

# AUSTRALIAN OFFICE OF FINANCIAL MANAGEMENT

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# AUSTRALIAN OFFICE OF FINANCIAL MANAGEMENT

## Section 1: Entity overview and resources

### 1.1 STRATEGIC DIRECTION STATEMENT

The Australian Office of Financial Management (AOFM) is responsible for the management of Australian Government debt and certain financial assets. It issues Treasury Bonds, Treasury Indexed Bonds and Treasury Notes, manages the government's cash balances and invests in high quality financial assets.

The AOFM aims to meet the government's financing needs in a cost effective manner subject to acceptable risk and to meet the government's policy objectives of maintaining liquid and efficient Treasury Bond and Treasury Bond futures markets. Treasury Bonds are the main issuance instrument used by the AOFM to meet the Australian Government's financing needs and to support bond markets.

The AOFM primarily manages the cost structure of the debt portfolio through the choice of Treasury Bond series when issuing debt. The annual debt issuance strategy is informed by qualitative and quantitative factors to achieve an interest rate profile that appropriately balances cost and cost variability, the refinancing task and financial market efficiency. In recent years the AOFM has lengthened the duration of its Treasury Bond portfolio through longer term issuance and by extending the yield curve as a means of reducing risk. The AOFM will continue to look for opportunities to consolidate its issuance at the longer end of the yield curve. In addition, as a means of further reducing refinancing risk in future years and to improve market efficiency, the AOFM conducts regular buy backs of Treasury Bonds that no longer form part of the 3 year Treasury Bond futures contract.

The use of Treasury Indexed Bonds facilitates diversification of the investor base by tapping into additional sources of investor demand. The development of this market has also, at times, been used to facilitate the development of the Treasury Bond market.

In managing the government's cash balances, the AOFM aims to ensure that the government is able to meet its financial obligations when they fall due, while seeking to minimise the net cost of funding. The use of term deposits and issuance of Treasury Notes is used to manage cash flow volatility arising from the government's within year financing task.

In November 2018 the Government announced the establishment of the Australian Business Securitisation Fund (ABSF) to foster competition in the small and medium enterprise (SME) lending market with the aim of improving access to, and over time the cost of finance to SMEs.

In February 2019 the legislation to establish the \$2 billion ABSF was introduced into Parliament. The AOFM will be responsible for administering the ABSF, and in MYEFO was allocated additional departmental funding for this purpose.

## 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 total resourcing (cash or appropriations available) basis to meet operating, investing and financing activities. The 'Budgeted expenses for Outcome 1' table in Section 2 focuses on expenses only, and the financial statements in Section 3 are presented on an accruals basis.

**Table 1.1: Australian Office of Financial Management resource statement — Budget estimates for 2019-20 as at Budget April 2019**

	2018-19 (a) <i>Estimated actual</i> \$'000	2019-20 Estimate \$'000
<b>Departmental</b>		
Annual appropriations - ordinary annual services		
Prior year appropriations available	24,547	23,441
Departmental appropriation (b)	10,789	13,808
s74 External Revenue (c)	371	382
Departmental capital budget (b) (d)	710	359
<i>Total departmental annual appropriations</i>	<i>36,417</i>	<i>37,990</i>
<b>Total departmental resourcing</b>	<b>36,417</b>	<b>37,990</b>
<b>Administered</b>		
Special appropriations (e)	518,952,928	442,881,888
<i>Total administered special appropriations</i>	<i>518,952,928</i>	<i>442,881,888</i>
Special accounts		
Opening balance	39	39
<i>Total special accounts</i>	<i>39</i>	<i>39</i>
<b>Total administered resourcing</b>	<b>518,952,967</b>	<b>442,881,927</b>
<b>Total resourcing for the AOFM</b>	<b>518,989,384</b>	<b>442,919,917</b>

	2018-19	2019-20
<b>Average staffing level (number)</b>	<b>40</b>	<b>47</b>

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

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

(c) Estimated External Revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

(d) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) 2019-20 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) Special Appropriations comprise funding to meet estimated operating expenditures (such as interest on Australian Government Securities (AGS)), investing expenditures (such as acquisition of term deposits), and financing expenditures (such as maturity of AGS). Figures include estimated expenditures from the ABSF.

