

PORTFOLIO BUDGET STATEMENTS 2023–24
BUDGET RELATED PAPER NO. 1.15

TREASURY PORTFOLIO

BUDGET INITIATIVES AND EXPLANATIONS OF
APPROPRIATIONS SPECIFIED BY OUTCOMES
AND PROGRAMS BY ENTITY

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THE HON JIM CHALMERS MP
TREASURER

President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear President

Dear Mr Speaker

I hereby submit the Portfolio Budget Statements in support of the 2023–24 Budget for the Treasury 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

A handwritten signature in black ink, appearing to read 'J Chalmers', with a long horizontal flourish extending to the right.

The Hon Jim Chalmers MP

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nfp	not for publication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 Ms Tarnya Gersbach, Chief Finance Officer, Department of the Treasury on (02) 6263 3807.

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.

**User Guide
To The
Portfolio Budget Statements**

User guide

The purpose of the *2023–24 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.

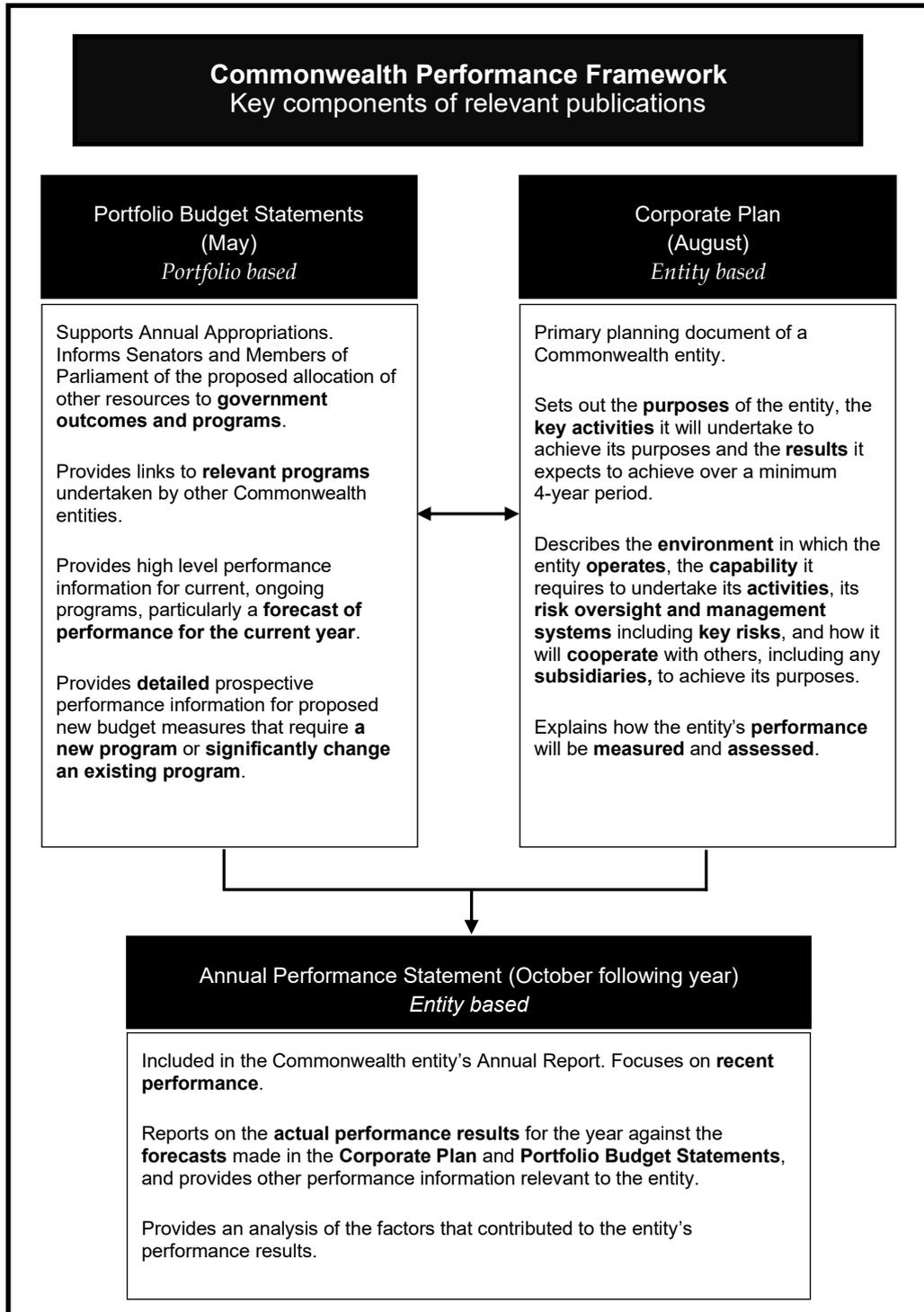
A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills (No. 1 and No. 2) 2023–24 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2023–24 for the parliamentary departments). In this sense, the PB Statements are Budget related 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 the 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.



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Portfolio Overview

Treasury Portfolio overview

Ministers and portfolio responsibilities

The Treasury portfolio undertakes a range of activities aimed at achieving strong sustainable economic growth for the good of Australians. This entails the advice to portfolio Ministers as well as the effective implementation and administration of policies that fall within the portfolio Ministers' responsibilities.

The Treasury portfolio comprises 15 entities in the general government sector.

The **Department of the Treasury** is the Australian Government's lead economic adviser. Treasury provides advice to Government and implements policies and programs to achieve strong and sustainable economic and fiscal outcomes for Australians.

The **Australian Bureau of Statistics** is Australia's national statistical agency. It provides trusted official statistics on a wide range of economic, social, population and environmental matters of importance to Australia.

The **Australian Competition and Consumer Commission** is an independent statutory authority which administers the *Competition and Consumer Act 2010* and a range of additional legislation (including national energy legislation and rules through the Australian Energy Regulator), promoting competition, fair trading, consumer protection and regulating national infrastructure for the benefit of all Australians.

The **Australian Office of Financial Management** is responsible for the management of Australian Government debt and financial assets.

The **Australian Prudential Regulation Authority** is the financial supervisor responsible for the prudential regulation of the banking, other deposit taking, insurance and superannuation industries.

The **Australian Securities and Investments Commission** (ASIC) is Australia's corporate, markets, financial services and credit regulator. It is responsible for consumer protection and market integrity. As part of its remit, ASIC also regulates investment management and superannuation, insurance, deposit taking, financial reporting, auditors and insolvency practitioners. ASIC promotes investor and consumer trust and confidence, fair and efficient markets.

The **Australian Taxation Office** is the Australian Government's principal revenue collection agency and administers Australia's tax system and significant aspects of Australia's superannuation system. It administers legislation governing tax, superannuation and the Australian Business Register and supports the delivery of government benefits to the community.

The **Commonwealth Grants Commission** provides independent advice to the Australian Government on the distribution of GST revenue to State and Territory governments.

The **Inspector-General of Taxation** and Taxation Ombudsman independently investigates taxation actions, decisions, systems and laws to recommend improvements to the administration of tax laws, for the benefit of all taxpayers.

The **National Competition Council** is an independent advisory body for all Australian governments that advises and makes recommendations under the National Access Regime and recommendations and decisions in relation to natural gas pipelines.

The **National Housing Finance and Investment Corporation** (NHFIC) administers the Affordable Housing Bond Aggregator, the National Housing Infrastructure Facility, the Home Guarantee Scheme, including the Government's Regional First Home Buyer Guarantee (which commenced on 1 October 2022); and undertakes housing data research, insights and analysis. NHFIC will be renamed Housing Australia and will also take on primary responsibility for delivering on the Government's commitment to support 40,000 new social and affordable dwellings using returns generated by the Housing Australia Future Fund and through the National Housing Accord.

The **Office of the Auditing and Assurance Standards Board's** objective is to develop, issue and maintain in the public interest, principle-based, independent auditing and assurance standards for all sectors of the Australian economy that meet user needs, contribute to the development of international auditing and assurance standards and assist in maintaining confidence in the Australian economy, including its capital markets.

The **Office of the Australian Accounting Standards Board's** role is to develop, issue and maintain principle-based independent financial reporting standards and develop sustainability reporting standards, for all sectors of the Australian economy that meet user needs, contribute to the development of international accounting and sustainability standards and assist in maintaining confidence in the Australian economy, including its capital markets.

The **Productivity Commission** is the Australian Government's independent research and advisory body on a range of economic, social and environmental issues affecting the welfare of Australians.

The **Royal Australian Mint** manufactures and sells circulating coins to meet the coinage needs of the Australian economy, and collector coins and other minted products for Australia and foreign countries.

The **Australian Reinsurance Pool Corporation** and the **Reserve Bank of Australia** do not appear in the Portfolio Budget Statements as they are not part of the general government sector.

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

Figure 1: Treasury portfolio structure and outcomes

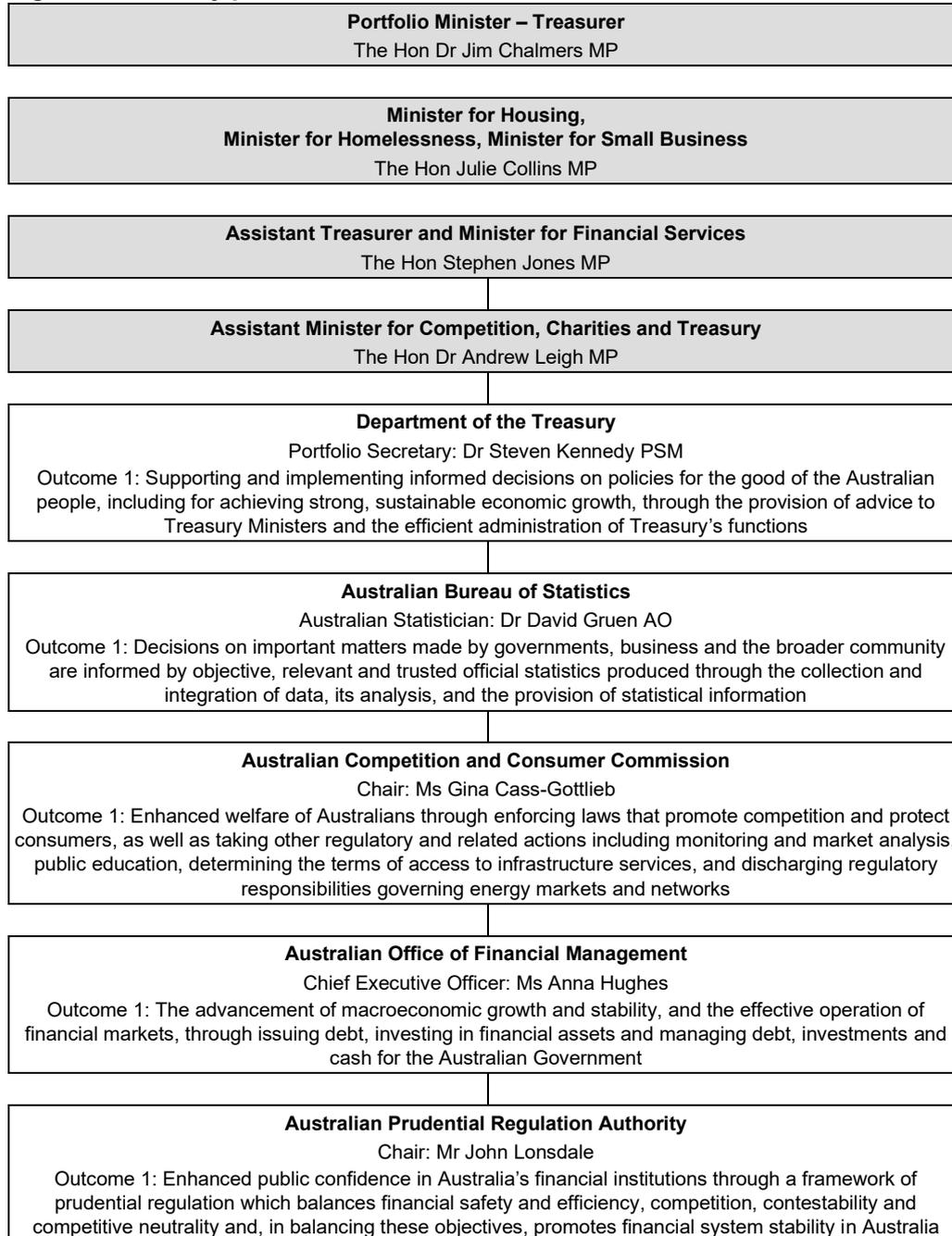
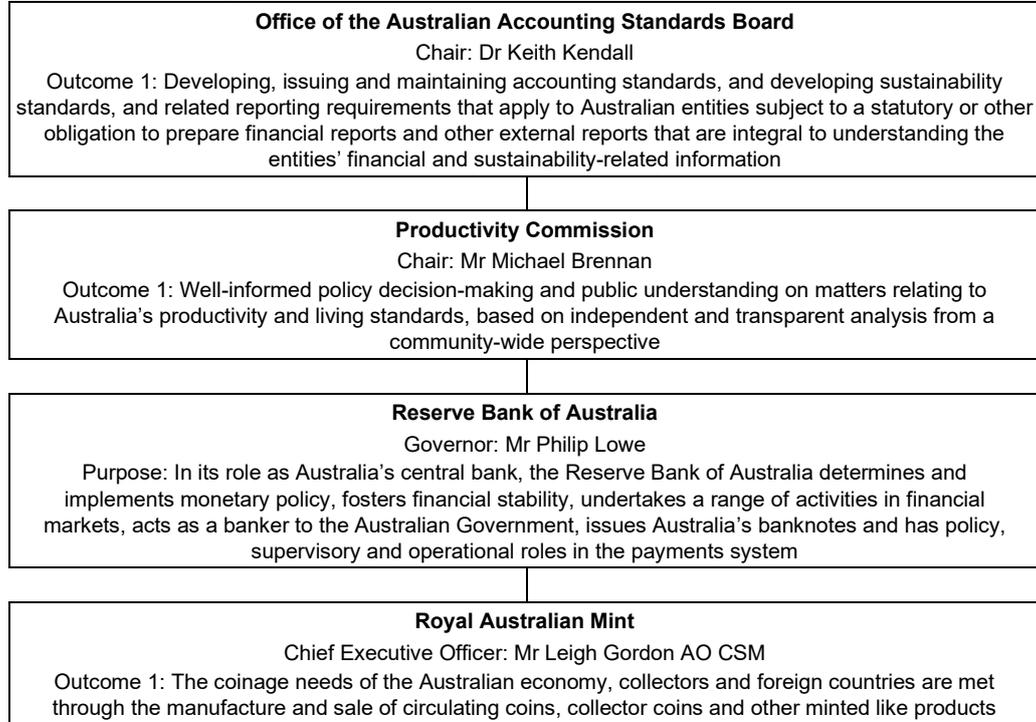


Figure 1: Treasury portfolio structure and outcomes (continued)

<p style="text-align: center;">Australian Reinsurance Pool Corporation Chief Executive Officer: Dr Christopher Wallace Purpose: To protect Australia from economic losses cause by terrorism catastrophe</p>
<p style="text-align: center;">Australian Securities and Investments Commission Chair: Mr Joseph Longo Outcome 1: Improved confidence in Australia’s financial markets through promoting informed investors and financial consumers, facilitating fair and efficient markets and delivering efficient registry systems</p>
<p style="text-align: center;">Australian Taxation Office Commissioner: Mr Chris Jordan AO Outcome 1: Confidence in the administration of aspects of Australia’s taxation and superannuation systems, including through helping people understand their rights and obligations, improving ease of compliance and access to benefits, and managing non-compliance with the law; and in delivering effective and efficient business registry services</p>
<p style="text-align: center;">Commonwealth Grants Commission Secretary: Mr Jonathan Rollings Outcome 1: Informed Government decisions on fiscal equalisation between the states and territories through advice and recommendations on the distribution of GST revenue</p>
<p style="text-align: center;">Inspector-General of Taxation Inspector-General of Taxation: Ms Karen Payne Outcome 1: Fair, accountable and improved administration and integrity of the taxation and superannuation systems for the benefit of the Australian community, through independent investigation and reporting</p>
<p style="text-align: center;">National Competition Council President: Ms Julie-Anne Schafer Outcome 1: Competition in markets that are dependent on access to nationally significant monopoly infrastructure, through recommendations and decisions promoting the efficient operation of, use of and investment in infrastructure</p>
<p style="text-align: center;">National Housing Finance and Investment Corporation Acting Chair: Ms Teresa Dyson Outcome 1: Improved housing outcomes for Australians, including through financial and other assistance to improve the efficiency and scale of the community housing sector and increase the supply of social and affordable housing, as well as support for eligible home buyers to access the housing market sooner</p>
<p style="text-align: center;">Office of the Auditing and Assurance Standards Board Chair: Mr William Edge Outcome 1: The formulation and making of auditing and assurance standards that are used by auditors of Australian entity financial reports or for other auditing and assurance engagements</p>

Figure 1: Treasury portfolio structure and outcomes (continued)



Entity resources and planned performance

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Department of the Treasury

Entity resources and planned performance

Department of the Treasury

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Department of the Treasury

Section 1: Entity overview and resources

1.1 Strategic direction statement

Treasury is the Government's lead economic adviser. Treasury's purpose is to provide advice to the Government and implement policies and programs to achieve strong, sustainable, and inclusive economic and fiscal outcomes for Australians.

