,627	36,684

Prepared on Australian Accounting Standards basis.

- (a) From 2010-11, the Government introduced net cash appropriation arrangements where Appropriation Bill (No. 1) revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the DCB) provided through Appropriation Bill (No. 1) equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
- (b) Represents the net gain/loss from the government's non-Defence Property Divestment Program within Australia.
- (c) Other gains includes resources received free of charge for financial statement audit services from the Australian National Audit Office.
- (d) Applies to Right-of-Use (ROU) assets under AASB 16 Leases.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents (a)	1,306,403	939,978	942,878	926,329	902,983
Trade and other receivables	135,593	103,827	98,078	93,656	88,241
Other financial assets	2,366	2,366	2,366	2,366	2,366
Total financial assets	1,444,362	1,046,171	1,043,322	1,022,351	993,590
Non-financial assets					
Land and buildings (b)	1,503,939	1,470,450	1,427,052	1,380,195	1,325,228
Property, plant and equipment	64,760	102,218	142,143	157,693	173,523
Investment property (b)	880,129	880,129	880,129	880,129	880,129
Intangibles	96,163	82,658	68,234	54,160	40,106
Other non-financial assets	9,285	9,285	9,285	9,285	9,285
Total non-financial assets	2,554,276	2,544,740	2,526,843	2,481,462	2,428,271
Total assets	3,998,638	3,590,911	3,570,165	3,503,813	3,421,861
LIABILITIES					
Payables					
Suppliers	45,458	45,458	45,458	45,458	45,458
Unearned revenue	15,822	15,822	15,822	15,822	15,822
Return of equity	57,146	57,146	57,146	57,146	57,146
Leases	455,591	448,218	440,003	430,802	420,864
Other payables	5,472	5,472	5,472	5,472	5,472
Total payables	579,489	572,116	563,901	554,700	544,762
Interest bearing liabilities					
Provisions					
Employee provisions	65,970	65,970	65,970	65,970	65,970
Outstanding insurance claims	1,058,731	641,117	641,117	641,117	641,117
Other provisions	12,960	12,960	12,960	12,960	12,960
Total provisions	1,137,661	720,047	720,047	720,047	720,047
Total liabilities	1,717,150	1,292,163	1,283,948	1,274,747	1,264,809
Net assets	2,281,488	2,298,748	2,286,217	2,229,066	2,157,052
EQUITY*					
Contributed equity	1,462,979	1,450,962	1,429,733	1,384,250	1,334,938
Reserves	395,696	395,696	395,696	395,696	395,696
Retained surplus (accumulated deficit)	422,813	452,090	460,788	449,120	426,418
Total equity	2,281,488	2,298,748	2,286,217	2,229,066	2,157,052

Prepared on Australian Accounting Standards basis.

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

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

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

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2021-22)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2021				
Balance carried forward from previous period	422,813	395,696	1,462,979	2,281,488
Adjusted opening balance	422,813	395,696	1,462,979	2,281,488
Surplus/(deficit) for the period	29,277	-	-	29,277
Total comprehensive income	29,277	-	-	29,277
Transactions with owners				
Returns on capital:				
Distribution of equity	-	-	(21,320)	(21,320)
Contributions by owners				
Equity injection - Appropriation (a)	-	-	2,283	2,283
Departmental capital budget (DCB)	-	-	6,413	6,413
Other	-	-	607	607
Sub-total transactions with owners	-	-	(12,017)	(12,017)
Estimated closing balance as at 30 June 2022	452,090	395,696	1,450,962	2,298,748
Closing balance attributable to the Australian Government	452,090	395,696	1,450,962	2,298,748

Prepared on Australian Accounting Standards basis.

(a) Equity injections for construction and ICT projects.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Contracts w ith customers	146,609	157,668	160,317	161,524	159,904
Appropriations	718,891	295,601	251,486	245,441	247,815
Insurance premiums	166,890	166,966	171,405	174,379	179,243
Other	11,656	1,733	2,348	2,402	2,402
Total cash received	1,044,046	621,968	585,556	583,746	589,364
Cash used					
Employees	161,641	164,242	163,722	163,722	163,722
Suppliers	174,458	184,502	155,076	167,468	169,590
Insurance claims	170,255	580,825	167,237	171,913	176,709
Interest payments on lease liability	7,793	7,676	7,546	7,404	7,246
Other	3,578	3,578	3,578	3,578	3,578
Total cash used	517,725	940,823	497,159	514,085	520,845
Net cash from/(used by) operating activities	526,321	(318,855)	88,397	69,661	68,519
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	13,614	37,365	900	-	-
Total cash received	13,614	37,365	900	-	-
Cash used					
Construction/purchase of land and buildings	11,216	9,571	8,323	4,797	4,845
Construction/purchase of property, plant and equipment	55,415	47,289	41,120	23,703	23,939
Construction/purchase of intangibles	8,867	7,567	6,580	3,793	3,831
Total cash used	75,498	64,427	56,023	32,293	32,615
Net cash from/(used by) investing activities	(61,884)	(27,062)	(55,123)	(32,293)	(32,615)

Table continues on next page

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
FINANCING ACTIVITIES					
Cash received					
Contributed equity	8,628	8,696	9,935	8,653	8,678
Total cash received	8,628	8,696	9,935	8,653	8,678
Cash Used					
Return of contributed equity	65,456	21,320	31,770	53,347	57,990
Principal payments on lease liability	7,258	7,884	8,539	9,223	9,938
Total cash used	72,714	29,204	40,309	62,570	67,928
Net cash from/(used by) financing activities	(64,086)	(20,508)	(30,374)	(53,917)	(59,250)
Net increase/(decrease) in cash held	400,351	(366,425)	2,900	(16,549)	(23,346)
Cash and cash equivalents at the beginning of the reporting period	906,052	1,306,403	939,978	942,878	926,329
Cash and cash equivalents at the end of the reporting period	1,306,403	939,978	942,878	926,329	902,983

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	6,445	6,413	6,452	6,470	6,495
Equity injections - Bill 2	2,183	2,283	3,483	2,183	2,183
Total new capital appropriations	8,628	8,696	9,935	8,653	8,678
Provided for:					
Purchase of non-financial assets	8,628	8,696	9,935	8,653	8,678
Total items	8,628	8,696	9,935	8,653	8,678
PURCHASE OF NON-FINANCIAL ASSETS					
ASSETS					
Funded by capital appropriations	21,253	12,370	3,483	2,183	2,183
Funded by capital appropriation - DCB (a)	6,445	6,413	6,452	6,470	6,495
Funded internally from departmental resources (b)	47,800	45,644	46,088	23,640	23,937
TOTAL	75,498	64,427	56,023	32,293	32,615
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	75,498	64,427	56,023	32,293	32,615
Total cash used to acquire assets	75,498	64,427	56,023	32,293	32,615

Prepared on Australian Accounting Standards basis.

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

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

	Land	Buildings	Other property, plant and equipment	Investment property	Computer software and intangibles	L&B, IP&E held for sale	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2021							
Gross book value	443,564	659,592	60,015	880,129	214,118	247	2,257,665
Gross book value - ROU assets	-	467,512	3,700	-	-	-	471,212
Accumulated depreciation/ amortisation and impairment	-	(16,720)	(11,023)	-	(117,955)	-	(145,698)
Accumulated depreciation/amortisation and impairment - ROU assets	-	(35,104)	(2,837)	-	-	-	(37,941)
Opening net book balance	443,564	1,075,280	49,855	880,129	96,163	247	2,545,238
CAPITAL ASSET ADDITIONS							
Estimated expenditure on new or replacement assets							
By purchase - appropriation equity (a)	-	9,571	-	-	2,799	-	12,370
By purchase - appropriation ordinary annual services (b)	-	-	1,645	-	4,768	-	6,413
By purchase - appropriation ordinary annual services - ROU assets	-	-	511	-	-	-	511
By purchase - other	-	-	45,644	-	-	-	45,644
Total additions	-	9,571	47,800	-	7,567	-	64,938
Other movements							
Depreciation/amortisation expense	-	(18,712)	(9,732)	-	(21,072)	-	(49,516)
Depreciation/amortisation on ROU assets	-	(17,552)	(610)	-	-	-	(18,162)
Disposals (c)	-	(5,796)	-	-	-	-	(5,796)
Other	-	(15,905)	14,905	-	-	-	(1,000)
Total other movements	-	(57,965)	4,563	-	(21,072)	-	(74,474)
As at 30 June 2022							
Gross book value	443,564	647,462	122,209	880,129	221,685	247	2,315,296
Gross book value - ROU assets	-	467,512	4,211	-	-	-	471,723
Accumulated depreciation/ amortisation and impairment	-	(35,432)	(20,755)	-	(139,027)	-	(195,214)
Accumulated depreciation/ amortisation and impairment - ROU assets	-	(52,656)	(3,447)	-	-	-	(56,103)
Closing net book balance	443,564	1,026,886	102,218	880,129	82,658	247	2,535,702

Prepared on Australian Accounting Standards basis.

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

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Employee benefits	348,952	397,711	349,562	352,544	380,136
Suppliers	125,493	140,757	125,491	125,803	125,586
Superannuation	7,691,441	7,990,762	8,042,208	8,077,588	8,402,651
Distributions from the Investment Funds (a)	3,115,578	1,952,800	1,893,509	1,951,149	809,014
Grants	2,994	3,020	3,033	3,048	3,066
Depreciation and amortisation (b)	63,843	63,843	63,843	63,843	63,843
Investment funds	101,986	147,592	149,806	152,168	156,324
Other expenses	7,163	6,618	6,594	6,568	6,540
Total expenses administered on behalf of Government	11,457,450	10,703,103	10,634,046	10,732,711	9,947,160
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Contracts with customers	1,274	1,274	1,274	1,274	1,274
Interest and dividends (c)	628,940	1,229,995	1,379,422	1,441,294	1,576,036
Superannuation contributions (d)	1,113,800	1,045,193	978,052	914,842	857,140
Other revenue	8,423	8,423	8,423	8,423	8,423
Total non-taxation revenue	1,752,437	2,284,885	2,367,171	2,365,833	2,442,873
Total own-source revenue administered on behalf of Government	1,752,437	2,284,885	2,367,171	2,365,833	2,442,873
Gains					
Gain on sale of investments	1,381,522	133,909	150,825	157,657	172,602
Other gains	4,659	4,659	4,659	4,659	4,659
Total gains administered on behalf of Government	1,386,181	138,568	155,484	162,316	177,261
Total own-sourced income administered on behalf of Government	3,138,618	2,423,453	2,522,655	2,528,149	2,620,134
Net cost of/(contribution by) services	(8,318,832)	(8,279,650)	(8,111,391)	(8,204,562)	(7,327,026)
Total comprehensive income (loss)	(8,318,832)	(8,279,650)	(8,111,391)	(8,204,562)	(7,327,026)

Prepared on Australian Accounting Standards basis.