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

### 1.3 BUDGET MEASURES

The AOFM has no new budget measures.

## 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.

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

**Note:**

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

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

<https://aofm.gov.au/publications/corporate-plan-2018-2019/>

The most recent annual performance statement can be found at:

<https://aofm.gov.au/publications/annual-reports/annual-report-2017-2018/part-2-performance-and-outcomes/>

## 2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

### Outcome 1:

The advancement of macroeconomic growth and stability, and the effective operation of financial markets, through issuing debt, investing in financial assets and managing debt, investments and cash for the Australian Government.

### Budgeted expenses for Outcome 1

This table shows how much the entity intends to incur in expenses (on an accruals basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental activities.

Expenditures on investing and financing activities are excluded from Table 2.1.

**Table 2.1: Budgeted expenses for Outcome 1**

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
<b>Program 1.1: Australian Office of Financial Management</b>					
<b>Administered expenses</b>					
<b>Special appropriations:</b>					
<i>Commonwealth Inscribed Stock Act 1911</i>	17,153,897	17,031,587	16,619,233	16,051,161	15,728,640
<i>Australian Business Securitisation Fund</i>	-	325	975	1,950	3,253
<i>Financial Agreement Act 1994</i>	8	8	8	8	8
Expenses not requiring appropriation in the Budget year (a)	774,217	786,746	685,993	417,763	520,893
<b>Administered total</b>	<b>17,928,122</b>	<b>17,818,666</b>	<b>17,306,209</b>	<b>16,470,882</b>	<b>16,252,794</b>
<b>Departmental expenses</b>					
Appropriation Bill No. 1	9,973	13,808	13,928	14,093	14,214
s74 External Revenue (a)	371	382	394	406	418
Expenses not requiring appropriation in the Budget year (b)	820	870	870	820	820
<b>Departmental total</b>	<b>11,164</b>	<b>15,060</b>	<b>15,192</b>	<b>15,319</b>	<b>15,452</b>
<b>Total expenses for Outcome 1</b>	<b>17,939,286</b>	<b>17,833,726</b>	<b>17,321,401</b>	<b>16,486,201</b>	<b>16,268,246</b>

	2018-19	2019-20
<b>Average staffing level (number)</b>	40	47

(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, audit fees for departmental activities; and accounting losses on debt redeemed prior to maturity for administered activities.



**Table 2.2: Performance criteria for Outcome 1**

Table 2.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019-20 Budget measures have created new programs or materially changed existing programs.

<b>Outcome 1</b>	
The advancement of macroeconomic growth and stability, and the effective operation of financial markets, through issuing debt, investing in financial assets and managing debt, investments and cash for the Australian Government.	
<b>Program 1.1 – Australian Office of Financial Management</b>	
<b>Delivery</b>	The AOFM is responsible for managing the Commonwealth debt, cash and other asset portfolios on behalf of the Australian Government. The AOFM aims to manage these portfolios with a view to balancing cost and risk, over the medium term.
<b>Performance information</b>	
<b>Performance criteria</b>	<b>Targets 2018-19 and beyond</b>
<b>Meet the budget financing task in a cost-effective manner subject to acceptable risk</b>	
<u>Term issuance</u> - Shortfall in volume (\$) between actual Treasury Bond issuance and planned issuance announced at the Budget and subsequent releases.	Zero
<u>Tender issuance yields</u> - Weighted average issue yield at Treasury Bond and Treasury Indexed Bond tenders compared to prevailing mid-market secondary yields.	Issuance yields at or below the market rate
<u>Financing cost (issuance)</u> - The cost of Treasury Bond issuance over the past 12 months compared to the average 10-year bond rate over the same period.	Lower
<u>Financing cost (portfolio)</u> - The cost of the long-term debt portfolio compared to the 10-year average of the 10-year bond rate.	Lower
<b>Facilitate the government's cash outlay requirements as and when they fall due</b>	
<u>Use of the overdraft facility</u> - Number of instances the RBA overdraft facility was utilised to the extent that it required Ministerial approval during the assessment period.	Zero
<b>A credible custodian of the Australian Government Securities market and other portfolio responsibilities</b>	
<u>A liquid and efficient secondary market</u> - Annual turnover in the secondary market for Treasury Bonds and Treasury Indexed Bonds.	Greater than previous year
<u>Market commitments</u> - Number of times the AOFM failed to undertake actions consistent with public announcements.	Zero
<b>Purposes</b>	The AOFM's purpose is articulated through its objectives, which are to: <ul style="list-style-type: none"> <li>• meet the budget financing task in a cost-effective manner subject to acceptable risk;</li> <li>• facilitate the government's cash outlay requirements as and when they fall due; and</li> <li>• be a credible custodian of the Australian Government Securities market and other portfolio responsibilities.</li> </ul>