Our work includes promoting a sound economic environment, effective Government spending arrangements and regulations, well-functioning markets to serve consumers and investors, sustainable taxation and revenue arrangements, and housing outcomes that support productivity and wellbeing.

The Treasury achieves this through providing policy advice, analysis and the delivery of economic policies and programs, including legislation, administrative payments and our regulatory functions, which support the effective management of the Australian economy.

Our priorities to achieve this over 2023–24 include:

- continuing to support Australia's economic recovery from COVID-19 and manage the impacts of rising inflation and interest rates, including on vulnerable households
- delivering the 2023–24 Budget and any other economic updates required by Government
- promoting a stronger, more sustainable tax system in line with Government priorities
- developing a climate modelling capability to examine how climate change is affecting the Australian economy
- delivering the Government's Employment White Paper
- ensuring payments to international financial institutions and the states and territories are timely and accurate
- ensuring effective implementation of Australia's foreign investment regulatory framework
- designing and delivering policies and programs to support the Government's housing reform agenda, including supporting access to affordable housing and home ownership
- strengthening Australia's financial and superannuation systems and promoting sound corporate and consumer regulation in line with Government priorities

- delivering measures focused on supporting small to medium business, the digital economy and reducing the regulatory burden on business
- increasing choice, control, transparency and competition for Australia’s consumers.

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 the *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.

Changes to indexation framework for various programs

The indexation framework for programs indexed by Wage Cost Indices, including for government supported services, has been updated to better align with wages and prices movements.

Increased funding has been provided to the following programs:

- National Housing and Homelessness Agreement
- National Skills and Workforce Development Specific Purpose Payment.

Table 1.1: Department of the Treasury resource statement – Budget estimates for 2023–24 as at Budget May 2023

	2022-23 <i>Estimated actual</i> \$'000	2023-24 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	108,488	105,211
Departmental appropriation (c)	342,524	340,252
s74 External Revenue (d)	11,072	11,072
Departmental capital budget (e)	3,480	3,500
Annual appropriations - other services - non-operating (f)		
Equity injection	303	-
Total departmental annual appropriations	<u>465,867</u>	<u>460,035</u>
Total departmental resourcing	<u>465,867</u>	<u>460,035</u>
Administered		
Annual appropriations - ordinary annual services (a)		
Outcome 1	37,277	77,714
Payments to corporate entities (g)	43,899	39,690
Annual appropriations - other services - non-operating (f)		
Administered assets and liabilities	171,153	-
Total administered annual appropriations	<u>252,329</u>	<u>117,404</u>
Total administered special appropriations	<u>120,309,726</u>	<u>124,468,923</u>
Special accounts (h)		
Opening balance	1,165,521	994,807
Non-appropriation receipts	1,324,658	2,533,251
Adjustments	63,769,309	73,268,055
Total special account receipts	<u>66,259,488</u>	<u>76,796,113</u>
<i>less payments to corporate entities from annual/special appropriations</i>	<u>(43,899)</u>	<u>(39,690)</u>
Total administered resourcing	<u>186,777,644</u>	<u>201,342,750</u>
Total resourcing for Treasury	<u>187,243,511</u>	<u>201,802,785</u>
	<u>2022-23</u>	<u>2023-24</u>
Average staffing level (number)	1,438	1,401

Table 1.1: Department of the Treasury resource statement – Budget estimates for 2023–24 as at Budget May 2023 (continued)**Third party payments from and on behalf of other entities**

	2022-23 <i>Estimated actual \$'000</i>	2023-24 Estimate \$'000
Payments made on behalf of another entity (as disclosed in the respective entity's resource statement)	1,249,658	2,242,581
Payments made to corporate entities within the Portfolio National Housing Finance and Investment Corporation	43,899	39,690

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

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

- a) Appropriation Bill (No. 1) 2023–24.
- b) Excludes \$1.675 million subject to administrative quarantine by Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).
- c) Excludes Departmental Capital Budget (DCB).
- d) Estimated External Revenue receipts under section 74 of the PGPA Act.
- e) Departmental Capital Budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- f) Appropriation Bill (No. 2) 2023–24.
- g) 'Corporate entities' are corporate Commonwealth entities and Commonwealth companies as defined under the PGPA Act.
- h) 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

Budget measures relating to Treasury are detailed in the Budget Paper No. 2 and are summarised below.

Table 1.2: Treasury 2023–24 Budget measures

	Program	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000
Receipt measures						
Increasing the Supply of Social and Affordable Housing and Making it Easier to Buy a Home						
	Administered receipt	1.3	-	2,761	-	-
	Total	-	2,761	-	-	-
International Support – Papua New Guinea						
	Administered receipt	1.2	-	14,732	14,732	14,732
	Total	-	14,732	14,732	14,732	14,732
Total receipt measures						
	Administered	-	17,493	14,732	14,732	14,732
	Total	-	17,493	14,732	14,732	14,732
Payment measures						
2032 Brisbane Olympic and Paralympic Games – venue infrastructure						
	Administered payment	1.4	-	35,971	107,872	348,396
	Total	-	35,971	107,872	348,396	583,807
ACT Sustainable Household Scheme						
	Administered payment	1.4	-	7,500	-	-
	Total	-	7,500	-	-	-
APS Capability Reinvestment Fund: 2023-24 projects funded under round one (a)						
	Departmental payment	1.1	-	150	-	-
	Total	-	150	-	-	-
Better Targeted Superannuation Concessions						
	Departmental payment	1.1	-	1,110	921	39
	Total	-	1,110	921	39	-

Table 1.2: Treasury 2023–24 Budget measures (continued)

	Program	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000
Better, Safer Future for Central Australia Plan						
Administered payment	1.4	-	30,500	26,500	16,500	16,500
Total		-	30,500	26,500	16,500	16,500
Building a Better Future Through Considered Infrastructure Investment						
Administered payment	1.4	-	105,000	130,000	86,000	100,000
Total		-	105,000	130,000	86,000	100,000
Climate Change, Energy, the Environment and Water – reprioritisation						
Administered payment	1.4	-	-	(6,523)	-	-
Total		-	-	(6,523)	-	-
Closing the Gap – further investment						
Administered payment	1.4	-	-	-	-	-
Total		-	-	-	-	-
Comprehensive Sustainable Finance Agenda (b)						
Administered payments	1.3	-	1,600	nfp	-	-
Total		-	1,600	nfp	-	-
COVID-19 Response						
Administered payment	1.4	142,630	142,630	-	-	-
Total		142,630	142,630	-	-	-
Cyber Security – additional funding (c)						
Administered payment	1.3	-	6,604	8,369	8,022	-
Departmental payment	1.1	-	120	88	227	-
Total		-	6,724	8,457	8,249	-
Dengue and Other Disease Mitigation Through Mosquito Control in Tennant Creek						
Administered payment	1.4	-	434	-	-	-
Total		-	434	-	-	-

Table 1.2: Treasury 2023–24 Budget measures (continued)

	Program	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000
Disaster Support						
Administered payment	1.4	-	-	-	-	-
Total		-	-	-	-	-
Energy Price Relief Plan (d)						
Administered payment	1.4	nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
Enhancing National Strategies for Bloodborne Viruses and Sexually Transmissible Infections						
Administered payment	1.4	-	2,500	2,500	2,500	2,500
Total		-	2,500	2,500	2,500	2,500
Enhancing Pacific Engagement						
Administered payments	1.4	-	5,000	15,000	25,000	35,000
Total		-	5,000	15,000	25,000	35,000
Extend the Personal Income Tax Compliance Program						
Departmental payment	1.1	-	618	628	-	-
Total		-	618	628	-	-
Extending and merging the Serious Financial Crime Taskforce and Serious Organised Crime program						
Administered payment	1.4	-	3,100	7,800	10,300	11,500
Total		-	3,100	7,800	10,300	11,500
GST compliance program – 4-year extension						
Administered payment	1.4	-	649,600	773,700	846,600	901,800
Total		-	649,600	773,700	846,600	901,800
Increasing the Supply of Social and Affordable Housing and Making it Easier to Buy a Home						
Departmental payment	1.1	-	2,728	-	-	-
Total		-	2,728	-	-	-

Table 1.2: Treasury 2023–24 Budget measures (continued)

	Program	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000
Indirect Tax Concession Scheme – diplomatic and consular concessions						
Administered payment	1.4	(300)	-	-	-	-
Total		(300)	-	-	-	-
Long Term Dental Funding Reform Developmental Work and Interim Funding						
Administered payment	1.4	-	107,800	107,800	-	-
Total		-	107,800	107,800	-	-
Medicare Urgent Care Clinics – additional funding						
Administered payment	1.4	9,173	19,410	25,815	26,253	-
Total		9,173	19,410	25,815	26,253	-
Migration – raise the Temporary Skilled Migration Income Threshold (TSMIT)						
Administered payment	1.4	-	-	-	-	-
Total		-	-	-	-	-
Migration Program – 2023-24 planning levels						
Administered payment	1.4	-	(5,000)	(10,000)	(10,000)	(10,000)
Total		-	(5,000)	(10,000)	(10,000)	(10,000)
National Approach for Sustainable Urban Development						
Administered payment	1.4	-	20,000	45,000	80,000	100,000
Total		-	20,000	45,000	80,000	100,000
National Housing and Homelessness Agreement Transitional Funding						
Administered payment	1.4	-	67,504	-	-	-
Total		-	67,504	-	-	-
National Immunisation Program						
Administered payment	1.4	-	-	2,919	-	-
Total		-	-	2,919	-	-
National Waste Education Campaign						
Administered payment	1.4	(9,789)	(144)	(67)	-	-
Total		(9,789)	(144)	(67)	-	-

Table 1.2: Treasury 2023–24 Budget measures (continued)

	Program	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000
National Water Grid Fund – addressing legacy projects						
Administered payment	1.4	(29,476)	(23,766)	(17,600)	(1,720)	(52,400)
Total		(29,476)	(23,766)	(17,600)	(1,720)	(52,400)
National Water Grid Fund – delivering commitments						
Administered payment	1.4	(4,734)	(30,826)	28,361	31,107	(1,208)
Total		(4,734)	(30,826)	28,361	31,107	(1,208)
Natural Heritage Trust – project funding						
Administered payment	1.4	-	-	-	-	-
Total		-	-	-	-	-
Partnering to Implement the National Soil Action Plan						
Administered payment	1.4	-	20,000	-	-	-
Total		-	20,000	-	-	-
Powering Australia – amendment to the Electric Car Discount						
Administered payment	1.4	-	-	-	-	5,000
Total		-	-	-	-	5,000
Reform of the Product Stewardship for Oil Scheme						
Administered payment	1.4	-	2,000	2,000	3,000	3,000
Total		-	2,000	2,000	3,000	3,000
Securing Australians' Superannuation Package – increasing the payment frequency of the Superannuation Guarantee (SG) and investing in SG compliance						
Departmental payment	1.1	-	1,162	479	-	-
Total		-	1,162	479	-	-
Small Business Support - Helping small business manage their tax instalments and improving cashflow						
Administered payment	1.4	-	(40,000)	40,000	-	-
Total		-	(40,000)	40,000	-	-
Strengthening Australia's Arrangements for High Risk Terrorist Offenders						
Administered payment	1.4	-	11,604	14,221	-	-
Total		-	11,604	14,221	-	-

Table 1.2: Treasury 2023–24 Budget measures (continued)

	Program	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000
Supporting Australian Critical Minerals (e)						
Departmental payment	1.1	-	534	542	547	551
Total		-	534	542	547	551
Supporting Transport Priorities						
Administered payment	1.4	-	(46,950)	-	-	-
Total		-	(46,950)	-	-	-
Targetting Entrenched Community Disadvantage						
Administered payment	1.1	-	-	10,000	20,000	30,000
Departmental payment	1.1	-	2,022	2,054	-	-
Total		-	2,022	12,054	20,000	30,000
Tax Integrity – improving engagement with taxpayers to ensure timely payment of tax and superannuation liabilities						
Administered payment	1.4	-	41,100	58,600	55,500	25,800
Total		-	41,100	58,600	55,500	25,800
Teacher Workforce Action Plan						
Administered payment	1.4	4,000	7,000	7,000	7,000	-
Total		4,000	7,000	7,000	7,000	-
Tobacco Excise – measures to improve health outcomes and aligning the treatment of stick and non-stick tobacco tax						
Administered payment	1.4	-	30,000	60,000	100,000	100,000
Total		-	30,000	60,000	100,000	100,000
Treasury Portfolio – additional resourcing						
Administered payment	1.3	-	3,602	1,000	1,000	1,000
Departmental payment	1.1	-	36,584	22,368	5,791	9,477
Total		-	40,186	23,368	6,791	10,477
Vaping Regulation Reform and Smoking Cessation Package						
Administered payment	1.4	-	1,500	4,500	4,500	4,500
Total		-	1,500	4,500	4,500	4,500

Table 1.2: Treasury 2023-24 Budget measures (continued)

	Program	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000
Visa and Migration System Administered payment	1.4	-	-	-	-	-
Total		-	-	-	-	-
Visa changes for Graduates and Students – increasing visa duration and work hours Administered payment	1.4	-	10,000	35,000	60,000	80,000
Total		-	10,000	35,000	60,000	80,000
Women's Safety Administered payment	1.4	-	91,473	79,084	-	-
Total		-	91,473	79,084	-	-
Working with the Australian Resources Industry on the Pathway to Net Zero Administered payment	1.4	-	(6,900)	1,874	5,000	-
Total		-	(6,900)	1,874	5,000	-
Total payment measures						
Administered		111,504	1,304,832	1,590,189	1,754,422	1,966,263
Departmental		-	45,028	27,080	6,604	10,028
Total		111,504	1,349,860	1,617,269	1,761,026	1,976,291

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.

Note: Full description and package details for most measures under Program 1.4: Commonwealth-State Financial Relations appear in *Budget Paper No. 2, Budget Measure 2023-24*, under other portfolios.

- The lead entity for measure titled APS Capability Reinvestment Fund: 2023-24 projects funded under round one 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.
- The financial implications in 2024-25 of the measure titled Comprehensive Sustainable Finance Agenda are not for publication (nfp) due to commercial sensitivities.
- The lead entity for measure titled Cyber Security – 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.
- The financial implications of the measure titled Energy Price Relief Plan are not for publication (nfp) due to commercial sensitivities.
- The lead entity for measure titled Supporting Australian Critical Minerals is the Department of Industry, Science and Resources. The full measure description and package details appear in Budget Paper No. 2 under the Industry, Science and Resources portfolio.

Section 2: Outcomes and planned performance

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

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

Note:

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

The most recent Corporate Plan for Treasury can be found at:
(<https://corporate-plan.treasury.gov.au>).

The most recent annual performance statement can be found at:
(<https://treasury.gov.au/publication>).