- (a) Estimates of distributions to be transferred from the Australian Government Investment Funds. This item does not include equity payments. For more detail on each fund, refer to Tables 2.2.1.1 to 2.2.1.5
- (b) From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities were replaced with a separate capital budget (the Administered Capital Budget, or ACB) provided through Bill 1 equity appropriations. For information regarding ACBs, please refer to Table 3.10 Administered Capital Budget Statement.
- (c) Includes earnings for the Australian Government Investment Funds and corporate Commonwealth entities.
- (d) Principally Commonwealth Superannuation Scheme (CSS) and Public Sector Superannuation Scheme (PSS) notional employer superannuation contributions.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents (a)	354,363	430,978	528,654	549,053	549,053
Trade and other receivables	94,824	95,297	95,569	97,791	89,079
Investments (b)	48,814,826	49,103,235	49,801,524	50,769,925	47,550,667
Other financial assets	270,289	204,372	112,952	87,117	67,041
Total financial assets	49,534,302	49,833,882	50,538,699	51,503,886	48,255,840
Non-financial assets					
Buildings	278,042	240,115	201,166	158,696	116,237
Property, plant and equipment	91,496	87,505	83,475	79,042	72,620
Intangibles	302	410	518	626	734
Other non-financial assets	3,720	3,720	3,720	3,720	3,720
Total non-financial assets	373,560	331,750	288,879	242,084	193,311
Total assets administered on behalf of Government	49,907,862	50,165,632	50,827,578	51,745,970	48,449,151
LIABILITIES					
Payables					
Suppliers	14,776	14,776	14,776	14,776	14,776
Other payables	220,708	209,602	209,496	209,390	209,390
Total payables	235,484	224,378	224,272	224,166	224,166
Interest bearing liabilities					
Leases	262,871	227,594	192,232	156,427	118,629
Total interest bearing liabilities	262,871	227,594	192,232	156,427	118,629
Provisions					
Employee provisions (c)	317,383	317,383	317,383	317,383	317,383
Superannuation	142,540,006	144,807,803	146,940,207	148,910,658	151,008,399
Other provisions	17,743	17,265	16,746	16,187	15,574
Total provisions	142,875,132	145,142,451	147,274,336	149,244,228	151,341,356
Total liabilities administered on behalf of Government	143,373,487	145,594,423	147,690,840	149,624,821	151,684,151
Net assets/(liabilities)	(93,465,625)	(95,428,791)	(96,863,262)	(97,878,851)	(103,235,000)

Prepared on Australian Accounting Standards basis.

- (a) Represents balance held in the DHA Borrowings Special Account 2020.
- (b) Represents investments in the Australian Government Investment Funds. Also represented are investments in other Commonwealth entities that are 100% owned by the Commonwealth and assets of former superannuation schemes administered by the Australian Government.
- (c) Represents Life Gold Pass Holders liabilities and employee provisions for staff employed under the *Members of Parliament (Staff) Act 1984*.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Contracts with customers	1,274	1,274	1,274	1,274	1,274
Interest and dividends (a)	615,319	1,205,178	1,357,431	1,418,912	1,553,422
Superannuation contributions - employers (b)	1,078,496	1,009,884	942,738	879,522	821,812
Superannuation funds contributions - members (c)	2,231,989	2,213,709	2,329,942	2,460,678	2,627,500
Other	52,621	21,979	19,388	20,052	20,586
Total cash received	3,979,699	4,452,024	4,650,773	4,780,438	5,024,594
Cash used					
Employees (d)	349,058	397,817	349,668	352,650	380,136
Suppliers	244,752	283,690	270,638	273,312	277,251
Distributions from the Investment Funds (e)	3,115,578	1,952,800	1,893,509	1,951,149	809,014
Grants	2,994	3,020	3,033	3,048	3,066
Superannuation payments (f)	7,667,797	8,297,903	8,363,082	8,693,470	9,102,139
Interest payments on lease liability	3,420	3,420	3,420	3,420	3,420
Other	15,134	14,677	3,693	3,707	3,733
Total cash used	11,398,733	10,953,327	10,887,043	11,280,756	10,578,759
Net cash from/(used by) operating activities	(7,419,034)	(6,501,303)	(6,236,270)	(6,500,318)	(5,554,165)
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of investments	8,448,590	6,221,004	6,129,167	6,211,344	4,965,339
Repayments of advances and loans	337,024	82,801	107,999	32,555	12,683
Total cash received	8,785,614	6,303,805	6,237,166	6,243,899	4,978,022
Cash used					
Purchase of property, plant and equipment	25,604	18,854	17,878	14,397	14,412
Investments	9,751,635	6,290,790	6,653,283	6,999,439	1,553,423
Other	420,365	61,000	-	-	-
Total cash used	10,197,604	6,370,644	6,671,161	7,013,836	1,567,835
Net cash from / (used by) investing activities	(1,411,990)	(66,839)	(433,995)	(769,937)	3,410,187

Table continues on next page

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
FINANCING ACTIVITIES					
Cash received					
Contributions to the Investment Funds	7,924,551	4,965,000	5,210,000	5,472,500	-
Total cash received	7,924,551	4,965,000	5,210,000	5,472,500	-
Cash used					
Distributions from the Investment Funds (e)	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Principal payments on lease liability	38,456	38,456	38,456	38,456	38,456
Total cash used	4,038,456	4,038,456	4,038,456	4,038,456	4,038,456
Net cash from/(used by) financing activities	3,886,095	926,544	1,171,544	1,434,044	(4,038,456)
Net increase/(decrease) in cash held	(4,944,929)	(5,641,598)	(5,498,721)	(5,836,211)	(6,182,434)
Cash and cash equivalents at beginning of reporting period (g)	-	354,363	430,978	528,654	549,053
Cash from Official Public Account for:					
- Appropriations	9,144,415	9,648,465	9,633,071	9,924,206	10,250,030
Total cash from Official Public Account	9,144,415	10,002,828	10,064,049	10,452,860	10,799,083
Cash to Official Public Account for:					
- Appropriations	(3,845,123)	(3,930,252)	(4,036,674)	(4,067,596)	(4,067,596)
Total cash to Official Public Account	(3,845,123)	(3,930,252)	(4,036,674)	(4,067,596)	(4,067,596)
Cash and cash equivalents at end of reporting period	354,363	430,978	528,654	549,053	549,053

Prepared on Australian Accounting Standards basis.

- (a) Estimates include interest earnings for the Australian Government Investment Funds. For more detail on the interest estimates for each fund, refer to Tables 2.2.1.1 to 2.2.1.5.
- (b) Primarily represents the CSS and PSS notional employer contributions.
- (c) Primarily represents offsets from the CSS and PSS funds and return of overpaid benefits.
- (d) Represents expenditure on staff employed under the *Members of Parliament (Staff) Act 1984*.
- (e) Distributions from the Investment Funds represents estimates of cash payments from the Funds to other entities and the Consolidated Revenue Fund.
- (f) Expenditure associated with unfunded liabilities for the government's civilian superannuation schemes.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (ACB)	5,223	5,279	5,352	5,327	5,342
Administered Assets and Liabilities - Bill 2	348,873	58,117	6,110	2,698	2,752
Total new capital appropriations	354,096	63,396	11,462	8,025	8,094
Provided for:					
Purchase of non-financial assets	7,998	11,860	10,884	7,403	7,418
Other items	346,098	51,536	578	622	676
Total items	354,096	63,396	11,462	8,025	8,094
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - ACB (a)	6,774	5,279	5,352	5,327	5,342
Funded by Administered Assets and Liabilities (b)	4,129	6,581	5,532	2,076	2,076
Funded by special appropriations	14,701	6,994	6,994	6,994	6,994
TOTAL	25,604	18,854	17,878	14,397	14,412
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total asset additions	25,604	18,854	17,878	14,397	14,412
Total cash used to acquire assets	25,604	18,854	17,878	14,397	14,412

Prepared on Australian Accounting Standards basis.

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

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

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2021				
Gross book value	50,919	93,315	441	144,675
Gross book value - ROU assets	324,681	12,915	-	337,596
Accumulated depreciation/amortisation and impairment	(16,794)	(9,452)	(139)	(26,385)
Accumulated depreciation/amortisation and impairment - ROU assets	(80,764)	(5,282)	-	(86,046)
Opening net book balance	278,042	91,496	302	369,840
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity	4,581	2,000	-	6,581
By purchase - appropriation ordinary annual services	4,108	1,124	47	5,279
By purchase - appropriation ordinary annual services - ROU	-	3,179	-	3,179
By purchase - other	5,443	1,490	61	6,994
Total additions	14,132	7,793	108	22,033
Other movements				
Depreciation/amortisation expense	(12,086)	(8,605)	-	(20,691)
Depreciation/amortisation on ROU assets	(39,973)	(3,179)	-	(43,152)
Total other movements	(52,059)	(11,784)	-	(63,843)
As at 30 June 2022				
Gross book value	65,051	97,929	549	163,529
Gross book value - ROU assets	324,681	16,094	-	340,775
Accumulated depreciation/amortisation and impairment	(28,880)	(18,057)	(139)	(47,076)
Accumulated depreciation/amortisation and impairment - ROU assets	(120,737)	(8,461)	-	(129,198)
Closing net book balance	240,115	87,505	410	328,030

Prepared on Australian Accounting Standards basis.

Australian Electoral Commission

**Entity resources and planned
performance**

Australian Electoral Commission

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Australian Electoral Commission

Section 1: Entity overview and resources

1.1 Strategic direction statement

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

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

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

1.2 Entity resource statement

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

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for AEC's operations) classification.

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

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

Table 1.1: Australian Electoral Commission resource statement — Budget estimates for 2021-22 as at Budget May 2021

	2020-21 Estimated actual \$'000	2021-22 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Departmental appropriation (b)	204,581	350,660
s74 External Revenue (c)	11,038	11,038
Departmental capital budget (d)	18,100	37,136
Total departmental annual appropriations	233,719	398,834
Total departmental special appropriations	14,900	14,900
Total departmental resourcing	248,619	413,734
Administered		
Total administered special appropriations	502	74,000
Special accounts (e)		
Opening balance	2,913	2,913
Total special account receipts	2,913	2,913
Total administered resourcing	3,415	76,913
Total resourcing for Australian Electoral Commission	252,034	490,647
	2020-21	2021-22
Average staffing level (number)	791	794

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

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

- (a) Appropriation Bill (No. 1) 2021-22.
- (b) Excludes departmental capital budget (DCB).
- (c) Estimated external revenue receipts under section 74 of the PGPA Act.
- (d) DCBs are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (e) Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to Budget Paper No. 4 - Agency Resourcing. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.

1.3 Budget measures

The AEC have no budget measures announced since the 2020-21 Mid-Year Economic and Fiscal Outlook (MYEFO).