## Section 3: Budgeted financial statements

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

### **3.1 BUDGETED FINANCIAL STATEMENTS**

#### **3.1.1 Differences between entity resourcing and financial statements**

##### **Departmental**

The comprehensive income statement (Table 3.1) includes resources received free of charge from the Australian National Audit Office for audit services. Departmental entity receipts as recorded in the entity resource statement (Table 1.1) exclude the estimated value of these services received free of charge.

##### **Administered**

The AOFM receives administered appropriations to meet operating expenditures and for capital expenditure purposes arising from managing a portfolio of debt and assets. This is reflected in the entity resource statement (Table 1.1). The schedule of budgeted administered cash flows (Table 3.9) itemises these expenditures and classifies them into operating, investing and financing activities.

The AOFM's estimated expenses as shown in Table 2.1 are itemised in the comprehensive income statement (Table 3.1) for departmental activities, and in the schedule of budgeted administered income and expenses (Table 3.7) for administered activities.

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

##### **Administered**

The AOFM produces budget estimates of Australian Government Securities (AGS) debt and certain financial assets. The projections of AGS debt are a consequence of the expenditure, investment and revenue decisions and assumptions made by the government in producing its estimates. Annual debt servicing costs on AGS debt are largely determined after taking into account changes in the volume of AGS debt over the projection period, yields on existing debt and assumptions about yields on new debt issuance over the projection period.

The estimated budgeting impacts of the ABSF are incorporated in the administered budgeted financial statements.

### 3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
<b>EXPENSES</b>					
Employee benefits	7,165	7,858	8,074	8,297	8,526
Suppliers	3,499	6,652	6,568	6,522	6,426
Depreciation and amortisation	500	550	550	500	500
<b>Total expenses</b>	<b>11,164</b>	<b>15,060</b>	<b>15,192</b>	<b>15,319</b>	<b>15,452</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
Sale of goods and rendering of services	371	382	394	406	418
Resources received free of charge	320	320	320	320	320
<b>Total own-source income</b>	<b>691</b>	<b>702</b>	<b>714</b>	<b>726</b>	<b>738</b>
<b>Net (cost of)/contribution by services</b>	<b>(10,473)</b>	<b>(14,358)</b>	<b>(14,478)</b>	<b>(14,593)</b>	<b>(14,714)</b>
Revenue from Government	11,723	13,808	13,928	14,093	14,214
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>1,250</b>	<b>(550)</b>	<b>(550)</b>	<b>(500)</b>	<b>(500)</b>
<b>Total comprehensive income/(loss)</b>	<b>1,250</b>	<b>(550)</b>	<b>(550)</b>	<b>(500)</b>	<b>(500)</b>

**Note: Impact of net cash appropriation arrangements**

	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000
<b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations</b>	<b>1,750</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	500	550	550	500	500
<b>Total comprehensive income/(loss) - as per the statement of comprehensive income</b>	<b>1,250</b>	<b>(550)</b>	<b>(550)</b>	<b>(500)</b>	<b>(500)</b>