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Supporting and implementing informed decisions on policies for the good of the Australian people, including for achieving strong, sustainable economic growth, through the provision of advice to Treasury Ministers and the efficient administration of Treasury's functions.

Linked programs

Attorney-General's Department
Programs
<ul style="list-style-type: none">• Program 1.1 – Attorney-General's Department Operating Expenses – Legal Services and Families• Program 1.4 – Justice Services
Australian Trade and Investment Commission
Program
<ul style="list-style-type: none">• Program 1.2 – Programs to promote Australia's export and other international economic interests
Department of Agriculture, Fisheries and Forestry
Programs
<ul style="list-style-type: none">• Program 1.2 – Sustainable Management – Natural Resources• Program 1.3 – Forestry Industry• Program 1.4 – Fishing Industry• Program 1.11 – Drought Programs• Program 2.1 – Biosecurity and Export Services• Program 2.2 – Plant and Animal Health

Linked programs (continued)

Department of Climate Change, Energy, the Environment and Water
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Reducing Australia’s greenhouse gas emissions • Program 1.3 – Supporting reliable, secure and affordable energy • Program 2.1 – Sustainable Management of Natural Resources and the Environment • Program 2.4 – Conservation of Australia’s Heritage and Environment • Program 2.5 – Environmental Regulation • Program 2.6 – Management of Hazardous Wastes, Substances and Pollutants • Program 4.1 – Water Reform
Department of Defence
<p>Program</p> <ul style="list-style-type: none"> • Program 2.1 – Strategy, Policy & Industry
Department of Employment and Workplace Relations
<p>Program</p> <ul style="list-style-type: none"> • Program 3.1 – Building Skills and Capability
Department of Finance
<p>Program</p> <ul style="list-style-type: none"> • Program 2.4 – Insurance and Risk Management

Linked programs (continued)

Department of Health
Programs
<ul style="list-style-type: none">• Program 1.1 – Health Research, Coordination and Access• Program 1.2 – Mental Health• Program 1.3 – Aboriginal and Torres Strait Islander Health• Program 1.4 – Health Workforce• Program 1.5 – Preventative Health and Chronic Disease Support• Program 1.6 – Primary Health Care Quality and Coordination• Program 1.8 – Health Protection, Emergency Response and Regulation• Program 1.9 – Immunisation• Program 2.5 – Dental Services• Program 3.2 – Aged Care Services• Program 3.3 – Aged Care Quality• Program 4.1 – Sport and Recreation
Department of Home Affairs
Programs
<ul style="list-style-type: none">• Program 1.2 – National Security and Resilience• Program 1.4 – Counter-Terrorism
Department of Industry, Science and Resources
Program
<ul style="list-style-type: none">• Program 1.3 – Supporting a strong resources sector

Linked programs (continued)

<p>Department of Infrastructure, Transport, Regional Development and Communications and the Arts</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Infrastructure Investment • Program 3.1 – Regional Development • Program 3.3 – Cities • Program 5.1 – Digital Technologies and Communications Services
<p>Department of Social Services</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.5 – Working Age Payments • Program 2.1 – Families and Communities • Program 3.2 – National Disability Insurance Scheme • Program 4.1 – Housing and Homelessness
<p>National Emergency Management Agency</p>
<p>Program</p> <ul style="list-style-type: none"> • Program 1.3 – Australian Government Resilience, Preparedness and Disaster Risk Reduction Support
<p>National Indigenous Australians Agency</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Jobs, Land and the Economy • Program 1.2 – Children and Schooling • Program 1.3 – Safety and Wellbeing • Program 1.4 – Culture and Capability • Program 1.5 – Remote Australia Strategies
<p>Contribution to Outcome 1 made by linked programs</p> <p>Treasury Outcome 1 contributes to the following programs by making payments to the states and territories under National Partnership agreements, National Specific Purpose Payments (SPP) and bilateral agreements that support the delivery of the programs.</p>

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Program 1.1: Department of the Treasury					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	8,359	54,620	12,622	12,484	10,881
Special accounts					
Medicare Guarantee Fund – Special Account	45,664,691	47,521,044	49,421,391	51,372,268	53,229,904
Payments to corporate entities					
National Housing Finance and Investment Corporation	49,090	39,690	37,362	37,210	37,648
Expenses not requiring appropriation in the Budget year (b)	30,701	24,260	16,283	15,360	15,912
Administered total	45,752,841	47,639,614	49,487,658	51,437,322	53,294,345
Departmental expenses					
Departmental appropriation	329,728	327,273	288,669	263,058	265,584
s74 External Revenue (a)	15,205	15,205	15,205	15,156	15,156
Expenses not requiring appropriation in the Budget year (b)	23,964	21,240	21,326	20,266	19,987
Departmental total	368,897	363,718	325,200	298,480	300,727
Total expenses for program 1.1	46,121,738	48,003,332	49,812,858	51,735,802	53,595,072

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Program 1.2: International Financial Relations					
Administered expenses					
Special appropriations					
<i>International Monetary Agreements Act 1947</i>	482,652	581,626	500,101	473,058	490,895
Expenses not requiring appropriation in the Budget year (b)	1,115,447	192,216	-	-	-
Administered total	1,598,099	773,842	500,101	473,058	490,895
Total expenses for program 1.2	1,598,099	773,842	500,101	473,058	490,895
Program 1.3: Support for Markets and Business					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	28,703	23,094	21,037	16,963	8,941
Expenses not requiring appropriation in the Budget year (b)	84,398	27,549	25,579	22,535	14,170
Administered total	113,101	50,643	46,616	39,498	23,111
Total expenses for program 1.3	113,101	50,643	46,616	39,498	23,111
Program 1.4: Commonwealth-State Financial Relations					
Administered expenses					
Special appropriations					
<i>Federal Financial Relations Act 2009</i>	118,645,673	124,558,163	129,814,746	136,871,985	142,626,789
Special accounts					
COAG Reform Fund	20,244,382	22,271,288	19,570,083	16,728,242	14,900,944
Expenses not requiring appropriation in the Budget year (b)	1,042,921	162,616	116,898	11,663	-
Administered total	139,932,976	146,992,067	149,501,727	153,611,890	157,527,733
Total expenses for program 1.4	139,932,976	146,992,067	149,501,727	153,611,890	157,527,733

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	37,062	77,714	33,659	29,447	19,822
Special appropriations	119,128,325	125,139,789	130,314,847	137,345,043	143,117,684
Special accounts	65,909,073	69,792,332	68,991,474	68,100,510	68,130,848
Payments to corporate entities	49,090	39,690	37,362	37,210	37,648
Expenses not requiring appropriation in the Budget year (b)	2,273,467	406,641	158,760	49,558	30,082
Administered total	187,397,017	195,456,166	199,536,102	205,561,768	211,336,084
Departmental expenses					
Departmental appropriation	329,728	327,273	288,718	263,058	280,740
s74 External Revenue (a)	15,205	15,205	15,156	15,156	-
Expenses not requiring appropriation in the Budget year (b)	23,964	21,240	21,326	20,266	19,987
Departmental total	368,897	363,718	325,200	298,480	300,727
Total expenses for Outcome 1	187,765,914	195,819,884	199,861,302	205,860,248	211,636,811
Movement of administered funds between years (c)					
Outcome 1:					
Program 1.4	(3,107,364)	1,552,057	493,288	197,202	(410,548)
Total movement of administered funds	(3,107,364)	1,552,057	493,288	197,202	(410,548)
Average staffing level (number)					
	2022-23	2023-24			
	1,438	1,401			

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

b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses and amortisation expenses, claims against guarantee provision, foreign exchange losses, revaluation of grant provisions and unwinding of present value discounts.

c) Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

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

Table 2.1.2: Performance measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current Corporate Plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of the 2023–24 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – Supporting and implementing informed decisions on policies for the good of the Australian people, including for achieving strong, sustainable economic growth, through the provision of advice to Treasury Ministers and the efficient administration of Treasury’s functions.		
Program 1.1 – Department of the Treasury		
The objective of this program is to support Ministers to effectively manage the Australian economy by:		
<ul style="list-style-type: none"> • providing analysis to promote a sound macroeconomic environment • promoting effective Government spending arrangements that contribute to overall fiscal outcomes, influence strong sustainable economic growth and improve social inclusion and wellbeing • developing effective taxation and retirement income arrangements consistent with the Government’s reform priorities. 		
Key Activities	A strong and sustainable economic and fiscal environment: <ul style="list-style-type: none"> • Activity 1 Provide informed, influential and impactful policy advice and analysis. • Activity 2 Ensure effective Government spending arrangements. Effective Government policies, programs and regulation: <ul style="list-style-type: none"> • Activity 3 Effective markets, financial and taxation systems, and program delivery associated with the Government’s economic priorities. • Activity 4 Deliver the Government’s legislative agenda associated with the Treasury portfolio. • Activity 5 Administer Treasury’s regulator functions. 	
Year	Performance measures	Expected performance results (a) (b) (c)
Current year 2022–23	Proportion of Treasury Ministers, key government entities and stakeholders that rate Treasury advice highly.	Target: 80% This performance measure will be assessed through the end of cycle stakeholder feedback survey and the structured interviews conducted with Treasury Ministers or their delegate for reporting in the Annual Performance Statements 2022–23. Expected to be achieved.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected performance results (a) (b) (c)
Current year 2022–23 (continued)	Variance between actual real Gross Domestic Product (GDP) and forecast real GDP.	Target: Real GDP falls within 70% confidence interval of forecast real GDP. This performance measure will be assessed at the end of cycle. Expected to be achieved.
	Variance between actual Total Tax Receipts (excluding Company Tax) and forecast.	Target: Total Tax Receipts (excluding company tax) for 2022–23 falls within 70% confidence interval of forecast at the 2022–23 Budget. This performance measure will be assessed at the end of cycle. Expected to be achieved.
	Delivered in line with the requirements of the <i>Charter of Budget Honesty Act 1998</i> (the Charter).	Target: 100% The Charter requires the 2021–22 Final Budget Outcome to be publicly released and tabled by 30 September 2022. The 2021–22 Final Budget Outcome was publicly released and tabled on 28 September 2022 and has met the requirements and timeframe. The Charter requires the 2022–23 Mid-Year Economic and Fiscal Outlook to be published and tabled by 31 January 2023. The Budget papers were publicly released and tabled on 25 October 2022. The Budget documents met and exceeded the relevant Charter content requirements and timeframe for the 2022–23 Mid-Year Economic and Fiscal Outlook. Expected to be achieved.
	No disorderly failures of prudentially regulated institutions.	Target: No disorderly failures of prudentially regulated institutions. There were no disorderly failures in the July to December 2022 period. Expected to be achieved.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected performance results (a) (b) (c)
Current year 2022–23 (continued)	Treasury contributes to the development of the Organisation for Economic Co-operation and Development Inclusive Framework on Base Erosion and Profit Shifting Action 1.	Target: 2023–24 – Australia signs the Pillar One Multilateral Convention, signs the Subject to Tax Rule Multilateral Instrument, and implements legislation to give domestic effect to a domestic minimum tax and the income inclusion rule under Pillar Two, in accordance with the progress and timelines of the OECD (subject to Government decision to implement the pillars). Treasury is on track to achieve 2022–23 target. Expected to be achieved.
	Proportion of Treasury Ministers, Treasury portfolio agencies and regulators, and key stakeholders that highly rate working with the Treasury.	Target: 70% This performance measure will be assessed through the end of cycle stakeholder feedback survey and the structured interviews conducted with Treasury Ministers or their delegate for reporting in the Annual Performance Statements 2022–23. Expected to be achieved.
	Proportion of legislative measures committed for delivery at the beginning of a parliamentary sitting period, adjusted for any Government reprioritisation of legislative measures during the sitting period, and compared to the actual number delivered.	Target: 90% 100% of legislative measures were delivered as committed in the Winter and Spring 2022 sitting periods. Expected to be achieved.
	Proportion of stakeholders that report a high level of satisfaction regarding: <ul style="list-style-type: none"> the clarity, transparency, and consistent application of Treasury's regulatory frameworks (Regulator Performance (RMG 128) Principle 1) risk-based, data driven decision making (RMG 128 Principle 2) Treasury's responsive communication and collaboration (RMG 128 Principle 3) 	Target: 65% This performance measure will be assessed through the end of cycle stakeholder feedback survey for reporting in the Annual Performance Statements 2022–23. Expected to be achieved.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Planned performance results (a) (b) (c)
Budget Year 2023–24	Proportion of Treasury Ministers, key government entities and stakeholders that rate Treasury advice highly.	Target: 85%
	Variance between actual real Gross Domestic Product (GDP) and forecast real GDP.	Target: Real GDP falls within 70% confidence interval of forecast real GDP.
	Variance between actual Total Tax Receipts (excluding Company Tax) and forecast.	Target: Total Tax Receipts (excluding company tax) for 2023–24 falls within 70% confidence interval of forecast at the 2023–24 Budget.
	Delivered in line with the requirements of the <i>Charter of Budget Honesty Act 1998</i> .	Target: 100%
	No disorderly failures of prudentially regulated institutions.	Target: No disorderly failures of prudentially regulated institutions.
	Treasury contributes to the development of the Organisation for Economic Co-operation and Development Inclusive Framework on Base Erosion and Profit Shifting Action 1.	Target: <i>Australia signs the Pillar One Multilateral Convention, signs the Subject to Tax Rule Multilateral Instrument, and implements legislation to give domestic effect to a domestic minimum tax and the income inclusion rule under Pillar Two, in accordance with the progress and timelines of the OECD (subject to Government decision to implement the pillars).</i>
	Proportion of Treasury Ministers, Treasury portfolio agencies and regulators, and key stakeholders that highly rate working with the Treasury.	Target: 75%
	Proportion of legislative measures committed for delivery at the beginning of a parliamentary sitting period, adjusted for any Government reprioritisation of legislative measures during the sitting period, and compared to the actual number delivered.	Target: 90%

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Planned performance results (a) (b) (c)
Budget Year 2023–24 (continued)	Proportion of stakeholders that report a high level of satisfaction regarding: <ul style="list-style-type: none"> the clarity, transparency, and consistent application of Treasury’s regulatory frameworks (Regulator Performance (RMG 128) Principle 1) risk-based, data driven decision making (RMG 128 Principle 2) Treasury’s responsive communication and collaboration (RMG 128 Principle 3) 	Target: 70%
Forward Estimates 2024–27	Proportion of Treasury Ministers, key government entities and stakeholders that rate Treasury advice highly.	As per 2023–24
	Variance between actual real Gross Domestic Product (GDP) and forecast real GDP.	As per 2023–24
	Variance between actual Total Tax Receipts (excluding Company Tax) and forecast.	As per 2023–24
	Delivered in line with the requirements of the <i>Charter of Budget Honesty Act 1998</i> .	As per 2023–24
	No disorderly failures of prudentially regulated institutions.	As per 2023–24
	Treasury contributes to the development of the Organisation for Economic Co-operation and Development Inclusive Framework on Base Erosion and Profit Shifting Action 1.	2024–25 Target: <i>Australia implements legislation to give domestic effect to the undertaxed payments rule under Pillar Two in accordance with the progress and timelines of the OECD (subject to Government decision to implement the Pillars)</i> . 2025–26 Target: <i>Target to be determined following Australia’s development of implementation plans for Pillars One and Two</i> . Forward targets are as per 2025–26
	Proportion of Treasury Ministers, Treasury portfolio agencies and regulators, and key stakeholders that highly rate working with the Treasury.	2024–25 Target: 80% Forward targets as per 2024–25

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Planned performance results (a) (b) (c)
Forward Estimates 2024–27 (continued)	Proportion of legislative measures committed for delivery at the beginning of a parliamentary sitting period, adjusted for any Government reprioritisation of legislative measures during the sitting period, and compared to the actual number delivered.	As per 2023–24
	Proportion of stakeholders that report a high level of satisfaction regarding: <ul style="list-style-type: none"> • the clarity, transparency, and consistent application of Treasury’s regulatory frameworks (Regulator Performance (RMG 128) Principle 1) • risk-based, data driven decision making (RMG 128 Principle 2) • Treasury’s responsive communication and collaboration (RMG 128 Principle 3) 	As per 2023–24
Material changes to Program 1.1 resulting from 2023–24 Budget Measures: Nil		

- a) The details of Treasury’s performance results for 2022–23 will be reported in the Annual Performance Statements in the *2022–23 Annual Report*.
- b) Refers to updated performance targets as shown in italics.
- c) The updated performance targets will be reported in the *2022–23 Annual Performance Statements* and reflected in the *2023–24 Corporate Plan*.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Outcome 1 – Supporting and implementing informed decisions on policies for the good of the Australian people, including for achieving strong, sustainable economic growth, through the provision of advice to Treasury Ministers and the efficient administration of Treasury’s functions.		
Program 1.2 – <i>International Financial Relations (a)</i> The objective of this program is to make payments to international financial institutions on behalf of Government to: <ul style="list-style-type: none"> • promote international monetary cooperation • promote stability of the international financial system and orderly exchange arrangements • foster economic growth and high levels of employment • provide temporary financial assistance to countries to help ease balance of payments adjustments • facilitate the achievement of Government objectives in international forums, including support for development objectives and improved infrastructure in the Asian region • support multilateral debt relief. 		
Key Activities	A strong and sustainable economic and fiscal environment: <ul style="list-style-type: none"> • Activity 2: Ensure effective Government spending arrangements. 	
Year	Performance measures	Expected performance results (b)
Current year 2022–23	Proportion of payments to international financial institutions are transferred within legislated requirements and agreements.	Target: 100% Treasury transferred 100% of payments within legislated requirements and agreements to international financial institutions in the July to December 2022 period. Expected to be achieved.
Year	Performance measures	Planned performance results
Budget Year 2023–24	Proportion of payments to international financial institutions are transferred within legislated requirements and agreements.	Target: 100%
Forward Estimates 2024–27	As per 2022–23	As per 2023–24
Material changes to Program 1.2 resulting from 2023–24 Budget Measures: Nil		

- a) The modified program description for Program 1.2 is shown in italics.
- b) The details of Treasury’s performance results for 2022–23 will be reported in the Annual Performance Statements in the *2022–23 Annual Report*.