Section 2: Outcomes and planned performance

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

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

Note:

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

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

The most recent annual performance statement can be found at: <https://www.transparency.gov.au/annual-reports/australian-electoral-commission/reporting-year/2019-20>

2.1 Budgeted expenses and performance for Outcome 1

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

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

Outcome 1: Maintain an impartial and independent electoral system for eligible voters through active electoral roll management, efficient delivery of polling services, and targeted education and public awareness programs.					
	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Program 1.1: Deliver Electoral Events					
Administered expenses					
Special appropriations					
<i>Commonwealth Electoral Act 1918</i>	502	74,000	-	-	75,500
Administered total	502	74,000	-	-	75,500
Departmental expenses					
Departmental appropriation	204,581	350,660	156,325	163,168	360,762
s74 External Revenue (a)	11,038	11,038	11,037	11,038	11,038
Special appropriations					
<i>Commonwealth Electoral Act 1918</i>	14,900	14,900	14,900	14,900	14,900
Expenses not requiring appropriation in the Budget year (b)	12,691	12,701	12,835	12,149	12,149
Departmental total	243,210	389,299	195,097	201,255	398,849
Total expenses for program 1.1	243,712	463,299	195,097	201,255	474,349
Outcome 1 Totals by appropriation type					
Administered expenses					
Special appropriations	502	74,000	-	-	75,500
Administered total	502	74,000	-	-	75,500
Departmental expenses					
Departmental appropriation	204,581	350,660	156,325	163,168	360,762
s74 External Revenue (a)	11,038	11,038	11,037	11,038	11,038
Special appropriations	14,900	14,900	14,900	14,900	14,900
Expenses not requiring appropriation in the Budget year (b)	12,691	12,701	12,835	12,149	12,149
Departmental total	243,210	389,299	195,097	201,255	398,849
Total expenses for Outcome 1	243,712	463,299	195,097	201,255	474,349
Average staffing level (number)					
	791	794			

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

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

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

Table 2.1.2: Performance measures for Outcome 1

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

Outcome 1 – Maintain an impartial and independent electoral system for eligible voters through active electoral roll management, efficient delivery of polling services, and targeted education and public awareness programs.		
Program 1.1 – Deliver Electoral Events		
Delivery	The AEC delivers Outcome 1 through four key activities: <ul style="list-style-type: none">maintain the integrity of electoral and regulatory processesprepare for and deliver electoral eventsengage with our stakeholders through education and public awareness activitiesmaintain a capable and agile organisation and continue to professionalise our workforce.	
Performance information 1.1 – Deliver Electoral Events		
Year	Performance measure	Targets/ 2020-21 estimated achievement
2020-21	Electoral Roll Management <ul style="list-style-type: none">Percentage of eligible voters enrolled (enrolment rate).	Target: ≥ 95% reported annually and at close of rolls for a federal election or referendum. Performance: On track to be met. The enrolment rate at 31 December 2020 was 96.6% and is expected to remain above 95%.
	<ul style="list-style-type: none">Redistributions determined when planned in accordance with timeframes identified in the <i>Commonwealth Electoral Act 1918</i>.	Target: redistributions in the period determined and affected electors informed. Performance: On track to be met. Redistributions are underway in Western Australia and Victoria with redistributions scheduled to be determined in 2021-22.
	Elections, By-elections and Referendums <ul style="list-style-type: none">The writs for a federal election event are issued and returned in accordance with legislation and timeframes.	Target: Date on the returned election writs falls within the timeframe specified. Performance: On track to be met. For the two by-elections of Groom and Eden-Monaro, the writs were issued and returned in accordance with legislation and timeframes.

Table continues on next page

Table 2.1.2: Performance measures for Outcome 1 (continued)

Performance information 1.1 – Deliver Electoral Events		
Year	Performance measure	Targets/ 2020-21 estimated achievement
2020-21 (continued)	<ul style="list-style-type: none"> For industrial elections and ballots, the AEC meets timeframes for key delivery of election notices, ballot periods, declared results and post-election reports. 	<p>Target: ≥ 98% of target timeframes are met annually.</p> <p>Performance: On track to be partly met. COVID-19 had an impact on the conduct of industrial elections and ballots, resulting in a temporary suspension of industrial election delivery and adjusted timetables after the recommencement. The AEC has implemented changes to ensure activities can now be conducted in a COVID-safe manner. While the AEC met the timeframes target for the first half of the year, the expectation is that the measure will only be partly met for the financial year.</p>
	<p>Public Awareness</p> <ul style="list-style-type: none"> Deliver public awareness and education products that target all Australian citizens aged 18 years and over. 	<p>Target: Campaign is delivered in accordance with objectives outlined in the campaign strategy.</p> <p>Performance: On track to be met. An integrated public information campaign was delivered for the Groom and Eden-Monaro by-elections. The communications strategy for the next federal election is being progressed informed by market research and in line with its objectives to support the conduct of the election.</p>
	<p>Party Registration and Financial Disclosure</p> <ul style="list-style-type: none"> The AEC maintains an up-to-date public register of political parties. 	<p>Target: Compliance with Part XI of the <i>Commonwealth Electoral Act 1918</i>.</p> <p>Performance: On track to be met. The AEC has continued to maintain an up-to-date public register of political parties.</p>

Table continues on next page

Table 2.1.2: Performance measures for Outcome 1 (continued)

Performance information 1.1 – Deliver Electoral Events		
Year	Performance measure	Targets
2021-22	<p>Electoral Roll Management</p> <ul style="list-style-type: none"> Percentage of eligible voters enrolled (enrolment rate). Redistributions determined when planned in accordance with timeframes identified in the <i>Commonwealth Electoral Act 1918</i>. <p>Elections, By-elections and Referendums</p> <ul style="list-style-type: none"> The writs for a federal election event are issued and returned in accordance with legislation and timeframes. For industrial elections and ballots, results are delivered with integrity and withstand scrutiny. <p>Public Awareness</p> <ul style="list-style-type: none"> Deliver public awareness and education products that target all Australian citizens aged 18 years and over. <p>Party Registration and Financial Disclosure</p> <ul style="list-style-type: none"> The AEC maintains an up-to-date public register of political parties. Disclosure returns are published and regulated in accordance with timeframes in the <i>Commonwealth Electoral Act 1918</i>. 	<ul style="list-style-type: none"> ≥ 95% reported annually and at close of rolls for a federal election or referendum. All redistributions in the period determined and affected electors informed. Date on the returned election writs falls within the timeframe specified. No targets. The AEC will report on the number of events where the AEC's conduct is challenged before a court and whether the court dismissed the challenge or upheld in favour of the AEC. Campaign is delivered in accordance with objectives outlined in the campaign strategy. Compliance with Part XI of the <i>Commonwealth Electoral Act 1918</i>. Annual returns published on the first working day in February. Election returns published 24 weeks after polling day for each electoral event.
2022-23 and beyond	As per 2021-22.	As per 2021-22.
Purposes	Maintain an impartial and independent electoral system for eligible voters through active electoral roll management, efficient delivery of polling services, and targeted education and public awareness programs.	

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021-22 Budget year, including the impact of Budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

The budgeted financial statements have not changed materially from the amounts published in the Portfolio Additional Estimates Statements 2020-21 (PAES). The changes reflect the effect of economic parameter adjustments.

3.2. Budgeted financial statements tables

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
EXPENSES					
Employee benefits	86,365	178,239	96,804	102,171	180,671
Suppliers	131,015	184,955	71,790	72,597	191,690
Depreciation and amortisation (a)	24,993	25,252	25,523	25,523	25,523
Finance costs	752	768	780	781	782
Other expenses	85	85	200	183	183
Total expenses	243,210	389,299	195,097	201,255	398,849
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	11,038	11,038	11,037	11,038	11,038
Total own-source revenue	11,038	11,038	11,037	11,038	11,038
Gains					
Other	85	85	200	183	183
Total gains	85	85	200	183	183
Total own-source income	11,123	11,123	11,237	11,221	11,221
Net (cost of)/contribution by services	(232,087)	(378,176)	(183,860)	(190,034)	(387,628)
Revenue from Government	219,481	365,560	171,225	178,068	375,662
Surplus/(deficit) attributable to the Australian Government	(12,606)	(12,616)	(12,635)	(11,966)	(11,966)
Total comprehensive income/(loss)	(12,606)	(12,616)	(12,635)	(11,966)	(11,966)
Total comprehensive income/(loss) attributable to the Australian Government	(12,606)	(12,616)	(12,635)	(11,966)	(11,966)

Table continues on next page

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

Note: Impact of net cash appropriation arrangements

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Total comprehensive income/(loss) as per statement of Comprehensive Income	(12,606)	(12,616)	(12,635)	(11,966)	(11,966)
plus: depreciation/amortisation expenses funded through appropriations (a)	11,966	11,966	11,966	11,966	11,966
plus: depreciation of ROU (b)	13,027	13,286	13,557	13,557	13,557
less: principal repayments (b)	12,387	12,636	12,888	13,557	13,557
Net Cash Operating Surplus/(Deficit)	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

(b) Applies to Right-of-Use (ROU) assets under AASB 16 Leases.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,490	1,490	1,490	1,490	1,490
Trade and other receivables	106,456	106,456	106,456	106,456	106,456
Other financial assets	577	577	577	577	577
Total financial assets	108,523	108,523	108,523	108,523	108,523
Non-financial assets					
Land and buildings	76,015	75,514	73,013	73,013	73,013
Property, plant and equipment	6,535	14,380	22,479	30,395	38,320
Intangibles	17,653	36,133	68,594	67,757	62,345
Inventories	2,007	2,007	2,007	2,007	2,007
Other non-financial assets	2,314	2,314	2,314	2,314	2,314
Total non-financial assets	104,524	130,348	168,407	175,486	177,999
Total assets	213,047	238,871	276,930	284,009	286,522
LIABILITIES					
Payables					
Suppliers	6,768	6,768	6,768	6,768	6,768
Other payables	4,881	4,881	4,881	4,881	4,881
Total payables	11,649	11,649	11,649	11,649	11,649
Interest bearing liabilities					
Leases	68,539	69,843	71,166	74,321	77,476
Total interest bearing liabilities	68,539	69,843	71,166	74,321	77,476
Provisions					
Employee provisions	22,505	22,505	22,505	22,505	22,505
Other provisions	3,474	3,474	3,474	3,474	3,474
Total provisions	25,979	25,979	25,979	25,979	25,979
Total liabilities	106,167	107,471	108,794	111,949	115,104
Net assets	106,880	131,400	168,136	172,060	171,418
EQUITY*					
Contributed equity	125,277	162,413	211,784	227,674	238,998
Reserves	27,086	27,086	27,086	27,086	27,086
Accumulated deficit	(45,483)	(58,099)	(70,734)	(82,700)	(94,666)
Total equity	106,880	131,400	168,136	172,060	171,418

Prepared on Australian Accounting Standards basis.