(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 (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	73	73	73	73	73
Trade and other receivables	23,480	23,523	23,568	23,617	23,668
<b>Total financial assets</b>	<b>23,553</b>	<b>23,596</b>	<b>23,641</b>	<b>23,690</b>	<b>23,741</b>
<b>Non-financial assets</b>					
Property, plant and equipment	2,057	2,016	1,982	1,955	1,935
Intangibles	1,142	992	842	742	642
Other non-financial assets	223	223	223	223	223
<b>Total non-financial assets</b>	<b>3,422</b>	<b>3,231</b>	<b>3,047</b>	<b>2,920</b>	<b>2,800</b>
<b>Total assets</b>	<b>26,975</b>	<b>26,827</b>	<b>26,688</b>	<b>26,610</b>	<b>26,541</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	136	136	136	136	136
Other payables	298	301	305	313	318
<b>Total payables</b>	<b>434</b>	<b>437</b>	<b>441</b>	<b>449</b>	<b>454</b>
<b>Provisions</b>					
Employee provisions	2,147	2,187	2,228	2,269	2,315
Other provisions	418	418	418	418	418
<b>Total provisions</b>	<b>2,565</b>	<b>2,605</b>	<b>2,646</b>	<b>2,687</b>	<b>2,733</b>
<b>Total liabilities</b>	<b>2,999</b>	<b>3,042</b>	<b>3,087</b>	<b>3,136</b>	<b>3,187</b>
<b>Net assets</b>	<b>23,976</b>	<b>23,785</b>	<b>23,601</b>	<b>23,474</b>	<b>23,354</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	(7,741)	(7,382)	(7,016)	(6,643)	(6,263)
Retained surplus	31,717	31,167	30,617	30,117	29,617
<b>Total equity</b>	<b>23,976</b>	<b>23,785</b>	<b>23,601</b>	<b>23,474</b>	<b>23,354</b>

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

Prepared on Australian Accounting Standards basis.

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

	Retained earnings	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2019</b>			
Balance carried forward from previous period	31,717	(7,741)	23,976
<b>Opening balance</b>	<b>31,717</b>	<b>(7,741)</b>	<b>23,976</b>
<b>Comprehensive income</b>			
Surplus/(deficit) for the period	(550)	-	(550)
<b>Total comprehensive income</b>	<b>(550)</b>	<b>-</b>	<b>(550)</b>
<b>Transactions with owners</b>			
<b>Contributions by owners</b>			
Departmental capital budget (DCB)	-	359	359
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>359</b>	<b>359</b>
<b>Estimated closing balance as at 30 June 2020</b>	<b>31,167</b>	<b>(7,382)</b>	<b>23,785</b>

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	12,829	13,765	13,883	14,044	14,163
Other	371	382	394	406	418
<b>Total cash received</b>	<b>13,200</b>	<b>14,147</b>	<b>14,277</b>	<b>14,450</b>	<b>14,581</b>
<b>Cash used</b>					
Employees	7,121	7,815	8,029	8,248	8,475
Suppliers	3,179	6,332	6,248	6,202	6,106
<b>Total cash used</b>	<b>10,300</b>	<b>14,147</b>	<b>14,277</b>	<b>14,450</b>	<b>14,581</b>
<b>Net cash from/(used by) operating activities</b>	<b>2,900</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	710	359	366	373	380
<b>Total cash used</b>	<b>710</b>	<b>359</b>	<b>366</b>	<b>373</b>	<b>380</b>
<b>Net cash from/(used by) investing activities</b>	<b>(710)</b>	<b>(359)</b>	<b>(366)</b>	<b>(373)</b>	<b>(380)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	(2,190)	359	366	373	380
<b>Total cash received</b>	<b>(2,190)</b>	<b>359</b>	<b>366</b>	<b>373</b>	<b>380</b>
<b>Net cash from/(used by) financing activities</b>	<b>(2,190)</b>	<b>359</b>	<b>366</b>	<b>373</b>	<b>380</b>
<b>Net increase/(decrease) in cash held</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	73	73	73	73	73
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>73</b>	<b>73</b>	<b>73</b>	<b>73</b>	<b>73</b>

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Capital budget - Bill 1 (DCB)	710	359	366	373	380
<b>Total new capital appropriations</b>	<b>710</b>	<b>359</b>	<b>366</b>	<b>373</b>	<b>380</b>
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	710	359	366	373	380
<b>Total items</b>	<b>710</b>	<b>359</b>	<b>366</b>	<b>373</b>	<b>380</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation - DCB (a)	710	359	366	373	380
<b>TOTAL</b>	<b>710</b>	<b>359</b>	<b>366</b>	<b>373</b>	<b>380</b>

(a) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental capital budgets (DCBs).