Table 2.1.2: Performance measure for Outcome 1 (continued)

<p>Outcome 1 – Supporting and implementing informed decisions on policies for the good of the Australian people, including for achieving strong, sustainable economic growth, through the provision of advice to Treasury Ministers and the efficient administration of Treasury’s functions.</p>		
<p>Program 1.3 – Support for Markets and Business The objective of this program is to support economic competition by developing well-functioning markets that support small to medium businesses, investor and consumer confidence.</p>		
<p>Key Activities</p>	<p>Effective Government policies, programs and regulation:</p> <ul style="list-style-type: none"> • Activity 3: Effective markets, financial and taxation systems, and program delivery associated with the Government’s economic priorities • Activity 5: Administer Treasury’s regulator functions. 	
<p>Year</p>	<p>Performance measures</p>	<p>Expected performance results (a)</p>
<p>Current year 2022–23</p>	<p>Australia maintains or improves its score on markets related inputs to the World Competitiveness Ranking produced by the Institute for Management Development.</p>	<p>Target: To be developed A target has been developed for the 2022–23 performance year based on Institute for Management Development data published in June 2022. A competitiveness score of 105 has been developed to assess performance in the Annual Performance Statements 2022–23. Expected to be achieved.</p>
	<p>Proportion of stakeholders that report a high level of satisfaction regarding:</p> <ul style="list-style-type: none"> • the clarity, transparency, and consistent application of Treasury’s regulatory frameworks (Regulator Performance (RMG 128) Principle 1) • risk-based, data driven decision making (RMG 128 Principle 2) • Treasury’s responsive communication and collaboration (RMG 128 Principle 3) 	<p>Target: 65% This performance measure will be assessed through the end of cycle stakeholder feedback survey for reporting in the Annual Performance Statements 2022–23. Expected to be achieved.</p>
	<p>Proportion of regulated entities registered with the Payment Times Reporting Regulator as a reporting entity (RMG 128 Principles 1 and 2)</p>	<p>Target: 80% Treasury has partially achieved the target with 70% of entities registered as reporting entities (excl. subsidiaries) that are required to be registered in the July to December 2022 period. Expected to be achieved.</p>
<p>Year</p>	<p>Performance measures</p>	<p>Planned performance results</p>
<p>Budget Year 2023–24</p>	<p>Australia maintains or improves its score on markets related inputs to the World Competitiveness Ranking produced by the Institute for Management Development.</p>	<p>Target: Maintain or improve competitiveness score</p>

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Planned performance results
Budget Year 2023–24 (continued)	Proportion of stakeholders that report a high level of satisfaction regarding: <ul style="list-style-type: none"> the clarity, transparency, and consistent application of Treasury's regulatory frameworks (Regulator Performance (RMG 128) Principle 1) risk-based, data driven decision making (RMG 128 Principle 2) Treasury's responsive communication and collaboration (RMG 128 Principle 3) 	Target: 70%
	Proportion of regulated entities registered with the Payment Times Reporting Regulator as a reporting entity (RMG 128 Principle 1 and 2)	Target: 85%
Forward Estimates 2024–27	Australia maintains or improves its score on markets related inputs to the World Competitiveness Ranking produced by the Institute for Management Development.	As per 2023–24
	Proportion of stakeholders that report a high level of satisfaction regarding: <ul style="list-style-type: none"> the clarity, transparency, and consistent application of Treasury's regulatory frameworks (Regulator Performance (RMG 128) Principle 1) risk-based, data driven decision making (RMG 128 Principle 2) Treasury's responsive communication and collaboration (RMG 128 Principle 3) 	As per 2023–24
	Proportion of regulated entities registered with the Payment Times Reporting Regulator as a reporting entity (RMG 128 Principle 1 and 2)	2024–25 Target: 90% Forward targets as per 2024–25
Material changes to Program 1.3 resulting from 2023–24 Budget Measures: Nil		

a) The details of Treasury's performance results for 2022–23 will be reported in the Annual Performance Statements in the *2022–23 Annual Report*.

Table 2.1.2: Performance measure for Outcome 1 (continued)

<p>Outcome 1 – Supporting and implementing informed decisions on policies for the good of the Australian people, including for achieving strong, sustainable economic growth, through the provision of advice to Treasury Ministers and the efficient administration of Treasury’s functions.</p>	
<p>Program 1.4 – Commonwealth-State Financial Relations (a)</p> <p>The objective of the program is to make payments which provide financial support to the States and Territories on a wide range of activities under the <i>Intergovernmental Agreement on Federal Financial Relations</i> (IGAFFR) and other relevant agreements between the Commonwealth and the States and Territories.</p> <p>a) General Revenue Assistance. The Treasury, on behalf of the Government, will make general revenue assistance payments to the States and Territories.</p> <p>b) Assistance to the States for Healthcare Services. The Treasury, on behalf of the Government, provides financial support to the States and Territories to be spent in the delivery of healthcare services.</p> <p>c) Assistance to the States for Skills and Workforce Development. The Treasury, on behalf of the Government, provides financial support to the States and Territories to be spent in the delivery of skills and workforce development services.</p> <p>d) Assistance to the States for Disability Services. The Treasury, on behalf of the Government, provides financial support to the States and Territories to be spent in the delivery of disability services.</p> <p>e) Assistance to the States for Affordable Housing. The Treasury, on behalf of the Government, provides financial support to the States and Territories to be spent in the delivery of affordable housing services.</p> <p>f) National Partnership Payments to the States. The Treasury, on behalf of the Government, provides financial support to the States and Territories to be spent on improving outcomes in the areas specified in each of the National Partnership agreements. These payments support the delivery of specified outputs or projects, facilitate reforms or reward jurisdictions that deliver on nationally significant reforms. This program is linked to programs administered by a number of other portfolios. This contributes to the linked programs by making payment on behalf of the following:</p> <p>Attorney-General’s Department Department of Agriculture, Fisheries and Forestry Department of Climate Change, Energy, the Environment and Water Department of Defence Department of Education Department of Employment and Workplace Relations Department of Finance Department of Health and Aged Care Department of Home Affairs Department of Industry, Science, and Resources Department of Infrastructure, Transport, Regional Development, Communications and the Arts Department of the Prime Minister and Cabinet Department of Social Services Department of Veterans’ Affairs.</p>	
<p>Key Activities</p>	<p>A strong and sustainable economic and fiscal environment:</p> <ul style="list-style-type: none"> • Activity 2: Ensure effective Government spending arrangements.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected performance results (b)
Current year 2022–23	Proportion of payments to the States are delivered within requirements of the Intergovernmental Agreement on Federal Financial Relations and other relevant agreements between the Commonwealth and the States.	Target: 100% Treasury delivered 100% of payments within requirements of the Intergovernmental Agreement on Federal Financial Relations and other relevant agreements between the Commonwealth and the States in the July to December 2022 period. Expected to be achieved.
Year	Performance measures	Planned performance results
Budget Year 2023–24	Proportion of payments to the States are delivered within requirements of the Intergovernmental Agreement on Federal Financial Relations and other relevant agreements between the Commonwealth and the States.	Target: 100%
Forward Estimates 2024–27	As per 2022–23	As per 2023–24
Material changes to Program 1.4 resulting from 2023–24 Budget Measures: Nil		

- a) The modified program description for Program 1.4 is shown in italics and Programs 1.5 to 1.9 have been collapsed into Program 1.4.
- b) The details of Treasury's performance results for 2022–23 will be reported in the Annual Performance Statements in the 2022–23 *Annual Report*.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2023–24 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

The entity resource statement is prepared on a cash basis and provides a view of cash / appropriations resources available to the Treasury whilst the financial statements are prepared on an accrual basis.

Additionally, the financial statements tables for the 2023–24 Budget include funding to be received through the 2022–23 Annual Appropriation Bill No.3, which is not included in the entity resource statement due to the timing of the 2022–23 Budget.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The Treasury is budgeting for a break-even operating result in 2023–24 and over the forward estimates, after non appropriated expenses such as depreciation are removed. The apparent budgeted operating surplus in 2022-23 reflects Revenue from Government to pay for expenses budgeted in 2021-22 under the 2022-23 March Budget measure *Treasury Portfolio – resourcing for Government priorities*.

The Treasury has a sound financial position and has sufficient cash reserves to fund provisions and payables, and asset replacement, as they fall due.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EXPENSES					
Employee benefits	223,033	219,612	209,612	194,531	193,347
Suppliers	119,612	120,583	91,983	81,404	85,114
Grants	555	555	555	555	555
Depreciation and amortisation (a)	23,964	21,240	21,326	20,266	19,987
Finance costs	1,733	1,728	1,724	1,724	1,724
Total expenses	368,897	363,718	325,200	298,480	300,727
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	10,251	10,251	10,251	10,251	10,251
Other	4,954	4,954	4,954	4,905	4,905
Total own-source revenue	15,205	15,205	15,205	15,156	15,156
Total own-source income	15,205	15,205	15,205	15,156	15,156
Net (cost of)/contribution by services	(353,692)	(348,513)	(309,995)	(283,324)	(285,571)
Revenue from Government	343,789	340,252	301,139	274,914	277,411
Surplus/(deficit) attributable to the Australian Government	(9,903)	(8,261)	(8,856)	(8,410)	(8,160)
Total comprehensive income/(loss)	(9,903)	(8,261)	(8,856)	(8,410)	(8,160)
Total comprehensive income/(loss) attributable to the Australian Government	(9,903)	(8,261)	(8,856)	(8,410)	(8,160)

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(9,903)	(8,261)	(8,856)	(8,410)	(8,160)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	10,477	8,565	9,254	9,376	9,276
plus: depreciation/amortisation expenses for ROU assets (b)	13,487	12,675	12,072	10,890	10,711
less: lease principal repayments (b)	12,916	12,979	12,470	11,856	11,827
Net Cash Operating Surplus/ (Deficit)	1,145	-	-	-	-

Prepared on Australian Accounting Standards basis. Table has been prepared inclusive of 2022–23 Additional Estimates figures.

- 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 (DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
- b) Applies leases under AASB 16 Leases.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,557	1,557	1,557	1,557	1,557
Trade and other receivables	110,822	110,822	110,822	110,822	110,822
Total financial assets	112,379	112,379	112,379	112,379	112,379
Non-financial assets					
Land and buildings	139,948	125,191	110,972	98,286	86,060
Property, plant and equipment	13,402	12,119	10,255	7,766	4,891
Intangibles	7,859	6,159	4,408	2,825	1,447
Other non-financial assets	4,655	4,655	4,655	4,655	4,655
Total non-financial assets	165,864	148,124	130,290	113,532	97,053
Total assets	278,243	260,503	242,669	225,911	209,432
LIABILITIES					
Payables					
Suppliers	11,717	11,717	11,717	11,717	11,717
Other payables	8,619	8,619	8,619	8,619	8,619
Total payables	20,336	20,336	20,336	20,336	20,336
Interest bearing liabilities					
Leases	131,575	118,596	106,126	94,270	82,443
Total interest bearing liabilities	131,575	118,596	106,126	94,270	82,443
Provisions					
Employee provisions	72,899	72,899	72,899	72,899	72,899
Other provisions	5,704	5,704	5,704	5,704	5,704
Total provisions	78,603	78,603	78,603	78,603	78,603
Total liabilities	230,514	217,535	205,065	193,209	181,382
Net assets	47,729	42,968	37,604	32,702	28,050
EQUITY*					
Parent entity interest					
Contributed equity	124,118	127,618	131,110	134,618	138,126
Reserves	14,093	14,093	14,093	14,093	14,093
Retained surplus (accumulated deficit)	(90,482)	(98,743)	(107,599)	(116,009)	(124,169)
Total parent entity interest	47,729	42,968	37,604	32,702	28,050
Total equity	47,729	42,968	37,604	32,702	28,050

Prepared on Australian Accounting Standards basis. Table has been prepared inclusive of 2022–23 Additional Estimates figures.

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

Table 3.3: Departmental statement of changes in equity – summary of movement (Budget year 2023–24)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2023					
Balance carried forward from previous period	(90,482)	14,093	-	124,118	47,729
Adjusted opening balance	(90,482)	14,093	-	124,118	47,729
Comprehensive income					
Surplus/(deficit) for the period	(8,261)	-	-	-	(8,261)
Total comprehensive income	(8,261)	-	-	-	(8,261)
Transactions with owners					
Contributions by owners					
Equity injection – Appropriation	-	-	-	-	-
Departmental Capital Budget (DCB)	-	-	-	3,500	3,500
Sub-total transactions with owners	-	-	-	3,500	3,500
Estimated closing balance as at 30 June 2024	(98,743)	14,093	-	127,618	42,968
Closing balance attributable to the Australian Government	(98,743)	14,093	-	127,618	42,968

Prepared on Australian Accounting Standards basis.

Table has been prepared inclusive of 2022–23 Additional Estimates figures.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	348,199	340,252	301,139	274,914	277,411
Sale of goods and rendering of services	10,251	10,251	10,251	10,251	10,251
Other	821	821	821	772	772
Total cash received	359,271	351,324	312,211	285,937	288,434
Cash used					
Employees	222,296	219,612	209,612	194,531	193,347
Suppliers	115,479	116,450	87,850	77,271	80,981
Interest payments on lease liability	1,732	1,727	1,724	1,724	1,724
Other	555	555	555	555	555
Total cash used	340,062	338,344	299,741	274,081	276,607
Net cash from/(used by) operating activities	19,209	12,980	12,470	11,856	11,827
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	8,943	3,501	3,492	3,508	3,508
Total cash used	8,943	3,501	3,492	3,508	3,508
Net cash from/(used by) investing activities	(8,943)	(3,501)	(3,492)	(3,508)	(3,508)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	3,783	3,500	3,492	3,508	3,508
Total cash received	3,783	3,500	3,492	3,508	3,508
Cash used					
Principal payments on lease liability	12,916	12,979	12,470	11,856	11,827
Total cash used	12,916	12,979	12,470	11,856	11,827
Net cash from/(used by) financing activities	(9,133)	(9,479)	(8,978)	(8,348)	(8,319)
Net increase/(decrease) in cash held	1,133	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	424	1,557	1,557	1,557	1,557
Cash and cash equivalents at the end of the reporting period	1,557	1,557	1,557	1,557	1,557

Prepared on Australian Accounting Standards basis. Table has been prepared inclusive of 2022–23 Additional Estimates figures.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget – Bill 1 (DCB)	3,480	3,500	3,492	3,508	3,508
Equity injections – Bill 2	303	-	-	-	-
Total new capital appropriations	3,783	3,500	3,492	3,508	3,508
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	3,783	3,500	3,492	3,508	3,508
Total items	3,783	3,500	3,492	3,508	3,508
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	303	-	-	-	-
Funded by capital appropriation - DCB (b)	8,639	3,500	3,492	3,508	3,508
TOTAL	8,942	3,500	3,492	3,508	3,508
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	8,942	3,500	3,492	3,508	3,508
Total cash used to acquire assets	8,942	3,500	3,492	3,508	3,508

Prepared on Australian Accounting Standards basis. Table has been prepared inclusive of 2022–23 Additional Estimates figures.