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

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2021-22)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2021				
Balance carried forward from previous period	(45,483)	27,086	125,277	106,880
Adjusted opening balance	(45,483)	27,086	125,277	106,880
Comprehensive income				
Surplus/(deficit) for the period	(12,616)	-	-	(12,616)
Total comprehensive income	(12,616)	-	-	(12,616)
Transactions with owners				
Contributions by owners				
Departmental Capital Budget (DCB)	-	-	37,136	37,136
Sub-total transactions with owners	-	-	37,136	37,136
Estimated closing balance as at 30 June 2022	(58,099)	27,086	162,413	131,400
Closing balance attributable to the Australian Government	(58,099)	27,086	162,413	131,400

Prepared on Australian Accounting Standards basis

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	219,481	365,560	171,225	178,068	375,662
Sale of goods and rendering of services	11,038	11,038	11,037	11,038	11,038
Total cash received	230,519	376,598	182,262	189,106	386,700
Cash used					
Employees	86,365	178,239	96,804	102,171	180,671
Suppliers	130,930	184,870	71,590	72,414	191,507
Interest payments on lease liability	752	768	780	781	782
Other	85	85	200	183	183
Total cash used	218,132	363,962	169,374	175,549	373,143
Net cash from/(used by) operating activities	12,387	12,636	12,888	13,557	13,557
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	18,100	37,136	49,371	15,890	11,324
Total cash used	18,100	37,136	49,371	15,890	11,324
Net cash from/(used by) investing activities	(18,100)	(37,136)	(49,371)	(15,890)	(11,324)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	18,100	37,136	49,371	15,890	11,324
Total cash received	18,100	37,136	49,371	15,890	11,324
Cash used					
Principal payments on lease liability	12,387	12,636	12,888	13,557	13,557
Total cash used	12,387	12,636	12,888	13,557	13,557
Net cash from/(used by) financing activities	5,713	24,500	36,483	2,333	(2,233)
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	1,490	1,490	1,490	1,490	1,490
Cash and cash equivalents at the end of the reporting period	1,490	1,490	1,490	1,490	1,490

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	18,100	37,136	49,371	15,890	11,324
Total new capital appropriations	18,100	37,136	49,371	15,890	11,324
Provided for:					
Purchase of non-financial assets	18,100	37,136	49,371	15,890	11,324
Total items	18,100	37,136	49,371	15,890	11,324
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB (a)	18,100	37,136	49,371	15,890	11,324
TOTAL	18,100	37,136	49,371	15,890	11,324
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	18,100	37,136	49,371	15,890	11,324
Total cash used to acquire assets	18,100	37,136	49,371	15,890	11,324

Prepared on Australian Accounting Standards basis.

(a) Includes purchases from current and previous years' DCBs.

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

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2021				
Gross book value	16,727	18,857	81,208	116,792
Gross book value - ROU assets	92,040	97	-	92,137
Accumulated depreciation/ amortisation and impairment	(6,911)	(12,387)	(63,555)	(82,853)
Accumulated depreciation/amortisation and impairment - ROU assets	(25,841)	(32)	-	(25,873)
Opening net book balance	76,015	6,535	17,653	100,203
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services (a)	2,000	10,673	24,463	37,136
By purchase - appropriation ordinary annual services - ROU assets	13,940	-	-	13,940
Total additions	15,940	10,673	24,463	51,076
Other movements				
Depreciation/amortisation expense	(3,155)	(2,828)	(5,983)	(11,966)
Depreciation/amortisation on ROU assets	(13,286)	-	-	(13,286)
Total other movements	(16,441)	(2,828)	(5,983)	(25,252)
As at 30 June 2022				
Gross book value	18,727	29,530	105,671	153,928
Gross book value - ROU assets	105,980	97	-	106,077
Accumulated depreciation/ amortisation and impairment	(10,066)	(15,215)	(69,538)	(94,819)
Accumulated depreciation/amortisation and impairment - ROU assets	(39,127)	(32)	-	(39,159)
Closing net book balance	75,514	14,380	36,133	126,027

Prepared on Australian Accounting Standards basis.

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

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
EXPENSES					
Other expenses	502	74,000	-	-	75,500
Total expenses administered on behalf of Government	502	74,000	-	-	75,500
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Fees and fines	33	2,000	66	33	2,500
Total non-taxation revenue	33	2,000	66	33	2,500
Total own-source revenue administered on behalf of Government	33	2,000	66	33	2,500
Total own-sourced income administered on behalf of Government	33	2,000	66	33	2,500
Net (cost of)/contribution by services	(469)	(72,000)	66	33	(73,000)
Total comprehensive income/(loss)	(469)	(72,000)	66	33	(73,000)

Prepared on Australian Accounting Standards basis.

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

The AEC has no budgeted assets and liabilities administered on behalf of the Government.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Other	33	2,000	66	33	2,500
Total cash received	33	2,000	66	33	2,500
Cash used					
Other	502	74,000	-	-	75,500
Total cash used	502	74,000	-	-	75,500
Net cash from/(used by) operating activities	(469)	(72,000)	66	33	(73,000)
Net increase/(decrease) in cash held	(469)	(72,000)	66	33	(73,000)
Cash and cash equivalents at beginning of reporting period	-	-	-	-	-
Cash from Official Public Account for:					
- Appropriations	502	74,000	-	-	75,500
Total cash from Official Public Account	502	74,000	-	-	75,500
Cash to Official Public Account for:					
- Appropriations	(33)	(2,000)	(66)	(33)	(2,500)
Total cash to Official Public Account	(33)	(2,000)	(66)	(33)	(2,500)
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.10: Schedule of administered capital budget statement (for the period ended 30 June)

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

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

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

Commonwealth Superannuation Corporation

**Entity resources and planned
performance**

Commonwealth Superannuation Corporation

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Commonwealth Superannuation Corporation

Section 1: Entity overview and resources

1.1 Strategic direction statement

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

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

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

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

1.2 Entity resource statement

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

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for CSC's operations) classification.

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

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

Table 1.1: Commonwealth Superannuation Corporation resource statement - Budget estimates for 2021-22 as at Budget May 2021

	2020-21 Estimated actual \$'000	2021-22 Estimate \$'000
Opening balance/cash reserves at 1 July	42,372	45,351
Funds from Government		
Special accounts		
CSC Special Account Departmental	123,672	124,558
Total special accounts	123,672	124,558
Total funds from Government	123,672	124,558
Total net resourcing for Commonwealth Superannuation Corporation	166,044	169,909
<hr/>		
	2020-21	2021-22
Average staffing level (a)	468	476

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

Table 1.1: Commonwealth Superannuation Corporation resource statement - Budget estimates for 2021-22 as at Budget May 2021 (continued)
Third party payments from and on behalf of other entities

	2020-21 Estimated actual \$'000	2021-22 Estimate \$'000
Payments made on behalf of another entity (as disclosed in the respective entity's resource statement)		
Finance Superannuation Special Appropriations:		
<i>Superannuation Act 1922</i>	58,057	49,896
<i>Superannuation Act 1976</i>	4,716,547	4,901,273
<i>Superannuation Act 1990</i>	2,846,738	3,174,307
<i>Same-Sex Relationships Act 2008</i> (Equal Treatment in Commonwealth Laws - Superannuation)	69	65
<i>Governance of Australian Government Superannuation Schemes Act 2011</i>	2,075	1,225
Defence Superannuation Special Appropriations:		
<i>Defence Forces Retirement Benefits Act 1948</i>	37,200	32,721
<i>Defence Force Retirement and Death Benefits Act 1973</i>	1,691,883	1,697,016
<i>Military Superannuation and Benefits Act 1991</i>	1,361,942	1,276,115
<i>Australian Defence Force Cover Act 2015</i>	23,150	63,207
CSC draws on the following Finance Annual Appropriations		
<i>Appropriation Act (No.1) (a)</i>	500	500
<i>Appropriation Act (No.1) (b)</i>	1,138	1,350
<i>Appropriation Act (No.2) (b)</i>	733	536
PNG Scheme		
<i>Administered Appropriation Act</i>	3,897	3,479

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

(a) Compensation and Legal Payments

(b) Act of Grace Payments

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

1.3 Budget measures

No budget measures have been announced since 2020-21 Mid-Year Economic and Fiscal Outlook (MYEFO) that impact CSC.

Section 2: Outcomes and planned performance

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

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

Note:

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

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

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

The most recent annual performance statement is included inside CSC's 2019-20 Annual Report to Parliament, which can be found at:

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

2.1 Budgeted expenses and performance for Outcome 1

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

Linked programs

Department of Finance
Programs <ul style="list-style-type: none"> • Program 2.7 – Public Sector Superannuation
Department of Defence
Programs <ul style="list-style-type: none"> • Program 2.15 – Defence Force Superannuation Benefits • Program 2.16 – Defence Force Superannuation Nominal Interest
Contribution to Outcome 1 made by linked programs <p>The Department of Finance and Department of Defence provide funding through third party access arrangements to the Commonwealth Superannuation Corporation for the purpose of providing payments of retirement and insurance benefits for scheme members and beneficiaries, including past, present and future employees of the Australian Government and other eligible employers and members of the Australian Defence Force.</p>

CSC Budget Statements

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

Outcome 1: Retirement and insurance benefits for scheme members and beneficiaries, including past, present and future employees of the Australian Government and other eligible employers and members of the Australian Defence Force, through investment and administration of their superannuation funds and schemes.					
	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
Program 1.1: Superannuation Scheme Governance					
Revenue from Government					
Special accounts					
CSC Special Account	123,200	138,408	136,419	131,800	130,490
Revenues from other independent sources	29	29	29	29	29
Total expenses for Program 1.1	123,229	138,437	136,448	131,829	130,519
Outcome 1 totals by resource type					
Revenue from Government					
Special accounts					
CSC Special Account	123,200	138,408	136,419	131,800	130,490
Revenues from other independent sources	29	29	29	29	29
Total expenses for Outcome 1	123,229	138,437	136,448	131,829	130,519
Average staffing level					
	2020-21 468	2021-22 476			

- (a) Expenses reflect only the cost paid by CSC and do not reflect the total cost involved in the investment of funds and administration of the schemes.
- (b) Average staffing levels reflect all staff involved in the investment and administration of the schemes. All employee expenses are paid by CSC and CSC on-charges the schemes for the portion of expenses that are referable to the investment of the scheme funds.