Prepared on Australian Accounting Standards basis.

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

	Other property, plant and equipment	Computer software and intangibles \$'000	Total \$'000
<b>As at 1 July 2019</b>			
Gross book value	2,594	2,021	4,615
Accumulated depreciation/amortisation and impairment	(537)	(879)	(1,416)
<b>Opening net book balance</b>	<b>2,057</b>	<b>1,142</b>	<b>3,199</b>
<b>Capital asset additions</b>			
<b>Estimated expenditure on new or replacement assets</b>			
By purchase - appropriation ordinary annual services (a)	159	200	359
<b>Total additions</b>	<b>159</b>	<b>200</b>	<b>359</b>
<b>Other movements</b>			
Depreciation/amortisation expense	(200)	(350)	(550)
<b>Total other movements</b>	<b>(200)</b>	<b>(350)</b>	<b>(550)</b>
<b>As at 30 June 2020</b>			
Gross book value	2,753	2,221	4,974
Accumulated depreciation/amortisation and impairment	(737)	(1,229)	(1,966)
<b>Closing net book balance</b>	<b>2,016</b>	<b>992</b>	<b>3,008</b>

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2019-20 for DCBs.

Prepared on Australian Accounting Standards basis.



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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
<b>EXPENSES</b>					
Grants	1	1	1	1	1
Finance costs	17,133,904	17,011,594	16,599,240	16,031,168	15,708,647
Other expenses	20,000	25,396	26,046	32,092	39,978
<b>Total expenses before re-measurement</b>	<b>17,153,905</b>	<b>17,036,991</b>	<b>16,625,287</b>	<b>16,063,261</b>	<b>15,748,626</b>
<b>LESS:</b>					
<b>INCOME</b>					
<b>Non-taxation revenue</b>					
Interest	595,221	497,995	495,820	493,548	453,404
<b>Total non-taxation revenue</b>	<b>595,221</b>	<b>497,995</b>	<b>495,820</b>	<b>493,548</b>	<b>453,404</b>
<b>Total revenue before re-measurement</b>	<b>595,221</b>	<b>497,995</b>	<b>495,820</b>	<b>493,548</b>	<b>453,404</b>
<b>Gains/(losses)</b>					
Net losses on debt repurchases	(774,217)	(781,675)	(680,922)	(407,621)	(504,168)
<b>Total gains (losses) before re-measurement</b>	<b>(774,217)</b>	<b>(781,675)</b>	<b>(680,922)</b>	<b>(407,621)</b>	<b>(504,168)</b>
<b>Operating result before re-measurements</b>	<b>(17,332,901)</b>	<b>(17,320,671)</b>	<b>(16,810,389)</b>	<b>(15,977,334)</b>	<b>(15,799,390)</b>
<b>Re-measurements</b>					
Net market revaluation gains (losses)	(21,463,598)	5,039,647	4,099,404	3,267,955	3,034,574
<b>Total re-measurements</b>	<b>(21,463,598)</b>	<b>5,039,647</b>	<b>4,099,404</b>	<b>3,267,955</b>	<b>3,034,574</b>
<b>Total comprehensive income (losses)</b>	<b>(38,796,499)</b>	<b>(12,281,024)</b>	<b>(12,710,985)</b>	<b>(12,709,379)</b>	<b>(12,764,816)</b>