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

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

Table 3.6: Statement of departmental asset movements (Budget year 2023–24)

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2023				
Gross book value	25,722	19,763	31,820	77,305
Gross book value - ROU assets	165,247	56	-	165,303
Accumulated depreciation/amortisation and impairment	(7,073)	(6,372)	(23,961)	(37,406)
Accumulated depreciation/amortisation and impairment - ROU assets	(43,948)	(45)	-	(43,993)
Opening net book balance	139,948	13,402	7,859	161,209
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services (a)	1,500	1,500	500	3,500
Total additions	1,500	1,500	500	3,500
Other movements				
Depreciation/amortisation expense	(3,590)	(2,775)	(2,200)	(8,565)
Depreciation/amortisation on ROU assets	(12,667)	(8)	-	(12,675)
Total other movements	(16,257)	(2,783)	(2,200)	(21,240)
As at 30 June 2024				
Gross book value	27,222	21,263	32,320	80,805
Gross book value - ROU assets	165,247	56	-	165,303
Accumulated depreciation/amortisation and impairment	(10,663)	(9,147)	(26,161)	(45,971)
Accumulated depreciation/amortisation and impairment - ROU assets	(56,615)	(53)	-	(56,668)
Closing net book balance	125,191	12,119	6,159	143,469

Prepared on Australian Accounting Standards basis. Table has been prepared inclusive of 2022–23 Additional Estimates figures.

a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2023–24, including CDABs.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EXPENSES					
Suppliers	8,145	8,229	4,534	807	807
Grants	139,908,578	146,898,936	149,413,954	153,628,867	157,546,748
Medicare Guarantee Fund	45,664,691	47,521,044	49,421,391	51,372,268	53,229,904
Finance costs	954,980	744,242	616,999	484,721	490,895
Payments to corporate entities	49,090	39,690	37,362	37,210	37,648
Foreign exchange losses	696,939	192,216	-	-	-
Other expenses	114,594	51,809	41,862	37,895	30,082
Total expenses administered on behalf of Government	187,397,017	195,456,166	199,536,102	205,561,768	211,336,084
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Sale of goods and rendering of services	655,181	719,382	724,071	735,632	734,068
Fees and fines	949	1,018	1,018	1,018	1,018
Interest	483,893	584,564	512,465	493,509	501,728
COAG revenue from other government agencies	1,249,658	2,242,581	-	-	-
Other revenue	202,707	216,453	208,755	203,532	199,311
Total non-taxation revenue	2,592,388	3,763,998	1,446,309	1,433,691	1,436,125
Total own-source revenue administered on behalf of Government	2,592,388	3,763,998	1,446,309	1,433,691	1,436,125

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Gains					
Foreign exchange gains	175,819	130,422	-	-	-
Total gains administered on behalf of Government	175,819	130,422	-	-	-
Total own-sourced income administered on behalf of Government	2,768,207	3,894,420	1,446,309	1,433,691	1,436,125
Net (cost of)/contribution by services	184,628,810	191,561,746	198,089,793	204,128,077	209,899,959
Total comprehensive income/(loss)	(184,628,810)	(191,561,746)	(198,089,793)	(204,128,077)	(209,899,959)

Prepared on Australian Accounting Standards basis. Table has been prepared inclusive of 2022–23 Additional Estimates figures.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	994,807	965,931	618,921	271,199	854,242
Trade and other receivables	2,595,381	2,488,040	2,726,937	2,984,997	2,306,215
Other investments	29,338,226	29,212,269	29,212,269	29,212,269	29,212,269
Total financial assets	32,928,414	32,666,240	32,558,127	32,468,465	32,372,726
Total assets administered on behalf of Government	32,928,414	32,666,240	32,558,127	32,468,465	32,372,726
LIABILITIES					
Payables					
Grants	78,124	100,358	91,724	77,419	66,327
Other payables	1,357,608	770,726	720,546	570,891	395,046
Total payables	1,435,732	871,084	812,270	648,310	461,373
Interest bearing liabilities					
Loans	8,715,515	9,282,790	9,282,790	9,282,790	9,282,790
Other	18,169,094	18,039,839	18,039,839	18,039,839	18,039,839
Total interest bearing liabilities	26,884,609	27,322,629	27,322,629	27,322,629	27,322,629
Provisions					
Other provisions	7,573,608	2,126,653	228,780	105,629	101,705
Total provisions	7,573,608	2,126,653	228,780	105,629	101,705
Total liabilities administered on behalf of Government	35,893,949	30,320,366	28,363,679	28,076,568	27,885,707
Net assets/(liabilities)	(2,965,535)	2,345,874	4,194,448	4,391,897	4,487,019

Prepared on Australian Accounting Standards basis. Table has been prepared inclusive of 2022-23 Additional Estimates figures.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	849	-	-	-	-
Interest	398,562	579,508	502,487	477,557	488,053
Net GST received	1,664,562	1,744,106	1,813,069	1,868,052	1,925,999
COAG revenue Government Agencies	1,249,658	2,242,581	-	-	-
Other receipts from Government Agencies	27,614,698	29,060,877	29,419,446	30,378,818	31,377,903
Other	97,549	100,879	96,303	94,522	94,522
Total cash received	31,025,878	33,727,951	31,831,305	32,818,949	33,886,477
Cash used					
Grants paid	166,121,476	180,846,911	180,141,478	183,424,232	188,201,675
Medicare Guarantee Fund	45,664,691	47,521,044	49,421,391	51,372,268	53,229,904
Suppliers	8,145	8,229	4,534	807	807
Net GST paid	1,664,562	1,744,106	1,813,069	1,868,052	1,925,999
Borrowing costs	406,878	596,509	506,164	470,026	488,095
Payments to corporate entities	49,090	39,690	37,362	37,210	37,648
Other	44,865	33,254	73,289	183,544	209,094
Total cash used	213,959,707	230,789,743	231,997,287	237,356,139	244,093,222
Net cash from/(used by) operating activities	(182,933,829)	(197,061,792)	(200,165,982)	(204,537,190)	(210,206,745)

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
INVESTING ACTIVITIES					
Cash received					
Repayments of advances and loans	222,055	541,510	248,435	240,734	1,011,313
Total cash received	222,055	541,510	248,435	240,734	1,011,313
Cash used					
Advances and loans made	801,867	319,546	367,830	376,792	216,606
Investments	184,542	62,203	-	-	-
Other	165,000	-	-	-	-
Total cash used	1,151,409	381,749	367,830	376,792	216,606
Net cash from/(used by) investing activities	(929,354)	159,761	(119,395)	(136,058)	794,707
Net increase/(decrease) in cash held	(183,863,183)	(196,902,031)	(200,285,377)	(204,673,248)	(209,412,038)
Cash and cash equivalents at beginning of reporting period	1,165,521	994,807	965,931	618,921	271,199
Cash from Official Public Account for:					
- Appropriations	120,388,461	124,537,451	129,394,139	136,508,858	143,230,423
- Special accounts	65,264,681	75,780,182	71,391,453	68,629,481	68,358,546
Total cash from Official Public Account	185,653,142	200,317,633	200,785,592	205,138,339	211,588,969
Cash to Official Public Account for:					
- Appropriations	636,015	911,227	826,405	783,743	794,239
- Special accounts	1,324,658	2,533,251	20,820	29,070	799,649
Total cash to Official Public Account	1,960,673	3,444,478	847,225	812,813	1,593,888
Cash and cash equivalents at end of reporting period	994,807	965,931	618,921	271,199	854,242

Prepared on Australian Accounting Standards basis. Table has been prepared inclusive of 2022-23 Additional Estimates figures.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Administered Assets and Liabilities – Bill 2	171,153	-	-	-	-
Total new capital appropriations	171,153	-	-	-	-
Provided for:					
<i>Funding to the National Housing Finance and Investment Corporation</i>	165,000	-	-	-	-
<i>Loan to the Australian Energy Market Operator</i>	6,153	-	-	-	-
Total items	165,000	-	-	-	-

Prepared on Australian Accounting Standards basis. Table has been prepared inclusive of 2022–23 Additional Estimates figures.

Australian Bureau of Statistics

Entity resources and planned performance

Australian Bureau of Statistics

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Australian Bureau of Statistics

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Australian Bureau of Statistics (ABS) provides independent and trusted official statistics on a range of economic, social, population and environmental matters of importance to governments, industry, and the wider Australian community. The ABS plays a central role in developing statistical standards, including through liaison with international organisations.

The ABS' purpose is to inform Australia's important decisions by delivering relevant, trusted, and objective data, statistics, and insights.

Through 2023–24, the ABS' priorities to achieve its purpose include:

- maintaining its emphasis on the delivery of high-quality official statistics and drawing new insights from effective and safe use of available data
- modernising the resilience, capacity and capability of systems infrastructure to deliver economic statistics
- enhancing environmental statistics and accounts to support the government through the Australian Climate Service in collaboration with state and federal government agencies
- collaborating with other government entities on establishing the National Disability Data Asset
- updating the Australian and New Zealand Standard Classification of Occupations to reflect changes in the labour market.

The ABS will continue to adapt our practices and statistical products in response to the changing conditions in which we operate, the needs of our partners, and the expectations of our clients. Within this environment, the ABS is responding to an increasing demand for quality data, exploring and embracing emergent alternate sources of data, forming new partnerships with business, innovating through new technologies, and increasing our vigilance around cyber security.

Each year, in setting its priorities, the ABS also takes into consideration the needs of key information users, current and emerging risks, the burden placed on data providers, and the importance of improving access to statistical information.

1.2 Entity resource statement

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

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

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

Table 1.1: Australian Bureau of Statistics resource statement – Budget estimates for 2023–24 as at Budget May 2023

	<i>2022-23 Estimated actual \$'000</i>	2023-24 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	104,527	95,969
Departmental appropriation (b)	361,819	416,224
s74 External Revenue (c)	89,272	67,472
Departmental capital budget (d)	483	9,274
Annual appropriations - other services - non-operating (e)		
Prior year appropriations available	4,245	-
Equity injection	2,244	5,549
Total departmental annual appropriations	<u>562,590</u>	<u>594,488</u>
Total departmental resourcing	<u>562,590</u>	<u>594,488</u>
Total resourcing for Australian Bureau of Statistics	<u>562,590</u>	<u>594,488</u>
	<u>2022-23</u>	<u>2023-24</u>
Average staffing level (number)	2,865	2,844

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) 2023–24.
- b) Excludes Departmental Capital Budget (DCB). The 2022–23 figure excludes \$6.8 million received under Appropriation Bill (No. 3) 2022–23.
- c) Estimated External Revenue receipts under section 74 of the PGPA Act.
- d) Departmental Capital Budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a ‘contribution by owner’.
- e) Appropriation Bill (No. 2) 2023–24.

1.3 Budget measures

Budget measures relating to entity ABS are detailed in the Budget Paper No. 2 and are summarised below.

Table 1.2: Australian Bureau of Statistics 2023–24 Budget measures

Program	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000
Payment measures					
Big Data, Timely Insights Phase 2 – securing Australia's critical economic data and supporting better informed macroeconomic policy					
1.1					
Departmental payment	-	40,725	47,354	39,228	29,193
Total	-	40,725	47,354	39,228	29,193
Targeting Entrenched Community Disadvantage (a)					
1.1					
Departmental payment	-	3,674	4,774	4,118	3,824
Total	-	3,674	4,774	4,118	3,824
Total payment measures					
Departmental	-	44,399	52,128	43,346	33,017
Total	-	44,399	52,128	43,346	33,017

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 Targeting Entrenched Community Disadvantage is the Department of Social Services. The full measure description and package details appear in the Budget Paper No.2, *Budget Measures 2023–24*, under the Social Services portfolio.

Section 2: Outcomes and planned performance

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

The ABS' 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 Commonwealth Performance Framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance measure described in Portfolio Budget Statements will be read with broader information provided in an entity's Corporate Plans and annual performance statements – included in Annual Reports – to provide an entity's complete performance story.

The most recent Corporate Plan for the ABS can be found at:

(<https://www.abs.gov.au/about/our-organisation/corporate-reporting/abs-corporate-plan/latest-release>).

The most recent annual performance statement can be found in the latest ABS Annual Report located on the Government's Transparency Portal at:

(<https://www.transparency.gov.au/annual-reports/australian-bureau-statistics/reporting-year/2021-22>).

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Decisions on important matters made by governments, business and the broader community are informed by objective, relevant and trusted official statistics produced through the collection and integration of data, its analysis, and the provision of statistical information.

Linked programs

Many programs rely on ABS statistics to inform decision-making. Many ABS statistics rely on data held by State, Territory, and other Australian Government agencies.

Australian Taxation Office
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.3 – Australian Business Register
<p>Contribution to Outcome 1 made by linked programs</p> <p>Program 1.3 – Australian Business Register provides essential infrastructure to the operation of ABS business surveys.</p>

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Program 1.1: Australian Bureau of Statistics					
Departmental expenses					
Departmental appropriation	363,444	417,081	439,552	482,308	563,749
s74 External Revenue (a)	80,228	67,701	40,625	40,587	40,601
Expenses not requiring appropriation in the Budget year (b)	27,482	26,715	26,131	23,689	20,387
Departmental total	471,154	511,497	506,308	546,584	624,737
Total expenses for program 1.1	471,154	511,497	506,308	546,584	624,737
Total expenses for Outcome 1	471,154	511,497	506,308	546,584	624,737

	2022-23	2023-24
Average staffing level (number)	2,865	2,844

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 and resources received free of charge.

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

Table 2.1.2: Performance measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current Corporate Plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of the 2023–24 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – Decisions on important matters made by governments, business and the broader community are informed by objective, relevant and trusted official statistics produced through the collection and integration of data, its analysis, and the provision of statistical information.		
Program 1.1 – Australian Bureau of Statistics This program contributes to the outcome through delivery of high-quality statistical information to inform Australia’s most important issues and through engaging with users within government, business, and the community to ensure they have the confidence in the statistical resources available to enable them to make informed decisions.		
Key Activities	<ul style="list-style-type: none"> • Produce key economic, industry, environmental, labour, population, and social statistics, as well as conduct of the five-yearly Census of Population and Housing and Agricultural Census. • Undertake data integration projects including those supported by the Business Longitudinal Analysis Data Environment (BLADE) and the Multi-Agency Data Integration Project (MADIP). • Use administrative and alternate data sources to deliver more timely economic indicators. • Provide access to ABS statistics through a range of avenues including the ABS website, machine-to-machine access through an application programming interface, the DataLab, TableBuilder, and customised data requests. • Deliver data capability initiatives across the Australian Public Service (APS) developed under the Data Profession Stream. Lead recruitment of data graduates for the APS. • Investigate options for reducing burden on data providers. 	
Year	Performance measures	Expected performance results
Current Year 2022–23	Decision making by governments, business, and the community is informed by high quality statistics. Target: The ABS continues to produce key economic and population statistics with appropriate coverage, frequency and timeliness as assessed by the International Monetary Fund against the <i>Special Data Dissemination Standard</i> . (a)	100% compliance with Special Data Dissemination Standard for in scope collections.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Planned performance results
Budget Year 2023–24	Decision making by governments, business, and the community is informed by high quality statistics. Target: The ABS continues to produce key economic and population statistics with appropriate coverage, frequency and timeliness as assessed by the International Monetary Fund against the Special Data Dissemination Standard. (a)	100% compliance with Special Data Dissemination Standard for in-scope collections.
Forward Estimates 2024–27	As per 2023–24	As per 2023–24
Material changes to Program 1.1 resulting from 2023–24 Budget Measures: There are no budget measures that materially impact on Program 1.1 – Australian Bureau of Statistics.		