Table 2.1.2: Performance measures for Outcome 1

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

Outcome 1 – Retirement and insurance benefits for scheme members and beneficiaries, including past, present and future employees of the Australian Government and other eligible employers and members of the Australian Defence Force, through investment and administration of their superannuation funds and schemes.		
Program 1.1 – Superannuation Scheme Governance		
Delivery	<ul style="list-style-type: none">• Risk managed investment of members' superannuation balances.• Meeting license obligations set out by APRA and ASIC.• Development and implementation of industry standard administration services.• Provision of information for scheme members including responding to member enquiries and publications, websites and seminars.	
Performance information: Program 1.1 – Superannuation Scheme Governance		
Year	Performance measure	Actual Achievement/Targets
2020-21	<ul style="list-style-type: none">• CSC's investment performance for its default accumulation options over a rolling three-year period.• CSC's investment portfolio is maintained within Board approved risk parameters, such that negative returns are expected in no more than four out of every 20 years for the default accumulation options.• Achievement of operational objectives for contributions processing and benefit/pension payments.• Adequate satisfaction levels of customers and employers with the service provided.	<ul style="list-style-type: none">• Over the rolling three-year period to June 2021, CSC's default accumulation option is estimated to meet its annual return target of 3.5% within Board approved risk parameters.• It is estimated that the target of achieving negative returns in no more than four out of every 20 years for the default accumulation option will be met.• It is estimated that the target of achieving 90% of each operational objective will be met.• It is estimated that the target of increasing the Net Promoter Score (industry standard satisfaction measure) survey result of +10 for employers will be met.• It is estimated that the target of increasing the Net Promoter Score survey result for members/beneficiaries by two points per annum is likely to be met.

Table 2.1.2: Performance measures for Outcome 1 (continued)

Performance information: Program 1.1 – Superannuation Scheme Governance		
Year	Performance measure	Actual Achievement/Targets
2021-22	<ul style="list-style-type: none"> CSC's investment performance for its default accumulation options over a rolling three year period. CSC's investment portfolio is maintained within Board approved risk parameters, such that negative returns are expected in no more than four out of every 20 years for the default accumulation options. Achievement of operational objectives for contributions processing and benefit/pension payments. Adequate satisfaction levels of customers and employers with the service provided. 	<ul style="list-style-type: none"> Default accumulation option annual real return of 3.5% over a rolling three-year period. Negative returns in no more than four out of every 20 years for the default accumulation options. 90% of each operational objective achieved. Net Promoter Score (industry standard satisfaction measure) survey result of +10 for employers. Annual increases in Net Promoter Score survey results for both ADF customers and other customers of two points each.
2022-23 and beyond	As per 2021-22.	As per 2021-22.
Purpose	CSC's purpose is to build, support and protect better retirement outcomes for all our customers (being current and former Australian Government employees and members of the Australian Defence Force) and their families.	

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021-22 Budget year, including the impact of Budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

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

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

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

The projected operating losses reflect the estimated accounting losses associated with the cost of replacing CSC's scheme administration systems for its defined benefit schemes. CSC has sufficient cash reserves to fund the operating losses without impacting on the financial viability of CSC in the future.

3.2. Budgeted financial statements tables

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
EXPENSES (a)					
Employee benefits	68,138	69,255	70,636	72,047	73,488
Suppliers	45,758	59,346	56,777	49,438	48,695
Depreciation and amortisation	8,838	9,334	8,617	9,960	8,044
Finance costs	489	496	412	378	286
Write-down and impairment of assets	6	6	6	6	6
Total expenses	123,229	138,437	136,448	131,829	130,519
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	124,135	126,248	127,570	129,309	129,553
Interest	29	29	29	29	29
Total own-source revenue	124,164	126,277	127,599	129,338	129,582
Total own-source income	124,164	126,277	127,599	129,338	129,582
Net (cost of)/contribution by services	935	(12,160)	(8,849)	(2,491)	(937)
Surplus/(deficit) attributable to the Australian Government	935	(12,160)	(8,849)	(2,491)	(937)
Total comprehensive income/(loss)	935	(12,160)	(8,849)	(2,491)	(937)
Total comprehensive income/(loss) attributable to the Australian Government	935	(12,160)	(8,849)	(2,491)	(937)

Prepared on Australian Accounting Standards basis.

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

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	53,516	44,752	39,457	37,899	39,567
Trade and other receivables	6,071	7,321	7,421	7,971	7,971
Total financial assets	59,587	52,073	46,878	45,870	47,538
Non-financial assets					
Leasehold Improvements	22,627	22,328	17,712	17,301	12,296
Property, plant and equipment	5,572	5,102	4,625	4,219	3,768
Intangibles	13,896	11,845	10,671	9,790	9,002
Other non-financial assets	5,241	5,391	5,545	5,954	5,954
Total non-financial assets	47,336	44,666	38,553	37,264	31,020
Assets held for sale					
Total assets	106,923	96,739	85,431	83,134	78,558
LIABILITIES					
Payables					
Suppliers	5,143	6,090	6,609	6,639	6,639
Other payables	2,210	1,747	1,747	1,747	1,747
Total payables	7,353	7,837	8,356	8,386	8,386
Interest bearing liabilities					
Leases	22,180	22,497	18,191	16,898	11,981
Total interest bearing liabilities	22,180	22,497	18,191	16,898	11,981
Provisions					
Employee provisions	13,681	13,954	14,233	14,517	14,517
Other provisions	2,616	2,616	2,616	2,616	2,616
Total provisions	16,297	16,570	16,849	17,133	17,133
Total liabilities	45,830	46,904	43,396	42,417	37,500
Net assets	61,093	49,835	42,035	40,717	41,058
EQUITY*					
Contributed equity	35,475	35,475	35,475	35,475	35,475
Reserves	2,560	3,462	4,511	5,684	6,962
Retained surplus (accumulated deficit)	23,058	10,898	2,049	(442)	(1,379)
Total equity	61,093	49,835	42,035	40,717	41,058

Prepared on Australian Accounting Standards basis.

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

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2021-22)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2021					
Balance carried forward from previous period	23,058	478	2,082	35,475	61,093
Adjusted opening balance	23,058	478	2,082	35,475	61,093
Comprehensive income					
Other comprehensive income	-	-	-	-	-
Surplus/(deficit) for the period	(12,160)				(12,160)
Total comprehensive income	(12,160)	-	-	-	(12,160)
Transfers to/(from) reserves	-	-	902		902
Estimated closing balance as at 30 June 2022	10,898	478	2,984	35,475	49,835
Closing balance attributable to the Australian Government	10,898	478	2,984	35,475	49,835

Prepared on Australian Accounting Standards basis

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sale of goods and rendering of services	128,455	129,484	132,569	134,103	129,547
Interest	29	29	29	29	29
Total cash received	128,484	129,513	132,598	134,132	129,576
Cash used					
Employees	68,037	68,982	70,357	71,763	73,488
Suppliers	49,566	63,097	61,013	54,647	48,695
Borrowing costs	12	12	12	12	12
Net GST paid	235	407	504	520	-
Interest payments on lease liability	477	484	400	366	274
Total cash used	118,327	132,982	132,286	127,308	122,469
Net cash from/(used by) operating activities	10,157	(3,469)	312	6,824	7,107
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	6,454	2,150	2,350	4,955	1,800
Total cash used	6,454	2,150	2,350	4,955	1,800
Net cash from/(used by) investing activities	(6,454)	(2,150)	(2,350)	(4,955)	(1,800)
FINANCING ACTIVITIES					
Cash received					
Transfers to operational risk reserve	555	902	1,049	1,173	1,278
Total cash received	555	902	1,049	1,173	1,278
Cash used					
Principal payments on lease liability	3,548	4,047	4,306	4,600	4,917
Total cash used	3,548	4,047	4,306	4,600	4,917
Net cash from/(used by) financing activities	(2,993)	(3,145)	(3,257)	(3,427)	(3,639)
Net increase/(decrease) in cash held	710	(8,764)	(5,295)	(1,558)	1,668
Cash and cash equivalents at the beginning of the reporting period	52,806	53,516	44,752	39,457	37,899
Cash and cash equivalents at the end of the reporting period	53,516	44,752	39,457	37,899	39,567

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources	6,454	2,150	2,350	4,955	1,800
TOTAL	6,454	2,150	2,350	4,955	1,800
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	6,454	2,150	2,350	4,955	1,800
Total cash used to acquire assets	6,454	2,150	2,350	4,955	1,800

Prepared on Australian Accounting Standards basis.

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

	Leasehold Improvements \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2021				
Gross book value	13,016	12,808	33,871	59,695
Gross book value - ROU assets	22,057	63	-	22,120
Accumulated depreciation/ amortisation and impairment	(6,026)	(7,236)	(19,975)	(33,237)
Accumulated depreciation/amortisation and impairment - ROU assets	(6,420)	(63)	-	(6,483)
Opening net book balance	22,627	5,572	13,896	42,095
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - other	500	1,650	-	2,150
By purchase - other - ROU assets	4,364	-	-	4,364
Total additions	4,864	1,650	-	6,514
Other movements				
Depreciation/amortisation expense	(1,348)	(2,120)	(2,051)	(5,519)
Depreciation/amortisation on ROU assets	(3,815)	-	-	(3,815)
Total other movements	(5,163)	(2,120)	(2,051)	(9,334)
As at 30 June 2022				
Gross book value	13,516	14,458	33,871	61,845
Gross book value - ROU assets	26,421	63	-	26,484
Accumulated depreciation/ amortisation and impairment	(7,374)	(9,356)	(22,026)	(38,756)
Accumulated depreciation/amortisation and impairment - ROU assets	(10,235)	(63)	-	(10,298)
Closing net book balance	22,328	5,102	11,845	39,275

Prepared on Australian Accounting Standards basis.

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

The CSC has no budgeted income and expenses administered on behalf of the Government.

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

The CSC has no budgeted assets and liabilities administered on behalf of the Government.

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

The CSC has no budgeted cash flows administered on behalf of the Government.

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

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

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

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

Future Fund Management Agency

**Entity resources and planned
performance**

Future Fund Management Agency

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Future Fund Management Agency

Section 1: Entity overview and resources

1.1 Strategic direction statement

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

The scope of the FFMA and the Board was extended by the *DisabilityCare Australia Fund Act 2013*, the *Medical Research Future Fund Act 2015*, the *Aboriginal and Torres Strait Islander Land and Sea Future Fund Act 2018*, the *Future Drought Fund Act 2019* and the *Emergency Response Fund Act 2019* to include the management of investments to grow other Australian Government Investment Funds as a means to provide financing sources for substantial future investments in the Australian economy. As a result the FFMA supports the Board in managing investments of the Future Fund, DisabilityCare Australia Fund (DCAF), Medical Research Future Fund (MRFF), Aboriginal and Torres Strait Islander Land and Sea Future Fund (ATSILSFF), Future Drought Fund (FDF) and the Emergency Response Fund (ERF).

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

The Future Fund's portfolio will continue to evolve as the Board manages the portfolio in line with its mandate and strategy. The government revised the Future Fund mandate return in May 2017 and announced its intention to delay the drawdowns from the Future Fund until at least 2027. The approach to managing the portfolio is detailed in the 2019-20 Future Fund Annual Report. Recognising the potential for continued volatility in investment markets, an important emphasis for the FFMA and the Board is maintaining a long term investment perspective and strategy that balances risk with expected return as required.