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	622	622	622	622	622
Receivables	1,711,455	1,627,905	1,542,544	1,455,354	1,366,416
Investments	31,757,170	30,690,893	30,146,378	40,622,943	31,667,842
<b>Total financial assets</b>	<b>33,469,247</b>	<b>32,319,420</b>	<b>31,689,544</b>	<b>42,078,919</b>	<b>33,034,880</b>
<b>Total assets administered on behalf of Government</b>	<b>33,469,247</b>	<b>32,319,420</b>	<b>31,689,544</b>	<b>42,078,919</b>	<b>33,034,880</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	50	50	50	50	50
<b>Total payables</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>
<b>Interest bearing liabilities</b>					
Treasury Bonds	553,934,884	554,272,603	552,961,753	572,695,777	563,205,675
Treasury Indexed Bonds	49,698,318	53,189,569	51,579,029	47,667,836	52,298,117
Treasury Notes	4,997,845	11,994,828	17,992,243	4,997,845	4,998,084
Other securities	6,232	6,232	6,232	6,232	6,232
<b>Total interest bearing liabilities</b>	<b>608,637,279</b>	<b>619,463,232</b>	<b>622,539,257</b>	<b>625,367,690</b>	<b>620,508,108</b>
<b>Total liabilities administered on behalf of Government</b>	<b>608,637,329</b>	<b>619,463,282</b>	<b>622,539,307</b>	<b>625,367,740</b>	<b>620,508,158</b>
<b>Net liabilities</b>	<b>(575,168,082)</b>	<b>(587,143,862)</b>	<b>(590,849,763)</b>	<b>(583,288,821)</b>	<b>(587,473,278)</b>

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Interest	583,459	483,591	479,708	465,375	440,334
<b>Total cash received</b>	<b>583,459</b>	<b>483,591</b>	<b>479,708</b>	<b>465,375</b>	<b>440,334</b>
<b>Cash used</b>					
Grant	1	1	1	1	1
Borrowings costs	21,016,945	19,309,905	19,925,740	19,021,340	18,004,265
Interest on issuance	(353,234)	(394,965)	(417,700)	(359,990)	(381,413)
<b>Total cash used</b>	<b>20,663,712</b>	<b>18,914,941</b>	<b>19,508,041</b>	<b>18,661,351</b>	<b>17,622,853</b>
<b>Net cash used by operating activities</b>	<b>(20,080,253)</b>	<b>(18,431,350)</b>	<b>(19,028,333)</b>	<b>(18,195,976)</b>	<b>(17,182,519)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Repayments of advances and loans	97,813	99,219	100,584	101,931	103,157
Investments redeemed	442,240,158	271,755,900	269,450,280	257,023,112	236,866,816
<b>Total cash received</b>	<b>442,337,971</b>	<b>271,855,119</b>	<b>269,550,864</b>	<b>257,125,043</b>	<b>236,969,973</b>
<b>Cash used</b>					
Investments made	428,865,513	270,695,959	268,909,946	267,496,396	227,929,578
<b>Total cash used</b>	<b>428,865,513</b>	<b>270,695,959</b>	<b>268,909,946</b>	<b>267,496,396</b>	<b>227,929,578</b>
<b>Net cash from/(used by) investing activities</b>	<b>13,472,458</b>	<b>1,159,160</b>	<b>640,918</b>	<b>(10,371,353)</b>	<b>9,040,395</b>

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from borrowings	83,534,098	169,842,968	253,117,533	194,181,655	125,392,808
<b>Total cash received</b>	<b>83,534,098</b>	<b>169,842,968</b>	<b>253,117,533</b>	<b>194,181,655</b>	<b>125,392,808</b>
<b>Cash used</b>					
Repayment of borrowings	69,070,469	152,876,023	243,735,202	185,884,646	125,831,042
<b>Total cash used</b>	<b>69,070,469</b>	<b>152,876,023</b>	<b>243,735,202</b>	<b>185,884,646</b>	<b>125,831,042</b>
<b>Net cash from financing activities</b>	<b>14,463,629</b>	<b>16,966,945</b>	<b>9,382,331</b>	<b>8,297,009</b>	<b>(438,234)</b>
<b>Net increase in cash held</b>	<b>7,855,834</b>	<b>(305,245)</b>	<b>(9,005,084)</b>	<b>(20,270,320)</b>	<b>(8,580,358)</b>
Cash at beginning of reporting period	622	622	622	622	622
Total Cash from Official Public Account					
- Appropriations	518,952,928	442,881,888	532,570,889	472,402,383	371,764,886
Total Cash to Official Public Account					
- Receipts	(526,808,762)	(442,576,643)	(523,565,805)	(452,132,063)	(363,184,528)
<b>Cash at end of reporting period</b>	<b>622</b>	<b>622</b>	<b>622</b>	<b>622</b>	<b>622</b>

Prepared on Australian Accounting Standards basis.