- a) The *Special Data Dissemination Standard* (SDDS) is produced and managed by the International Monetary Fund (IMF). The IMF monitors and reports on how well countries comply with SDDS requirements for the range of statistics produced – including the coverage, frequency, and timeliness of the statistics that are published. The statistics required by the SDDS include national accounts, labour force, unemployment, consumer price index, and estimates of resident population. The latest information on Australia’s compliance with the SDDS is available on the IMF website: <http://dsbb.imf.org/sdds/country/AUS/summary-of-observance>.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2023–24 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

The entity resource statement, refer Table 1.1, is prepared on a cash basis and provides a view of cash/appropriations resources available to the ABS whilst the financial statements are prepared on an accrual.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The ABS is budgeting for a breakeven operating result in 2023–24 after adjusting for non-appropriated expenses of depreciation and amortization and omitting the impact of AASB 16 Leases.

Total appropriation revenue in 2023–24 is estimated to be \$416.2 million, with Own Source Income of \$67.6 million. Appropriations have increased from the \$365 million reported in the *2022–23 October Portfolio Budget Statements*, mainly due to additional funding received to continue the ABS' modernisation of economic statistics and systems infrastructure under the Big Data, Timely Insights Phase 2 measure, and new funding to develop a pilot Life Course Data Asset, to deliver the data necessary to inform long term change in support of the Targeting Entrenched Community Disadvantage package. The ABS will also receive funding through estimates variations to rephase the 2026 Census budget. Details of estimates variations new measures are outlined in Table 1.2.

Total operating expenses in 2023–24 are estimated to be \$511.5 million. This has increased from the \$452.6 million reported in the *2022–23 October Portfolio Budget Statements*. The increase predominantly reflects activities relating to increased user funded revenue, estimates variations and new measures as outlined in Table 1.2.

The total capital budget in 2023–24 is estimated to be \$18.3 million. This has increased from the \$16.7 million reported in the *2022–23 October Portfolio Budget Statements*, due to the Big Data, Timely Insights Phase 2 measure outlined in Table 1.2.

3.2 Budgeted financial statements tables

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EXPENSES					
Employee benefits	306,369	346,435	343,835	375,990	445,010
Suppliers	125,529	119,896	117,422	127,746	139,321
Depreciation and amortisation (a)	44,518	43,752	43,673	41,591	39,156
Finance costs	1,527	1,414	1,378	1,257	1,250
Total expenses	477,943	511,497	506,308	546,584	624,737
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	79,085	66,514	40,000	40,000	40,000
Sublease income	1,043	1,087	525	487	501
Total own-source revenue	80,128	67,601	40,525	40,487	40,501
Gains					
Sale of assets	100	100	100	100	100
Other	126	126	126	126	126
Total gains	226	226	226	226	226
Total own-source income	80,354	67,827	40,751	40,713	40,727
Net (cost of)/contribution by services	(397,589)	(443,670)	(465,557)	(505,871)	(584,010)
Revenue from Government	361,819	416,224	438,930	482,181	563,529
Surplus/(deficit) attributable to the Australian Government	(35,770)	(27,446)	(26,627)	(23,690)	(20,481)
Total comprehensive income/(loss)	(35,770)	(27,446)	(26,627)	(23,690)	(20,481)
Total comprehensive income/(loss) attributable to the Australian Government	(35,770)	(27,446)	(26,627)	(23,690)	(20,481)

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**

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(35,770)	(27,446)	(26,627)	(23,690)	(20,481)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	27,356	26,589	26,005	23,563	20,261
plus: depreciation/amortisation expenses for ROU assets (b)	17,162	17,163	17,668	18,028	18,895
less: lease principal repayments (b)	15,537	16,306	17,046	17,901	18,675
Net Cash Operating Surplus/ (Deficit)	(6,789)	-	-	-	-

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 (the Departmental 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 leases under AASB 16 Leases.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	3,500	3,500	3,500	3,500	3,500
Trade and other receivables	97,367	96,198	96,752	97,070	97,070
Total financial assets	100,867	99,698	100,252	100,570	100,570
Non-financial assets					
Land and buildings	105,089	91,221	87,843	94,807	82,161
Property, plant and equipment	37,066	36,813	33,688	31,753	27,497
Intangibles	62,774	54,708	50,667	45,198	45,352
Other non-financial assets	13,842	13,802	13,248	12,930	12,930
Total non-financial assets	218,771	196,544	185,446	184,688	167,940
Total assets	319,638	296,242	285,698	285,258	268,510
LIABILITIES					
Payables					
Suppliers	8,682	12,599	11,602	8,299	8,267
Other payables	64,145	63,745	64,823	66,959	66,959
Total payables	72,827	76,344	76,425	75,258	75,226
Interest bearing liabilities					
Leases	115,217	102,205	99,449	106,540	94,114
Total interest bearing liabilities	115,217	102,205	99,449	106,540	94,114
Provisions					
Employee provisions	106,349	105,041	104,929	106,065	106,065
Other provisions	1,116	1,146	1,177	1,208	1,240
Total provisions	107,465	106,187	106,106	107,273	107,305
Total liabilities	295,509	284,736	281,980	289,071	276,645
Net assets	24,129	11,506	3,718	(3,813)	(8,135)
EQUITY*					
Parent entity interest					
Contributed equity	435,319	450,142	468,981	485,140	501,299
Reserves	35,239	35,239	35,239	35,239	35,239
Retained surplus (accumulated deficit)	(446,429)	(473,875)	(500,502)	(524,192)	(544,673)
Total parent entity interest	24,129	11,506	3,718	(3,813)	(8,135)
Total equity	24,129	11,506	3,718	(3,813)	(8,135)

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 2023–24)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2023				
Balance carried forward from previous period	(446,429)	35,239	435,319	24,129
Adjusted opening balance	(446,429)	35,239	435,319	24,129
Comprehensive income				
Surplus/(deficit) for the period	(27,446)	-	-	(27,446)
Total comprehensive income	(27,446)	-	-	(27,446)
Contributions by owners				
Equity injection - Appropriation	-	-	5,549	5,549
Departmental Capital Budget (DCB)	-	-	9,274	9,274
Sub-total transactions with owners	-	-	14,823	14,823
Estimated closing balance as at 30 June 2024	(473,875)	35,239	450,142	11,506
Closing balance attributable to the Australian Government	(473,875)	35,239	450,142	11,506

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	376,798	417,186	438,362	482,181	563,529
Sale of goods and rendering of services	89,172	67,372	40,391	40,368	40,501
Net GST received	6,959	7,699	7,691	11,750	15,040
Total cash received	472,929	492,257	486,444	534,299	619,070
Cash used					
Employees	313,372	347,992	342,735	372,599	445,010
Suppliers	125,056	115,783	117,708	130,574	139,195
Net GST paid	7,453	7,376	7,677	12,068	15,040
Interest payments on lease liability	1,527	1,414	1,378	1,257	1,250
Total cash used	447,408	472,565	469,498	516,498	600,495
Net cash from/(used by) operating activities	25,521	19,692	16,946	17,801	18,575
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	100	100	100	100	100
Total cash received	100	100	100	100	100
Cash used					
Purchase of property, plant and equipment and intangibles	18,668	18,271	18,839	16,159	16,159
Total cash used	18,668	18,271	18,839	16,159	16,159
Net cash from/(used by) investing activities	(18,568)	(18,171)	(18,739)	(16,059)	(16,059)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	7,340	14,785	18,839	16,159	16,159
Total cash received	7,340	14,785	18,839	16,159	16,159
Cash used					
Principal payments on lease liability	15,537	16,306	17,046	17,901	18,675
Total cash used	15,537	16,306	17,046	17,901	18,675
Net cash from/(used by) financing activities	(8,197)	(1,521)	1,793	(1,742)	(2,516)
Net increase/(decrease) in cash held	(1,244)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	4,744	3,500	3,500	3,500	3,500
Cash and cash equivalents at the end of the reporting period	3,500	3,500	3,500	3,500	3,500

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget – Bill 1 (DCB)	483	9,274	15,535	16,159	16,159
Equity injections – Bill 2	2,244	5,549	3,304	-	-
Total new capital appropriations	2,727	14,823	18,839	16,159	16,159
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	<i>2,727</i>	<i>14,823</i>	<i>18,839</i>	<i>16,159</i>	<i>16,159</i>
Total items	2,727	14,823	18,839	16,159	16,159
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	6,202	5,549	3,304	-	-
Funded by capital appropriation - DCB (b)	12,466	12,722	15,535	16,159	16,159
TOTAL	18,668	18,271	18,839	16,159	16,159

Prepared on Australian Accounting Standards basis.

- a) Does not include annual finance lease cost. Includes both current Bill 2 and prior Act 2/4/6 appropriations.
- b) Includes purchases from current and previous years' Departmental Capital Budgets (DCBs).

Table 3.6: Statement of departmental asset movements (Budget year 2023–24)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2023				
Gross book value	-	50,926	281,339	332,265
Gross book value - ROU assets	170,240	184	-	170,424
Accumulated depreciation/ amortisation and impairment	-	(13,861)	(218,565)	(232,426)
Accumulated depreciation/amortisation and impairment - ROU assets	(65,151)	(183)	-	(65,334)
Opening net book balance	105,089	37,066	62,774	204,929
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	-	366	5,183	5,549
By purchase - appropriation ordinary annual services (b)	-	10,599	2,123	12,722
By purchase - appropriation ordinary annual services - ROU assets	3,294	-	-	3,294
Total additions	3,294	10,965	7,306	21,565
Other movements				
Depreciation/amortisation expense	-	(11,217)	(15,372)	(26,589)
Depreciation/amortisation on ROU assets	(17,162)	(1)	-	(17,163)
Total other movements	(17,162)	(11,218)	(15,372)	(43,752)
As at 30 June 2024				
Gross book value	-	61,891	288,645	350,536
Gross book value - ROU assets	173,534	184	-	173,718
Accumulated depreciation/ amortisation and impairment	-	(25,078)	(233,937)	(259,015)
Accumulated depreciation/amortisation and impairment - ROU assets	(82,313)	(184)	-	(82,497)
Closing net book balance	91,221	36,813	54,708	182,742

Prepared on Australian Accounting Standards basis.

- a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2023–24.
- b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2023–24 for Departmental Capital Budgets (DCBs).

Australian Competition and Consumer Commission

**Entity resources and
planned performance**

Australian Competition and Consumer Commission

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Australian Competition and Consumer Commission

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Australian Competition and Consumer Commission (ACCC) is an independent Commonwealth statutory authority whose role is to enforce the *Competition and Consumer Act 2010* and a range of additional legislation, promoting competition, fair trading, consumer protection, and regulating national infrastructure for the benefit of all Australians.

The Australian Energy Regulator (AER) regulates energy markets and networks under national legislation and rules. The AER has an independent Board.

The ACCC and AER share staff, resources and facilities.

The roles of the ACCC and AER are founded on the principle that competition provides the best incentive for businesses to become more efficient, innovative and flexible and to operate in the long-term interests of consumers. Competition is a positive force that promotes economic growth and job creation.

It falls to the ACCC to determine which competition, consumer, fair trading and product safety matters it investigates, although it also receives directions on market studies and inquiries and industry monitoring from the Minister. The ACCC's role is to focus on those matters that have the potential to harm the competitive process or result in widespread consumer detriment.

The ACCC directs its resources to matters that provide the greatest overall benefit for competition and consumers. Each year the ACCC reviews its competition, consumer protection and fair trading priorities, as set out in the ACCC Compliance and Enforcement Policy.

The ACCC also annually updates its product safety priorities to identify and address the risk of serious injury and death from unsafe consumer products.

The ACCC continues to prioritise work to educate and inform consumers about their rights under the Australian Consumer Law, as well as work educating and informing consumers about the risks associated with scams.

The ACCC will continue to assess and review mergers via the informal clearance process to prevent changes in market structures that would substantially lessen competition. It will also continue to assess conduct and agreements that may breach relevant competition laws but which should be authorised because there is expected to be a net public benefit.

The ACCC will continue to focus on its role in relation to implementing and enforcing the Consumer Data Right, which provides consumers with more access to and control of their personal data, to promote competition across the economy.

The ACCC is the national regulator of natural monopoly infrastructure services in communication, postal services and rail industries, and has specific regulatory roles in relation to bulk water and bulk wheat port facilities. The ACCC also has a role in enforcing industry specific competition and market rules in some infrastructure-based markets, such as retail electricity. Promoting efficient infrastructure provision through industry-specific regulation and access conditions is a major focus of the ACCC's economic regulatory role.

The ACCC also monitors other sectors (such as major airports, container stevedoring, petrol and communications) where there is limited competition or high consumer concern to provide information to governments and the public about the operation of the relevant markets.

In 2023–24 the ACCC will continue to focus on markets characterised by a lack of transparency or insufficient competition which inhibit efficient market outcomes. This includes undertaking inquiries, industry analysis and reporting activities covering a broad range of sectors, including gas and electricity, digital platforms, early childhood education and care, airports, agriculture, financial services, private health insurance and home, contents and strata insurance in northern Australia.

When undertaking all these key activities the ACCC will continue to engage extensively with a wide range of stakeholders to:

- achieve outcomes that enhance the welfare of all Australians
- minimise the regulatory burden for businesses without compromising its statutory responsibilities to promote competition and protect consumers.

The ACCC also seeks to contribute to the continuous improvement of regulatory frameworks to deliver on our purpose to, 'make markets work for consumers, now and in the future'.

The AER is a high performing regulator that is:

- independent, open and accountable
- builds trust in Australia's energy system
- takes considered risks
- ensures the regulatory regime is fit for purpose
- engages actively with stakeholders.

The AER exists so that energy consumers are better off, now and in the future.

The AER focusses on ensuring a secure, reliable and affordable energy future for Australia as it transitions to net zero emissions. We regulate wholesale and retail energy markets, and energy networks, under national energy legislation and rules. Our functions relate mostly to energy markets in eastern and southern Australia.

The AER's strategic direction is articulated in its Strategic Plan 2020–25. The outcomes sought are grounded in the Energy Ministers' Strategic Energy Plan. To support these outcomes the AER has articulated 4 strategic objectives and several strategic priorities. The Strategic Plan underpins the AER's work program over its 5-year duration, including the delivery of core statutory/regulatory functions.

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 the *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 Competition and Consumer Commission resource statement – Budget estimates for 2023–24 as at Budget May 2023

	2022-23 <i>Estimated actual \$'000</i>	2023-24 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	81,663	100,724
Departmental appropriation (b)	290,455	322,023
s74 External Revenue (c)	6,574	3,614
Departmental capital budget (d)(e)	28,666	30,229
Annual appropriations - other services - non-operating (f)		
Prior year appropriations available	24,128	18,000
Equity injection	14,000	1,100
Total departmental annual appropriations	<u>445,486</u>	<u>475,690</u>
Total departmental resourcing	445,486	475,690
Administered		
Special appropriations (g)	20	20
Total administered resourcing	<u>20</u>	<u>20</u>
Total resourcing for ACCC	445,506	475,710
	2022-23	2023-24
Average staffing level (number)	<u>1,341</u>	<u>1,456</u>

Table 1.1: Australian Competition and Consumer Commission resource statement – Budget estimates for 2023–24 as at Budget May 2023 (continued)**Third party payments from and on behalf of the National Competition Council (NCC)**

	2022-23 <i>Estimated actual \$'000</i>	2023-24 Estimate \$'000
Payments made on behalf of NCC (as disclosed in the NCC's resource statement)	1,683	1,727
Receipts received from other entities for the provision of services (disclosed above in s74 External Revenue section above)	850	850

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) 2023–24.
- b) Excludes Departmental Capital Budget (DCB).
- c) Estimated External Revenue receipts under section 74 of the PGPA Act.
- d) Excludes \$3m subject to administrative quarantine by Finance or withheld under section 51 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) 2023–24.
- g) Relates to repayments not provided for under other appropriations through section 77 of the PGPA Act.