The FFMA provides support and advice to the Board in relation to the DCAF, MRFF, ATSILSFF, FDF and ERF and is focused on developing and implementing investment strategies consistent with the legislation and mandates. The investment strategies and approach for the DisabilityCare Australia Fund, the Medical Research Future Fund, the Aboriginal and Torres Strait Islander Land and Sea Future Fund, the Future Drought Fund and the Emergency Response Fund are detailed in the 2019-20 Future Fund Annual Report.

Investment policies for the funds managed by the Board are available at www.futurefund.gov.au/investment/how-we-invest/investment-policies.

1.2 Entity resource statement

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

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

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

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

Table 1.1: Future Fund Management Agency resource statement — Budget estimates for 2021-22 as at Budget May 2021

	2020-21 <i>Estimated actual</i> \$'000	2021-22 Estimate \$'000
Administered		
Special accounts		
Opening balance	-	-
Non-appropriation receipts	340,242	429,307
Total special accounts	340,242	429,307
Total administered resourcing	340,242	429,307
Total resourcing for Future Fund Management Agency	340,242	429,307
Average staffing level (number)	196	350

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

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

Future Fund does not receive any annual appropriations. Its outputs are funded as payments from the Future Fund Special Account.

1.3 Budget measures

No budget measures have been announced since 2020-21 Mid-Year Economic and Fiscal Outlook (MYEFO) that impact FFMA.

Section 2: Outcomes and planned performance

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

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

Note:

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

The most recent corporate plan for FFMA can be found at: <https://www.futurefund.gov.au/about-us/access-to-information/parliamentary-and-statutory-reporting>.

The most recent annual performance statement can be found at: <https://www.futurefund.gov.au/about-us/publications>.

2.1 Budgeted expenses and performance for Outcome 1

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

Linked programs

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

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

Outcome 1: Strengthen the Commonwealth's financial position for the benefit of the Australian people, by managing the investment activities of the Future Fund and certain other Australian Government investment funds in line with their Investment Mandates.					
	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
Program 1.1: Management of the Investment of the Future Fund					
Departmental expenses					
Special accounts					
Future Fund Special Account	126,162	141,600	149,014	157,340	166,669
Departmental total	126,162	141,600	149,014	157,340	166,669
Total expenses for program 1.1	126,162	141,600	149,014	157,340	166,669
	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
Program 1.2: Management of the Investment of the Australian Government Investment Funds					
Departmental expenses					
Special accounts					
Future Fund Special Account	10,244	10,288	10,353	10,447	10,267
Departmental total	10,244	10,288	10,353	10,447	10,267
Total expenses for program 1.2	10,244	10,288	10,353	10,447	10,267
Outcome 1 Totals by appropriation type					
	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
Departmental expenses					
Special accounts	136,406	151,888	159,367	167,787	176,936
Departmental total	136,406	151,888	159,367	167,787	176,936
Total expenses for Outcome 1	136,406	151,888	159,367	167,787	176,936
	2020-21	2021-22			
Average staffing level (number)	196	350			

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

Table 2.1.3: Performance measures for Outcome 1

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

Outcome 1 – Strengthen the Commonwealth’s financial position for the benefit of the Australian people, by managing the investment activities of the Future Fund and certain other Australian Government investment funds in line with their Investment Mandates.		
Program 1.1 – Management of the Investment of the Future Fund		
The FFMA supports the Board in investing to accumulate assets for the purpose of offsetting the unfunded superannuation liabilities of the Australian Government which will fall due on future generations.		
Delivery	<ul style="list-style-type: none">• Ensure all decisions of the Board of Guardians are given effect as directed by the Board within timeframes and quality levels agreed with the Board.• Ensure all investments are made in accordance with relevant legislation, Investment Mandate and ministerial directions.• Provide administrative services to the Board.• Provide information and recommendations to the Board.• Advise the Board about the performance of the Board's functions.• Make resources and facilities available to the Board.	
Performance information		
Year	Performance measure	Actual Achievement/Targets
2020-21	Provide assistance and advice to the Board in pursuit of achieving the Investment Mandate target return over the long term (interpreted as rolling 10 year periods) with acceptable but not excessive risk.	As at 31 March 2021 the actual return was 9.1% over the last 10 years against a target benchmark return of 6.1%.
2021-22	As per 2020-21.	To achieve a return in line with the long-term target return with acceptable but not excessive risk.
2022-23 and beyond	As per 2020-21.	As per 2021-22.
Purposes	The FFMA supports the Board in maximising the returns on funds for which the Board is responsible in line with the Investment Mandate Directions for each fund.	

Table continues on next page

Table 2.1.3: Performance measures for Outcome 1 (continued)

Outcome 1 – Strengthen the Commonwealth’s financial position for the benefit of the Australian people, by managing the investment activities of the Future Fund and certain other Australian Government investment funds in line with their Investment Mandates.		
Program 1.2 – Management of the Investment of the Australian Government Investment Funds The <i>DisabilityCare Australia Fund Act 2013</i> established the DisabilityCare Australia Fund (DCAF) on 1 July 2014. The <i>Medical Research Future Fund Act 2015</i> established the Medical Research Future Fund (MRFF) on 27 August 2015. The <i>Aboriginal and Torres Strait Islander Land and Sea Future Fund Act 2018</i> established the Aboriginal and Torres Strait Islander Land and Sea Future Fund (ATSILSFF) on 1 February 2019. The <i>Future Drought Fund Act 2019</i> established the Future Drought Fund on 1 September 2019. The <i>Emergency Response Fund Act 2019</i> established the Emergency Response Fund on 12 December 2019. The role of the FFMA was extended to include supporting the Board in the investment of the assets of these funds.		
Delivery	<ul style="list-style-type: none"> • Ensure all decisions of the Board of Guardians are given effect as directed by the Board within timeframes and quality levels agreed with the Board. • Ensure all investments are made in accordance with relevant legislation, Investment Mandate and ministerial directions. • Provide administrative services to the Board. • Provide information and recommendations to the Board. • Advise the Board about the performance of the Board's functions. • Make resources and facilities available to the Board. 	
Performance information: Program 1.2 – Management of the Investment of the Australian Government Investment Funds		
Year	Performance measure	Actual Achievement/Targets
2020-21	Provide assistance and advice to the Board in pursuit of achieving the Investment Mandate target returns as follows: <ul style="list-style-type: none"> • For the DCAF the Australian three month bank bill swap rate plus 0.3% per annum, calculated on a rolling 12 month basis while minimising the probability of capital loss over a 12 month horizon. • For the MRFF the Reserve Bank of Australia Cash Rate target +1.5% to 2.0% per annum, net of investment fees, over a rolling 10 year term with acceptable but not excessive risk. • For the ATSILSFF an average return over the long term of at least the consumer price index +2.0% to 3.0% per annum, net of costs with an acceptable but not excessive level of risk including having regard to the plausible capital loss from investment returns over a three year period. 	<p>As at 31 March 2021 the actual return was 0.8% compared to the target benchmark return of 0.4%.</p> <p>As at 31 March 2021 the actual return was 4.2% compared to the target return of 2.7% since 22 September 2015.</p> <p>As at 31 March 2021 the actual return was 4.2% compared to the target return of 3.4% since 1 October 2019.</p>

Table continues on next page

Table 2.1.3: Performance measures for Outcome 1 (continued)

Performance information: Program 1.2 – Management of the Investment of the Australian Government Investment Funds		
Year	Performance measure	Actual Achievement/Targets
2020-21	<ul style="list-style-type: none"> For the FDF and ERF an average return over the long term of at least the consumer price index +2.0% to 3.0% per annum, net of costs with an acceptable but not excessive level of risk including having regard to the plausible capital loss from investment returns over a three year period. 	<p>As at 31 March 2021 the actual return for FDF was 11.5% since 1 April 2020.</p> <p>As at 31 March 2021 the actual return for ERF was 11.5% since 1 April 2020.</p>
2021-22	As per 2020-21.	To achieve a return in line with the target return and with regard to the risk parameters of the mandate for the DCAF, MRFF, ATSILSFF, FDF & ERF as per 2020-21.
2022-23 and beyond	As per 2020-21.	To achieve a return in line with the target return and with regard to the risk parameters of the mandate.
Purposes	The FFMA supports the Board in maximising the returns on funds for which the Board is responsible in line with the Investment Mandate Directions for each fund.	

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021-22 Budget year, including the impact of Budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

Departmental expenditure will increase over the 2021-22 estimate year in line with maintaining and developing the FFMA's ability to support the Board in managing the Future Fund and other Australian Government Investment Funds.

Administered expenditure will increase over the 2021-22 estimate year as a result of the expected growth of the portfolio and the evolution of the asset allocation in line with the Board's investment strategy.

3.2. Budgeted financial statements tables

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
EXPENSES					
Employee benefits	57,913	59,707	61,049	63,183	65,393
Suppliers	68,008	80,508	88,426	94,712	101,651
Depreciation and amortisation	10,325	11,534	9,779	9,779	9,779
Other expenses	316	295	269	269	269
Total expenses	136,562	152,044	159,523	167,943	177,092
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other	136,406	151,888	159,367	167,787	176,936
Total own-source revenue	136,406	151,888	159,367	167,787	176,936
Gains					
Other	156	156	156	156	156
Total gains	156	156	156	156	156
Total own-source income	136,562	152,044	159,523	167,943	177,092
Net (cost of)/contribution by services	-	-	-	-	-
Surplus/(deficit) attributable to the Australian Government	-	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	50	50	50	50	50
Trade and other receivables	27,870	27,980	28,071	29,191	30,161
Total financial assets	27,920	28,030	28,121	29,241	30,211
Non-financial assets					
Land and buildings	46,170	38,603	33,511	28,419	23,327
Property, plant and equipment	24,594	26,546	26,546	26,546	26,546
Intangibles	1,453	1,205	1,205	1,205	1,205
Total non-financial assets	72,217	66,354	61,262	56,170	51,078
Total assets	100,137	94,384	89,383	85,411	81,289
LIABILITIES					
Payables					
Suppliers	7,102	7,946	7,537	8,043	8,587
Other payables	22,724	22,993	23,278	23,731	24,201
Total payables	29,826	30,939	30,815	31,774	32,788
Interest bearing liabilities					
Leases	59,277	51,693	46,273	40,612	34,699
Total interest bearing liabilities	59,277	51,693	46,273	40,612	34,699
Provisions					
Employee provisions	11,034	11,752	12,295	13,025	13,802
Total provisions	11,034	11,752	12,295	13,025	13,802
Total liabilities	100,137	94,384	89,383	85,411	81,289
Net assets	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2021-22)

The FFMA does not have any changes in equity.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Other	140,587	151,778	159,276	166,667	175,966
Total cash received	140,587	151,778	159,276	166,667	175,966
Cash used					
Employees	55,408	58,720	60,221	62,000	64,146
Suppliers	66,284	79,508	88,679	94,050	100,951
Other	316	295	269	269	269
Total cash used	122,008	138,523	149,169	156,319	165,366
Net cash from/(used by) operating activities	18,579	13,255	10,107	10,348	10,600
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	12,116	5,671	4,687	4,687	4,687
Total cash used	12,116	5,671	4,687	4,687	4,687
Net cash from/(used by) investing activities	(12,116)	(5,671)	(4,687)	(4,687)	(4,687)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	6,505	7,584	5,420	5,661	5,913
Total cash used	6,505	7,584	5,420	5,661	5,913
Net cash from/(used by) financing activities	(6,505)	(7,584)	(5,420)	(5,661)	(5,913)
Net increase/(decrease) in cash held	(42)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	92	50	50	50	50
Cash and cash equivalents at the end of the reporting period	50	50	50	50	50

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources	12,116	5,671	4,687	4,687	4,687
TOTAL	12,116	5,671	4,687	4,687	4,687
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	12,116	5,671	4,687	4,687	4,687
Total cash used to acquire assets	12,116	5,671	4,687	4,687	4,687

Prepared on Australian Accounting Standards basis.

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

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2021				
Gross book value	-	36,227	9,967	46,194
Gross book value - ROU assets	55,965	-	-	55,965
Accumulated depreciation/ amortisation and impairment	-	(11,633)	(8,514)	(20,147)
Accumulated depreciation/amortisation and impairment - ROU assets	(9,795)	-	-	(9,795)
Opening net book balance	46,170	24,594	1,453	72,217
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - other	-	5,481	190	5,671
Total additions	-	5,481	190	5,671
Other movements				
Depreciation/amortisation expense	-	(3,529)	(438)	(3,967)
Depreciation/amortisation on ROU assets	(7,567)	-	-	(7,567)
Total other movements	(7,567)	(3,529)	(438)	(11,534)
As at 30 June 2022				
Gross book value	-	41,708	10,157	51,865
Gross book value - ROU assets	55,965	-	-	55,965
Accumulated depreciation/ amortisation and impairment	-	(15,162)	(8,952)	(24,114)
Accumulated depreciation/amortisation and impairment - ROU assets	(17,362)	-	-	(17,362)
Closing net book balance	38,603	26,546	1,205	66,354

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
EXPENSES					
Employee benefits	983	1,013	1,044	1,075	1,107
Suppliers	397,995	431,367	456,191	483,017	512,004
Total expenses administered on behalf of Government	398,978	432,380	457,235	484,092	513,111
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Interest (a)	1,487,779	241,203	253,810	267,052	283,742
Dividends	5,699,355	3,366,498	3,587,923	3,823,877	4,062,869
Total non-taxation revenue	7,187,134	3,607,701	3,841,733	4,090,929	4,346,611
Total own-source revenue administered on behalf of Government	7,187,134	3,607,701	3,841,733	4,090,929	4,346,611
Gains					
Other gains	13,405,674	8,136,652	8,635,635	9,165,344	9,737,299
Total gains administered on behalf of Government	13,405,674	8,136,652	8,635,635	9,165,344	9,737,299
Total own-sourced income administered on behalf of Government	20,592,808	11,744,353	12,477,368	13,256,273	14,083,910
Net (cost of)/contribution by services	20,193,830	11,311,973	12,020,133	12,772,181	13,570,799
Surplus/(deficit) before income tax	20,193,830	11,311,973	12,020,133	12,772,181	13,570,799
Total comprehensive income/(loss)	20,193,830	11,311,973	12,020,133	12,772,181	13,570,799

Prepared on Australian Accounting Standards basis.

(a) Includes interest income/(expense) on fixed income securities and derivatives.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	4,992	5,142	5,296	5,455	5,619
Trade and other receivables	1,527,068	1,509,554	1,547,502	1,589,557	1,634,401
Other investments	180,400,397	191,729,829	203,711,937	216,443,002	229,969,810
Total financial assets	181,932,457	193,244,525	205,264,735	218,038,014	231,609,830
Total assets administered on behalf of Government	181,932,457	193,244,525	205,264,735	218,038,014	231,609,830
LIABILITIES					
Payables					
Suppliers	159,194	159,287	159,362	160,458	161,474
Other payables	525,203	525,205	525,207	525,209	525,210
Total payables	684,397	684,492	684,569	685,667	686,684
Provisions					
Other provisions	8,049	8,049	8,049	8,049	8,049
Total provisions	8,049	8,049	8,049	8,049	8,049
Total liabilities administered on behalf of Government	692,446	692,541	692,618	693,716	694,733
Net assets/(liabilities)	181,240,011	192,551,984	204,572,117	217,344,298	230,915,097

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Interest	1,487,058	241,203	253,810	267,052	283,742
Dividends	5,675,704	3,307,550	3,562,724	3,797,045	4,034,298
Net GST received	302	322	-	-	-
Total cash received	7,163,064	3,549,075	3,816,534	4,064,097	4,318,040
Cash used					
Suppliers	330,694	428,128	449,737	484,142	510,988
Net GST paid	-	-	76	81	87
Employees	965	1,011	1,042	1,073	1,105
Total cash used	331,659	429,139	450,855	485,296	512,180
Net cash from/(used by) operating activities	6,831,405	3,119,936	3,365,679	3,578,801	3,805,860
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of investments	166,275,595	171,263,863	176,401,779	181,693,832	187,144,647
Total cash received	166,275,595	171,263,863	176,401,779	181,693,832	187,144,647
Cash used					
Investments	173,102,061	174,383,649	179,767,304	185,272,474	190,950,343
Total cash used	173,102,061	174,383,649	179,767,304	185,272,474	190,950,343
Net cash from/(used by) investing activities	(6,826,466)	(3,119,786)	(3,365,525)	(3,578,642)	(3,805,696)
Net increase/(decrease) in cash held	4,939	150	154	159	164
Cash and cash equivalents at beginning of reporting period	53	4,992	5,142	5,296	5,455
Cash and cash equivalents at end of reporting period	4,992	5,142	5,296	5,455	5,619

Prepared on Australian Accounting Standards basis.

Table 3.10: Schedule of administered capital budget statement (for the period ended 30 June)

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

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

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

Independent Parliamentary Expenses Authority

**Entity resources and planned
performance**

Independent Parliamentary Expenses Authority

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Independent Parliamentary Expenses Authority

Section 1: Entity overview and resources

1.1 Strategic direction statement

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

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

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

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

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

1.2 Entity resource statement

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

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

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

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

Table 1.1: Independent Parliamentary Expenses Authority resource statement — Budget estimates for 2021-22 as at Budget May 2021

	2020-21 Estimated actual \$'000	2021-22 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	5,050	5,050
Departmental appropriation (b)	8,746	10,041
Total departmental annual appropriations	13,796	15,091
Total departmental resourcing	13,796	15,091
Administered		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	6,945	6,945
Outcome 1	38,767	39,157
Total administered annual appropriations	45,712	46,102
Total administered special appropriations	32,736	37,683
Total administered resourcing	78,448	83,785
Total resourcing for Independent Parliamentary Expenses Authority	92,244	98,876
	2020-21	2021-22
Average staffing level (number)	52	65

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

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

(b) Excludes departmental capital budget (DCB).

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

1.3 Budget measures

No Budget measures have been announced since the 2020-21 Mid-Year Economic and Fiscal Outlook (MYEFO) that impact IPEA.

Section 2: Outcomes and planned performance

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

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

Note:

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

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

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

2.1 Budgeted expenses and performance for Outcome 1

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

Linked programs

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

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Program 1.1: Independent Parliamentary Expenses Authority - Travel Oversight and Reporting					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	38,767	39,157	39,678	40,208	40,730
Special appropriations					
Parliamentary Business Resources Act 2017	32,144	37,084	33,374	33,841	34,281
Parliamentary Retirement Travel Act 2002	592	599	607	616	624
Administered total	71,503	76,840	73,659	74,665	75,635
Departmental expenses					
Departmental appropriation	8,746	10,041	10,083	8,817	8,850
Expenses not requiring appropriation in the Budget year (a)	-	56	56	56	56
Departmental total	8,746	10,097	10,139	8,873	8,906
Total expenses for program 1.1	80,249	86,937	83,798	83,538	84,541
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	38,767	39,157	39,678	40,208	40,730
Special appropriations	32,736	37,683	33,981	34,457	34,905
Administered total	71,503	76,840	73,659	74,665	75,635
Departmental expenses					
Departmental appropriation	8,746	10,041	10,083	8,817	8,850
Expenses not requiring appropriation in the Budget year (a)	-	56	56	56	56
Departmental total	8,746	10,097	10,139	8,873	8,906
Total expenses for Outcome 1	80,249	86,937	83,798	83,538	84,541
	2020-21	2021-22			
Average staffing level (number)	52	65			

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

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

Table 2.1.2: Performance measures for Outcome 1

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

Outcome 1 – Support for current and former parliamentarians and others as required by the Australian Government through the delivery of, independent oversight and advice on, work resources and travel resources.		
Program 1.1 – Independent Parliamentary Expenses Authority – Travel Oversight and Reporting IPEA provides services to parliamentarians and their staff and publicly reports on their expenditure.		
Delivery	IPEA's objective is to administer and advise on travel related work expenses, and provide independent oversight of the work expenses provided to current and former parliamentarians and their staff through its reporting and auditing activities.	
Performance information: 1.1 – IPEA – Travel Oversight and Reporting		
Year	Performance measure (a)	Actual Achievement/Targets
2020-21	<p>Travel — Advice</p> <ul style="list-style-type: none">• Provide clear and timely advice to parliamentarians and MOP(S) staff on travel and related expenses. <p>Travel — Claims</p> <ul style="list-style-type: none">• Accurate and timely processing of claims for travel expenses and allowances relating parliamentarians and MOP(S) staff. <p>Data and Reporting</p> <ul style="list-style-type: none">• Increasing transparency through the compilation of reports detailing the work resources of current and former parliamentarians and the travel resources of MOP(S) staff. <p>Audit and Assurance</p> <ul style="list-style-type: none">• Auditing the work resources of parliamentarians and the travel resources of MOP(S) staff.	<ul style="list-style-type: none">• Advice is provided in accordance with IPEA's published service level standards, which include measurements for quality and timeliness.• Claims for travel expenses and allowances are processed in accordance with IPEA's published service level standards, which include measurements for accuracy and timeliness.• Reports relating to work expenses for parliamentarians and their staff are prepared and provided as per IPEA's published service level standards.• All parliamentarians' offices are subject to one or more forms of assurance activities during the financial year in accordance with IPEA's published service level standards.