1.3 Budget measures

Budget measures relating to the ACCC are detailed in the Budget Paper No. 2 and are summarised below.

Table 1.2: Australian Competition and Consumer Commission 2023–24 Budget measures

Measures announced since the 2022–23 October Budget

	Program	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000	
Payment measures							
Ensuring the Supply of Reliable, Secure and Affordable Energy (a)							
	Departmental payment	1.2	-	13,384	11,158	10,938	11,034
	Total		-	13,384	11,158	10,938	11,034
Fighting Scams							
	Departmental payment	1.1	-	18,511	23,595	15,881	-
	Total		-	18,511	23,595	15,881	-
Treasury Portfolio – additional resourcing (b)(c)							
	Departmental payment	1.1	-	31,893	37,690	-	-
	Total		-	31,893	37,690	-	-
Total payment measures							
	Departmental		-	63,788	72,443	26,819	11,034
	Total		-	63,788	72,443	26,819	11,034

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 Ensuring the Supply of Reliable, Secure and Affordable Energy is the Department of Climate Change, Energy, the Environment and Water. The full measure description and package details appear in Budget Paper No.2, 2023–24 Budget under the Climate Change, Energy, the Environment and Water portfolio.
- b) The lead entity for measure Treasury Portfolio – additional resourcing is the Department of the Treasury. The full measure description and package details appear in Budget Paper No.2, 2023–24 Budget under the Treasury portfolio.
- c) Including capital funding of \$8.7 million in 2023-24, \$13.5 million in 2024-25.

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

Note:

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

The most recent Corporate Plan for (the ACCC) can be found at:
(<https://www.accc.gov.au/publications/corporate-plan-priorities>).

The most recent annual performance statement can be found at:
(<https://www.accc.gov.au/publications/accc-and-aer-annual-report>).

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Enhanced welfare of Australians through enforcing laws that promote competition and protect consumers, as well as taking other regulatory and related actions including monitoring and market analysis, public education, determining the terms of access to infrastructure services, and discharging regulatory responsibilities governing energy markets and networks.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Program 1.1: Australian Competition and Consumer Commission					
Departmental expenses					
Departmental appropriation	215,656	231,978	225,363	187,972	187,330
s74 External Revenue (a)	2,700	2,700	2,700	2,700	2,700
Expenses not requiring appropriation in the Budget year (b)	28,065	25,665	23,023	22,527	21,833
Departmental total	246,421	260,343	251,086	213,199	211,863
Total expenses for program 1.1	246,421	260,343	251,086	213,199	211,863
Program 1.2: Australian Energy Regulator					
Departmental expenses					
Departmental appropriation	82,154	90,045	85,855	84,888	84,515
s74 External Revenue (a)	3,000	-	-	-	-
Departmental total	85,154	90,045	85,855	84,888	84,515
Total expenses for program 1.2	85,154	90,045	85,855	84,888	84,515

Table 2.1.1 Budgeted expenses for Outcome 1 (continued)

Outcome 1 Totals by appropriation type					
Departmental expenses					
Departmental appropriation	297,810	322,023	311,218	272,860	271,845
s74 External Revenue (a)	5,700	2,700	2,700	2,700	2,700
Expenses not requiring appropriation in the Budget year (b)	28,065	25,665	23,023	22,527	21,833
Departmental total	331,575	350,388	336,941	298,087	296,378
Total expenses for Outcome 1	331,575	350,388	336,941	298,087	296,378
	2022-23	2023-24			
Average staffing level (number)	1,341	1,456			

Table has been prepared inclusive of 2022–23 Additional Estimates figures.

- 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, approved operating losses and Litigation Contingency Fund payments funded from equity.

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

Table 2.1.2: Performance measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current Corporate Plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of the 2023–24 Budget measures that have created new programs or materially changed existing programs are provided.

<p>Outcome 1 – Enhanced welfare of Australians through enforcing laws that promote competition and protect consumers, as well as taking other regulatory and related actions including monitoring and market analysis, public education, determining the terms of access to infrastructure services, and discharging regulatory responsibilities governing energy markets and networks.</p>	
<p>Program 1.1 – Australian Competition and Consumer Commission To achieve compliance with the <i>Competition and Consumer Act 2010</i> and other legislation to protect, strengthen and supplement the way competition works in Australian markets and industries to improve the efficiency of the economy and to increase the welfare of Australians.</p>	
<p>Key Activities</p>	<p>The ACCC achieves Outcome 1 by using its resources to undertake the following key activities to achieve its seven strategic objectives:</p> <ol style="list-style-type: none"> 1. Address anti-competitive conduct and promote competition: <ul style="list-style-type: none"> – initiate compliance and enforcement actions to address harm to consumers and businesses resulting from anti-competitive conduct – make decisions on authorisation, notification and certification trademark applications in the public interest – undertake market studies and inquiries to contribute to improved market outcomes. 2. Prevent anti-competitive mergers: <ul style="list-style-type: none"> – assess mergers to prevent changes in market structures that substantially lessen competition. 3. Improve competition and choice by facilitating safe and secure data sharing by consumers through the Consumer Data Right: <ul style="list-style-type: none"> – deliver the enabling technology solutions for the Consumer Data Right – support Consumer Data Right participants including through assistance with testing and on-boarding – accredit Consumer Data Right data recipients – promote compliance with and enforce the Consumer Data Right rules and standards. 4. Protect consumers from misleading and deceptive conduct and promote fair trading: <ul style="list-style-type: none"> – initiate compliance and enforcement actions to address harm to consumers and small businesses resulting from non-compliance with the Australian Consumer Law and industry codes – empower small businesses by increasing awareness of their rights under the Australian Consumer Law and industry codes – empower consumers by increasing awareness of their rights under the Australian Consumer Law and alerting them to the risk of scams.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Key Activities (continued)	<p>5. Protect consumers from unsafe products:</p> <ul style="list-style-type: none"> – identify safety hazards in consumer products and prioritise the risks that may result in serious injury and death – address the highest priority risks of serious injury and death arising from safety hazards in consumer products through regulation, education, compliance and enforcement actions. <p>6. Regulate monopoly infrastructure and monitor concentrated markets in the long-term interests of consumers:</p> <ul style="list-style-type: none"> – formulate regulatory decisions that promote the long-term interests of end-users and consumers – provide industry monitoring reports to government in relation to highly concentrated or emerging markets – improve the efficient operation of markets by enforcing industry-specific competition and market rules. <p>7. Improve our own systems, capabilities and ways of working:</p> <ul style="list-style-type: none"> – support our people to develop and meet their full potential; and facilitate a diverse, respectful and inclusive culture – modernise our ICT, improve the reliability, flexibility and security of our business and data systems and enhance our data capabilities – adapt our ways of working to allow resources to be used flexibly to meet changing priorities and to adopt innovative practices commensurate with the level of risk – further develop our standing as a world-class independent regulator through external engagement and internal collaboration to support robust and transparent decision making that is responsive to complex challenges and demands. 	
Year	Performance measures	Expected performance results
Current Year 2022–23	<p>Number of competition enforcement interventions (court proceedings commenced, section 87B undertakings accepted, administrative resolutions).</p> <p>Percentage of merger matters considered (under the informal merger review process) that were finalised by pre assessment.</p> <p>Percentage of authorisation applications assessed within statutory timeframe(s) (excluding time periods where information is outstanding).</p> <p>Number of Australian Consumer Law and industry codes enforcement interventions (court proceedings commenced, section 87B undertakings accepted, infringement notices issued, administrative resolutions).</p>	<p>Expect to achieve target of 6+</p> <p>Expect to achieve target of 80% to 95%</p> <p>Expect to achieve target of 100%</p> <p>Expect to achieve target of 40+</p>

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected performance results
Current Year 2022–23 (continued)	Number of small business Infocentre contacts served. Number of monitoring reports (covering electricity, gas, communications, rail, petrol, aviation, ports, and stevedoring sectors).	Expect to exceed target of 7,000 Expect to exceed target of 31
Year	Performance measures	Planned performance results
Budget Year 2023–24	Number of competition enforcement interventions. (court proceedings commenced, section 87B undertakings accepted, administrative resolutions). Percentage of merger matters considered (under the informal merger review process) that were finalised by pre assessment. Number of Australian Consumer Law and industry codes enforcement interventions (court proceedings commenced, section 87B undertakings accepted, infringement notices issued, administrative resolutions). Number of small business Infocentre contacts served. Number of monitoring and inquiry reports (covering electricity, gas, communications, rail, petrol, airports, ports, insurance, and stevedoring sectors, and other sectors subject to an inquiry direction).	6 80% to 95% 40+ 7,000 33
Forward Estimates 2024–27	As per 2023–24	As per 2023–24
Material changes to Program 1.1 resulting from 2023–24 Budget Measures: N/A		

a) This is an ongoing program so it is not practicable to provide an expected date of achievement.

The above program is linked to:

- Department of Health and Aged Care, Outcome 1: Health Policy, Access and Support
- Department of Industry, Science and Resources, Outcome 1: Support economic growth, productivity and job creation for all Australians by investing in science, technology and commercialisation, growing innovative and competitive businesses, industries and regions, and supporting resources
- Department of Climate Change, Energy, the Environment and Water, Outcome 1: Provide international and national leadership and coordination to: support the transition of Australia’s economy to net-zero emissions by 2050; transition energy to net zero while maintaining security, reliability and affordability; support actions to promote adaptation and strengthen resilience of Australia’s economy, society and environment; and re-establish Australia as a global leader in responding to climate change.

Table 2.1.2: Performance measure for Outcome 1 (continued)

<p>Outcome 1 – Enhanced welfare of Australians through enforcing laws that promote competition and protect consumers, as well as taking other regulatory and related actions including monitoring and market analysis, public education, determining the terms of access to infrastructure services, and discharging regulatory responsibilities governing energy markets and networks.</p>		
<p>Program 1.2 – Australian Energy Regulator The AER exists so that energy consumers are better off, now and in the future. We focus on ensuring a secure, reliable and affordable energy future for Australia as it transitions to net zero emissions. We regulate wholesale and retail energy markets and energy networks under national energy legislation and rules. The AER has functions in all states and territories except Western Australia.</p>		
<p>Key Activities</p>	<p>The AER achieves Outcome 1 by:</p> <ul style="list-style-type: none"> • consumer protection: enabling consumers to make informed choices about their energy supplier, including through setting the Default Market Offer to protect consumers from high prices and encourage participation in the market, approving retailer policies to assist customers facing financial hardship, administering a retailer of last resort scheme if a retailer fails; and a regulatory sandbox function to encourage innovation in energy technologies and new business models that benefit consumers • retail energy market regulation: regulating retail electricity and gas markets in jurisdictions that have commenced the National Energy Retail Law: Tasmania (for electricity customers only), the Australian Capital Territory, South Australia, New South Wales and Queensland. We also provide a price comparison website – Energy Made Easy – to help consumers find the best energy offers for their needs • wholesale energy market regulation: monitoring, investigating and enforcing compliance with national energy legislation and rules in wholesale electricity and gas markets. We monitor participant bidding and rebidding, market dispatch and prices, network constraints and outages, demand forecasts and forecasts of production and capacity. We also report on market activity • energy networks regulation: regulating electricity networks and natural gas pipelines by setting the maximum amount of revenue they can earn, with reference to factors including quality of engagement with customers, projected demand, age of infrastructure, operating and financial costs, and network reliability and safety standards • policy and advocacy: advocating for policy changes and improvements to energy laws and rules that protect and promote the interests of energy consumers. 	
<p>Year</p>	<p>Performance measures</p>	<p>Expected Performance Results</p>
<p>Current Year 2022–23</p>	<p>Proportion of stakeholder survey respondents that agree with the statements: The AER supports and protects energy consumers, particularly those in vulnerable circumstances. The AER demonstrates a sound knowledge and understanding of energy consumers. Number of people completing their plan search on Energy Made Easy (EME). Percentage of new and amended retailer hardship policies assessed within 12 weeks of AER receiving all relevant information^(a).</p>	<p>Expected result unknown (stakeholder survey not yet conducted)</p> <p>Expect to partially meet target of ≥2021–22 result</p> <p>Expect to achieve target of 100%</p>

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results
Current Year 2022–23 (continued)	<p>Percentage of retail authorisation and exemptions applications to sell energy assessed within 16 weeks of receiving all relevant information^(a).</p> <p>Percentage of market reports published within agreed/statutory timeframes:</p> <ul style="list-style-type: none"> - weekly Wholesale Markets - quarterly Retail & Wholesale Market Performance - annual Retail Markets - annual Retail Compliance - annual State of the Energy Market - Biennial Wholesale Electricity Market - high Price Events. <p>Percentage of revenue reset determinations for electricity networks and gas pipelines completed within statutory timeframes.</p>	<p>Expect to achieve target of 100%</p> <p>Expect target of 100% will not be met</p> <p>Expect to achieve target of 100%</p>
Year	Performance measures	Planned Performance Results
Budget Year 2023–24	<p>Proportion of stakeholder survey respondents that agree with the statements:</p> <ul style="list-style-type: none"> • The AER supports and protects energy consumers, particularly those in vulnerable circumstances. • The AER demonstrates a sound knowledge and understanding of energy consumers. <p>Number of people completing their plan search on Energy Made Easy (EME).</p> <p>Percentage of new and amended retailer hardship policies assessed within 12 weeks of AER receiving all relevant information^(a).</p> <p>Percentage of retail authorisation and exemptions applications to sell energy assessed within 16 weeks of receiving all relevant information^(a).</p> <p>Percentage of market reports published within agreed/statutory timeframes.</p> <p>Percentage of revenue reset determinations for electricity networks and gas pipelines completed within statutory timeframes.</p>	<p>≥ 2022–23 result</p> <p>≥ 2022–23 result</p> <p>≥ 2022–23 result</p> <p>100%</p> <p>100%</p> <p>100%</p> <p>100 %</p>
Forward Estimates 2024–27	As per 2023–24	As per 2023–24
Material changes to Program 1.2 resulting from 2023–24 Budget Measures: N/A		

a) Service standards may not be met for complex policies or applications that have greater due diligence requirements.

The above program is linked to:

- Department of Climate Change, Energy, the Environment and Water, Outcome 1:
Provide international and national leadership and coordination to: support the transition of Australia's economy to net-zero emissions by 2050; transition energy to net zero while maintaining security, reliability and affordability; support actions to promote adaptation and strengthen resilience of Australia's economy, society and environment; and re-establish Australia as a global leader in responding to climate change.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2023–24 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

The entity resource statement is prepared on a cash basis and provides a view of cash/appropriations resources available to the ACCC whilst the financial statements are prepared on an accrual basis.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The ACCC is budgeting for an approved operating loss of \$5.9m to support the development of the Consumer Data Right program and establishment of the National Anti-Scams Centre after excluding depreciation, amortisation and the impact of AASB16 – Leases in 2023–24. This has been reflected in the Comprehensive Income Statement in Table 3.1. Otherwise, the ACCC is budgeting for a break-even operating result across the forward estimates after non-appropriated expenses are removed. All departmental financial tables have been prepared inclusive of the 2022–23 Additional Estimates figures.

The primary financial asset relates to receivables, and are used to fund the ACCC's capital program, employee entitlements, creditors and to provide working capital.

Non-financial assets represent future benefits that the ACCC will consume in producing outputs. The reported value represents the purchase price paid less depreciation incurred to date in using the asset. Buildings largely represent the recognition of the ACCC's long-term office accommodation leases under AASB 16 – Leases.

Provisions and payables include:

- employee entitlements arising from services rendered by employees. The liability includes unpaid annual leave and long service leave
- long-term office accommodation lease liabilities under AASB16 – Leases
- unpaid expenses as at balance date.