Table continues on next page

Table 2.1.2: Performance measures for Outcome 1 (continued)

Performance information: 1.1 – IPEA – Travel Oversight and Reporting		
Year	Performance measure (a)	Actual Achievement/Targets
2021-22	<p>Travel — Advice</p> <ul style="list-style-type: none"> • Provide clear and timely advice to parliamentarians and MOP(S) staff on travel and related expenses. <p>Travel — Claims</p> <ul style="list-style-type: none"> • Accurate and timely processing of claims for travel expenses and allowances relating parliamentarians and MOP(S) staff. <p>Data and Reporting</p> <ul style="list-style-type: none"> • Increasing transparency through the compilation of reports detailing the work resources of current and former parliamentarians and the travel resources of MOP(S) staff. <p>Audit and Assurance</p> <ul style="list-style-type: none"> • Auditing the work resources of parliamentarians and the travel resources of MOP(S) staff. 	<ul style="list-style-type: none"> • Advice is provided in accordance with IPEA's published service level standards, which include measurements for quality and timeliness. • Claims for travel expenses and allowances are processed in accordance with IPEA's published service level standards, which include measurements for accuracy and timeliness. • Reports relating to work expenses for parliamentarians and their staff are prepared and provided as per IPEA's published service level standards. • All parliamentarians' offices are subject to one or more forms of assurance activities during the financial year in accordance with IPEA's published service level standards.

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Table 2.1.2: Performance measures for Outcome 1 (continued)

Performance information: 1.1 – IPEA – Travel Oversight and Reporting		
Year	Performance measure (a)	Actual Achievement/Targets
2022-23 and beyond	<p>Travel — Advice</p> <ul style="list-style-type: none"> • Provide clear and timely advice to parliamentarians and MOP(S) staff on travel and related expenses. <p>Travel — Claims</p> <ul style="list-style-type: none"> • Accurate and timely processing of claims for travel expenses and allowances relating parliamentarians and MOP(S) staff. <p>Data and Reporting</p> <ul style="list-style-type: none"> • Increasing transparency through the compilation of reports detailing the work resources of current and former parliamentarians and the travel resources of MOP(S) staff. <p>Audit and Assurance</p> <ul style="list-style-type: none"> • Auditing the work resources of parliamentarians and the travel resources of MOP(S) staff. 	<ul style="list-style-type: none"> • Advice is provided in accordance with IPEA's published service level standards, which include measurements for quality and timeliness. • Claims for travel expenses and allowances are processed in accordance with IPEA's published service level standards, which include measurements for accuracy and timeliness. • Reports relating to work expenses for parliamentarians and their staff are prepared and provided as per IPEA's published service level standards. • All parliamentarians' offices are subject to one or more forms of assurance activities during the financial year in accordance with IPEA's published service level standards.
Purposes	<p>Provide independent monitoring, auditing and reporting of the work resources accessed by current and former parliamentarians and MOP(S) staff.</p> <p>Deliver services relating to the administration of travel expenses, allowances, and related expenses including advice on, and processing of, these claims.</p>	

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021-22 Budget year, including the impact of Budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

Departmental

IPEA is budgeting a break-even result for 2021-22 and across the forward estimates. Expenses and revenue from government increase in 2021-22 and 2022-23 due to additional funding being provided due to the delay of the implementation of the Parliamentary Expenses Management System.

Administered

In the schedule of budgeted income and expenses, the administered supplier expenses reflect estimated work and travel expenses for current and former parliamentarians and MOP(S) staff.

3.2. Budgeted financial statements tables

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
EXPENSES					
Employee benefits	5,802	7,837	8,037	6,878	6,999
Suppliers	2,944	2,260	2,102	1,995	1,907
Total expenses	8,746	10,097	10,139	8,873	8,906
LESS:					
OWN-SOURCE INCOME					
Gains					
Other	-	56	56	56	56
Total gains	-	56	56	56	56
Total own-source income	-	56	56	56	56
Net (cost of)/contribution by services	(8,746)	(10,041)	(10,083)	(8,817)	(8,850)
Revenue from Government	8,746	10,041	10,083	8,817	8,850
Surplus/(deficit) attributable to the Australian Government	-	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	50	50	50	50	50
Trade and other receivables	5,165	5,165	5,165	5,165	5,165
Total financial assets	5,215	5,215	5,215	5,215	5,215
Non-financial assets					
Other non-financial assets	2	2	2	2	2
Total non-financial assets	2	2	2	2	2
Total assets	5,217	5,217	5,217	5,217	5,217
LIABILITIES					
Payables					
Suppliers	246	246	246	246	246
Other payables	342	342	342	342	342
Total payables	588	588	588	588	588
Provisions					
Employee provisions	2,199	2,199	2,199	2,199	2,199
Total provisions	2,199	2,199	2,199	2,199	2,199
Total liabilities	2,787	2,787	2,787	2,787	2,787
Net assets	2,430	2,430	2,430	2,430	2,430
EQUITY*					
Contributed equity	539	539	539	539	539
Retained surplus	1,891	1,891	1,891	1,891	1,891
Total equity	2,430	2,430	2,430	2,430	2,430

Prepared on Australian Accounting Standards basis.

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

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2021-22)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2021					
Balance carried forward from previous period	1,891	-	-	539	2,430
Adjusted opening balance	1,891	-	-	539	2,430
of which:					
Attributable to the Australian Government	-	-	-	-	-
Estimated closing balance as at 30 June 2022	1,891	-	-	539	2,430
Closing balance attributable to the Australian Government	1,891	-	-	539	2,430

Prepared on Australian Accounting Standards basis

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	8,746	10,041	10,083	8,817	8,850
Total cash received	8,746	10,041	10,083	8,817	8,850
Cash used					
Employees	5,802	7,837	8,037	6,878	6,999
Suppliers	2,944	2,204	2,046	1,939	1,851
Total cash used	8,746	10,041	10,083	8,817	8,850
Net cash from/(used by) operating activities	-	-	-	-	-
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	50	50	50	50	50
Cash and cash equivalents at the end of the reporting period	50	50	50	50	50

Prepared on Australian Accounting Standards basis

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

IPEA does not have any budgeted capital expenditure.

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

IPEA does not have any budgeted non-financial assets.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
EXPENSES					
Employee benefits	-	1,995	1,995	1,995	1,995
Suppliers	71,503	74,845	71,664	72,670	73,640
Subsidies					
Total expenses administered on behalf of Government	71,503	76,840	73,659	74,665	75,635
LESS:					
OWN-SOURCE INCOME					
Total own-sourced income administered on behalf of Government	-	-	-	-	-
Net (cost of)/contribution by services	(71,503)	(76,840)	(73,659)	(74,665)	(75,635)
Total comprehensive income/(loss)	(71,503)	(76,840)	(73,659)	(74,665)	(75,635)

Prepared on Australian Accounting Standards basis

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	10	10	10	10	10
Taxation receivables	84	84	84	84	84
Total financial assets	94	94	94	94	94
Non-financial assets					
Prepayment	5,000	5,000	5,000	5,000	5,000
Total non-financial assets	5,000	5,000	5,000	5,000	5,000
Total assets administered on behalf of Government	5,094	5,094	5,094	5,094	5,094
LIABILITIES					
Payables					
Suppliers	420	420	420	420	420
Other payables	638	638	638	638	638
Total payables	1,058	1,058	1,058	1,058	1,058
Provisions					
Other provisions	3,649	3,649	3,649	3,649	3,649
Total provisions	3,649	3,649	3,649	3,649	3,649
Total liabilities administered on behalf of Government	4,707	4,707	4,707	4,707	4,707
Net assets/(liabilities)	387	387	387	387	387

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Total cash received	-	-	-	-	-
Cash used					
Suppliers	71,503	74,845	71,664	72,670	73,640
Employees		1,995	1,995	1,995	1,995
Total cash used	71,503	76,840	73,659	74,665	75,635
Net cash from/(used by) operating activities	(71,503)	(76,840)	(73,659)	(74,665)	(75,635)
Net increase/(decrease) in cash held	(71,503)	(76,840)	(73,659)	(74,665)	(75,635)
Cash and cash equivalents at beginning of reporting period	10	10	10	10	10
Cash from Official Public Account for:					
- Appropriations	71,503	76,840	73,659	74,665	75,635
Total cash from Official Public Account	71,503	76,840	73,659	74,665	75,635
Cash and cash equivalents at end of reporting period	10	10	10	10	10

Prepared on Australian Accounting Standards basis.

Table 3.10: Schedule of administered capital budget statement (for the period ended 30 June)

IPEA has no budgeted capital expenditure on behalf of Government.

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

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

Portfolio glossary

Term	Meaning
Accumulated Depreciation	The aggregate depreciation recorded for a particular depreciating asset.
Administered Items	Expenses, revenues, assets or liabilities managed by entities on behalf of the Commonwealth. Entities do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs.
Additional Estimates	Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.
Additional Estimates Bills or Acts	These are Appropriation Bills (No. 3) and (No .4) and a separate Bill for the Parliamentary Departments ((Parliamentary Departments) Bill (No.2)). These Bills are introduced into Parliament after the Budget Bills.
Appropriation	A law of the Australian Parliament that provides authority for Commonwealth entities to spend money from the Consolidated Revenue Fund for a particular purpose. Entities may not spend money without an appropriation authorising that expenditure and, where necessary, other legislation authorising the specified purpose.
Annual Appropriation	Two appropriation Bills are introduced into Parliament in May and comprise the Budget. Further Bills are introduced later in the financial year as part of the Additional Estimates. Parliamentary departments have their own appropriations.
Capital Expenditure	Expenditure by an entity on capital projects, for example purchasing a building.
Charter of Budget Honesty Act	The <i>Charter of Budget Honesty Act 1998</i> provides a legislative framework for the conduct and reporting of fiscal policy.

Glossary

Term	Meaning
Departmental Items	Assets, liabilities, revenues and expenses that are controlled by the entity in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services and most employee expenses, supplier costs and other administrative expenses incurred.
Depreciation and Amortisation	Apportionment of an asset's capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time.
Equity or Net Assets	Residual interest in the assets of an entity after deduction of its liabilities.
Expense	Total value of all of the resources consumed in producing goods and services or the loss of future economic benefits in the form of reductions in assets or increases in liabilities of an entity.
Fair Value	Valuation methodology: The amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction. The fair value can be affected by the conditions of the sale, market conditions and the intentions of the asset holder.
Measure	A new policy or savings decision of the government with financial impacts.
Operating Result	Equals income less expense.
Outcomes	The government's objectives in each portfolio area. Outcomes are desired results, impacts or consequences for the Australian community influenced by the actions of the Australian Government. Actual outcomes are the results or impacts actually achieved.
Portfolio	A Minister's area of responsibility as a member of Cabinet. A portfolio consists of one or more Departments of State and a number of entities with similar general objectives and outcomes.
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i> (PGPA Act).

Term	Meaning
Revenue	Total value of resources earned or received to cover the production of goods and services or increases in future economic benefits in the form of increases in assets or reductions in liabilities of an entity.
Special Accounts	A type of special appropriation, limited by amount, criteria or time, which may be established under sections 78 and 80 of the PGPA Act.
Special Appropriations	Authority within an Act (other than an annual Appropriation Act) to spend money from the Consolidated Revenue Fund for particular purposes. <i>The Social Security (Administration) Act 1999</i> , for example, contains several special appropriations to make social security payments. Special appropriations support around 80% of all government expenditure each year.