3.2 Budgeted financial statements tables

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EXPENSES					
Employee benefits	194,496	204,573	204,160	177,920	181,373
Suppliers	104,735	109,779	97,994	85,144	80,567
Depreciation and amortisation (a)	31,599	35,561	34,180	34,309	33,936
Finance costs	745	475	607	714	502
Total expenses	331,575	350,388	336,941	298,087	296,378
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	5,700	2,700	2,700	2,700	2,700
Sublease interest income	49	39	29	29	29
Total own-source revenue	5,749	2,739	2,729	2,729	2,729
Gains					
Other	115	115	115	115	115
Total gains	115	115	115	115	115
Total own-source income	5,864	2,854	2,844	2,844	2,844
Net (cost of)/contribution by services	(325,711)	(347,534)	(334,097)	(295,243)	(293,534)
Revenue from Government	297,810	322,023	311,218	272,860	271,845
Surplus/(deficit) attributable to the Australian Government	(27,901)	(25,511)	(22,879)	(22,383)	(21,689)
Total comprehensive income/(loss)	(27,901)	(25,511)	(22,879)	(22,383)	(21,689)
Total comprehensive income/(loss) attributable to the Australian Government	(27,901)	(25,511)	(22,879)	(22,383)	(21,689)

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

Note: Impact of net cash appropriation arrangement

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(27,901)	(25,511)	(22,879)	(22,383)	(21,689)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	21,443	25,592	24,419	24,590	24,363
plus: depreciation/amortisation expenses for ROU assets (b)	10,156	9,969	9,761	9,719	9,573
less: lease principal repayments (b)	10,373	10,925	11,301	11,926	12,247
Net Cash Operating Surplus/ (Deficit) (c)	(6,675)	(875)	-	-	-

Prepared on Australian Accounting Standards basis.

Table has been prepared inclusive of 2022–23 Additional Estimates figures.

- 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 (DCB)) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
- b) Applies leases under AASB 16 Leases.
- c) The 2022–23 operating result includes approval for an operating loss of \$5.9m to support the development of the Consumer Data Right program and establishment of the National Anti-Scams Centre.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	2,113	2,113	2,113	2,113	2,113
Trade and other receivables	118,724	114,874	114,968	115,745	118,377
Total financial assets	120,837	116,987	117,081	117,858	120,490
Non-financial assets					
Land and buildings	84,457	72,987	61,833	50,485	38,948
Property, plant and equipment	4,382	5,009	4,475	3,995	3,479
Intangibles	51,142	57,650	60,021	50,099	38,677
Other non-financial assets	2,452	2,452	2,452	2,452	2,452
Total non-financial assets	142,433	138,098	128,781	107,031	83,556
Total assets	263,270	255,085	245,862	224,889	204,046
LIABILITIES					
Payables					
Suppliers	13,877	13,118	11,696	11,692	12,166
Other payables	9,800	9,800	9,800	9,800	9,800
Total payables	23,677	22,918	21,496	21,492	21,966
Interest bearing liabilities					
Leases	82,111	71,583	60,282	48,356	36,109
Total interest bearing liabilities	82,111	71,583	60,282	48,356	36,109
Provisions					
Employee provisions	56,891	54,175	55,191	55,472	57,130
Other provisions	2,902	2,902	2,902	2,902	2,902
Total provisions	59,793	57,077	58,093	58,374	60,032
Total liabilities	165,581	151,578	139,871	128,222	118,107
Net assets	97,689	103,507	105,991	96,667	85,939
EQUITY*					
Parent entity interest					
Contributed equity	259,679	291,008	316,371	329,430	340,391
Reserves	3,738	3,738	3,738	3,738	3,738
Retained surplus (accumulated deficit)	(165,728)	(191,239)	(214,118)	(236,501)	(258,190)
Total parent entity interest	97,689	103,507	105,991	96,667	85,939
Total equity	97,689	103,507	105,991	96,667	85,939

Prepared on Australian Accounting Standards basis.

Table has been prepared inclusive of 2022–23 Additional Estimates figures.

*‘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 2023–24)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2023				
Balance carried forward from previous period	(165,728)	3,738	259,679	97,689
Adjusted opening balance	(165,728)	3,738	259,679	97,689
Comprehensive income				
Surplus/(deficit) for the period	(25,511)	-	-	(25,511)
Total comprehensive income	(25,511)	-	-	(25,511)
Transactions with owners				
Contributions by owners				
Equity injection - Appropriation	-	-	1,100	1,100
Departmental Capital Budget (DCB)	-	-	30,229	30,229
Sub-total transactions with owners	-	-	31,329	31,329
Estimated closing balance as at 30 June 2024	(191,239)	3,738	291,008	103,507
Closing balance attributable to the Australian Government	(191,239)	3,738	291,008	103,507

Prepared on Australian Accounting Standards basis.

Table has been prepared inclusive of 2022–23 Additional Estimates figures.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	318,645	344,770	327,399	285,905	282,400
Sale of goods and rendering of services	6,574	3,614	2,729	2,729	2,729
Net GST received	13,794	14,783	13,046	10,593	9,958
Total cash received	339,013	363,167	343,174	299,227	295,087
Cash used					
Employees	187,739	207,289	203,144	177,639	179,715
Suppliers	105,484	111,028	99,031	84,763	79,708
Net GST paid	14,364	15,053	13,316	10,863	10,228
Interest payments on lease liability	685	475	607	714	502
s74 External Revenue transferred to the OPA	20,368	18,397	15,775	13,322	12,687
Total cash used	328,640	352,242	331,873	287,301	282,840
Net cash from/(used by) operating activities	10,373	10,925	11,301	11,926	12,247
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	29,536	30,829	24,863	12,559	10,461
Total cash used	29,536	30,829	24,863	12,559	10,461
Net cash from/(used by) investing activities	(29,536)	(30,829)	(24,863)	(12,559)	(10,461)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	29,536	30,829	24,863	12,559	10,461
Total cash received	29,536	30,829	24,863	12,559	10,461
Cash used					
Principal payments on lease liability	10,373	10,925	11,301	11,926	12,247
Total cash used	10,373	10,925	11,301	11,926	12,247
Net cash from/(used by) financing activities	19,163	19,904	13,562	633	(1,786)
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	2,113	2,113	2,113	2,113	2,113
Cash and cash equivalents at the end of the reporting period	2,113	2,113	2,113	2,113	2,113

Prepared on Australian Accounting Standards basis.

Table has been prepared inclusive of 2022–23 Additional Estimates figures.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	28,936	30,229	24,263	11,959	9,861
Equity injections - Bill 2	14,000	1,100	1,100	1,100	1,100
Total new capital appropriations	42,936	31,329	25,363	13,059	10,961
<i>Provided for:</i>					
Purchase of non-financial assets	29,536	30,829	24,863	12,559	10,461
Other Items	13,400	500	500	500	500
Total items	42,936	31,329	25,363	13,059	10,961
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	600	600	600	600	600
Funded by capital appropriation - DCB (b)	28,936	30,229	24,263	11,959	9,861
TOTAL	29,536	30,829	24,863	12,559	10,461
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	29,536	30,829	24,863	12,559	10,461
Total cash used to acquire assets	29,536	30,829	24,863	12,559	10,461

Prepared on Australian Accounting Standards basis.

Table has been prepared inclusive of 2022–23 Additional Estimates figures.

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

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

Table 3.6: Statement of departmental asset movements (Budget year 2023–24)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2023				
Gross book value	21,452	7,672	93,412	122,536
Gross book value – ROU assets	109,370	-	-	109,370
Accumulated depreciation/ amortisation and impairment	(5,795)	(3,290)	(42,270)	(51,355)
Accumulated depreciation/amortisation and impairment – ROU assets	(40,570)	-	-	(40,570)
Opening net book balance	84,457	4,382	51,142	139,981
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase – appropriation equity (a)	-	-	600	600
By purchase – appropriation equity – ROU assets	397	-	-	397
By purchase – appropriation ordinary annual services (b)	990	3,135	26,104	30,229
Total additions	1,387	3,135	26,704	31,226
Other movements				
Depreciation/amortisation expense	(2,888)	(2,508)	(20,196)	(25,592)
Depreciation/amortisation on ROU assets	(9,969)	-	-	(9,969)
Total other movements	(12,857)	(2,508)	(20,196)	(35,561)
As at 30 June 2024				
Gross book value	22,442	10,807	120,116	153,365
Gross book value – ROU assets	109,767	-	-	109,767
Accumulated depreciation/ amortisation and impairment	(8,683)	(5,798)	(62,466)	(76,947)
Accumulated depreciation/amortisation and impairment – ROU assets	(50,539)	-	-	(50,539)
Closing net book balance	72,987	5,009	57,650	135,646

Prepared on Australian Accounting Standards basis.

Table has been prepared inclusive of 2022–23 Additional Estimates figures.

- a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2023–24, including Collection Development Acquisition Budget.
- b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2023–24 for depreciation/amortisation expenses, Departmental Capital Budget or other operational expenses.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Fees and fines	120,724	137,498	156,694	207,244	269,975
Total non-taxation revenue	120,724	137,498	156,694	207,244	269,975
Total own-source revenue administered on behalf of Government	120,724	137,498	156,694	207,244	269,975
Total own-sourced income administered on behalf of Government	120,724	137,498	156,694	207,244	269,975
Net (cost of)/contribution by services	120,724	137,498	156,694	207,244	269,975
Surplus/(deficit)	120,724	137,498	156,694	207,244	269,975

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
ASSETS					
Financial assets					
Trade and other receivables	55,991	55,991	55,991	55,991	55,991
Total financial assets	55,991	55,991	55,991	55,991	55,991
Total assets administered on behalf of Government	55,991	55,991	55,991	55,991	55,991
Net assets/(liabilities)	55,991	55,991	55,991	55,991	55,991

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Fines	120,724	137,498	156,694	207,244	269,975
Total cash received	120,724	137,498	156,694	207,244	269,975
Net cash from/(used by) operating activities	120,724	137,498	156,694	207,244	269,975
Net increase/(decrease) in cash held	120,724	137,498	156,694	207,244	269,975
- Transfers to other entities (Finance – Whole of Government)	(120,724)	(137,498)	(156,694)	(207,244)	(269,975)
<i>Total cash to Official Public Account</i>	<i>(120,724)</i>	<i>(137,498)</i>	<i>(156,694)</i>	<i>(207,244)</i>	<i>(269,975)</i>
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

Australian Office of Financial Management

Entity resources and planned performance

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 managing Australian Government debt and certain financial assets. It issues Treasury Bonds, Treasury Indexed Bonds and Treasury Notes (collectively called Australian Government Securities), manages the government's cash balances and invests in financial assets as directed by government policy.

The government requires that the AOFM finance budget deficits and maturing debt in a cost-effective manner subject to acceptable risk; ensure government cash outlay requirements are always met; and conduct its financing operations in a way that supports a well-functioning Australian Government Securities market. The AOFM's main financing instrument is Treasury Bonds but Treasury Indexed Bonds and Treasury Notes also play a role.

The AOFM influences the cost structure of the debt portfolio chiefly through the maturity profile of Treasury Bonds that are issued. Issuance is undertaken according to an annual debt management strategy that aims to balance portfolio risks (such as future interest rate volatility and funding risks) and borrowing costs. Through its issuance and associated activities, the AOFM also aims to support domestic financial market integrity, stability and liquidity. The AOFM has lengthened the duration of its Treasury Bond portfolio over the last decade through longer term issuance, and by extending the yield curve. Most issuance is achieved using competitive tenders. Where appropriate, the AOFM also undertakes issuance through syndications (large volume point-in-time transactions using a 'book building' process conducted by a panel of banks appointed by the AOFM).

Between mid-2016 and early 2020 the AOFM conducted regular buy-backs of short-dated (up to 3 years) Treasury Bonds. This program aimed to reduce the size of bond lines ahead of their maturity dates; it was suspended in March 2020 when the RBA commenced its own large bond buying operations. The AOFM regularly reviews relevant market and financial system considerations to determine the appropriateness of restarting this program.

Issuing Treasury Indexed Bonds facilitates diversification of the investor base. It has a heavy domestic (Australian based) investor focus. The AOFM aims to issue sufficient volumes to meet demand, and to support the liquidity and functioning of the market.

As part of its sustainable financing agenda the Australian Government will introduce a Sovereign Green Bonds Program to drive Australia's net zero transformation and to boost the Australian green finance market. The AOFM will work with the Treasury and other relevant agencies with the aim of establishing a green bond framework and to launch the first green bond issue in mid-2024 with ongoing issuance thereafter. The AOFM will manage the issuance of green bonds.

The AOFM manages the government's cash balances to ensure it can meet all financial obligations when they fall due. Treasury Bonds and Treasury Indexed Bonds issuance tends to be at a relatively steady rate throughout the year. Therefore, fluctuations in the cash balances through the year are managed using deposits with the RBA and the issuance of Treasury Notes. Cash balance fluctuations arise from the difference in timing of revenue collections and outlays. The AOFM also maintains a 'cash buffer' to cover unforeseen circumstances, such as a large unanticipated change to forecasts or a temporary deterioration in financial market conditions that could impact the ability to issue Australian Government Securities at any time.

In April 2019 the then Government established the Australian Business Securitisation Fund. The Structured Finance Support Fund was established as part of the *Structured Finance Support (Coronavirus Economic Response Package) Bill 2020*, in response to the COVID-19 pandemic. The AOFM is responsible for the administration of both funds.

Australian Business Securitisation Fund

The Australian Business Securitisation Fund is a \$2 billion investment fund established by the *Australian Business Securitisation Fund Act 2019*. The policy aim is to enhance access to finance for small and medium-sized enterprises (SMEs) through targeted securitisation market investments. This will promote more competition between smaller lenders and the major banks and other lenders; and fill niche gaps in the lending market that are otherwise underserved in Australia.

While the securitisation market for residential mortgages in Australia is well developed, the Australian SME securitisation market is constrained by a lack of scale. Low volumes of capital raisings tend to deter potential investors from committing to the task of due diligence needed to enter the market. The Australian Business Securitisation Fund is used to invest in SME loan securitisations and over time this will help to establish a track record in lending against the type of collateral new to the securitisation market. It will also help SME lenders to obtain credit ratings and in turn promote broader investor interest.

Structured Finance Support Fund

This Fund provides for up to \$15 billion to facilitate continued access to funding markets by SME lenders impacted by the economic effects of the COVID-19 pandemic. In particular, smaller lenders were assessed as vulnerable to loss of access to funding from markets during the period of pandemic disruption. These smaller lenders did not have access to the RBA's term funding facility. The policy aim of the Structured Finance Support Fund has been achieved through targeted government investments in structured finance markets.

1.2 Entity resource statement

Table 1.1 shows total funding from all sources available to the entity for its operations and for delivery of 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 is presented on a resourcing basis (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 Office of Financial Management resource statement – Budget estimates for 2023–24 as at Budget May 2023

	2022-23 <i>Estimated actual</i> \$'000	2023-24 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	32,646	35,157
Departmental appropriation (b)	16,379	19,121
s74 External Revenue (c)	25	25
Departmental capital budget (d)	377	395
Total departmental annual appropriations	<u>49,427</u>	<u>54,698</u>
Total departmental resourcing	49,427	54,698
Administered		
Total administered special appropriations (e)	<u>224,571,005</u>	<u>324,987,499</u>
Special accounts (f)		
Opening balance	15,289,647	15,694,731
Appropriation receipts (g)	500,000	500,000
Non-appropriation receipts	561,956	482,499
Total special account receipts	<u>16,351,603</u>	<u>16,677,230</u>
Total administered resourcing	240,922,608	341,664,729
Total resourcing for AOFM	240,972,035	341,719,427
	<u>2022-23</u>	<u>2023-24</u>
Average staffing level (number)	46	56

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) 2023–24.
- b) Excludes Departmental Capital Budget (DCB).
- c) Estimated External Revenue receipts under section 74 of the PGPA Act.
- d) Departmental Capital Budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- e) Special Appropriations comprise funding to meet estimated operating expenditures such as interest on Australian Government Securities, investing expenditures such as acquisition of financial assets, and financing expenditures such as maturity of Australian Government Securities .
- f) The AOFM administers 3 special accounts – the Debt Retirement Reserve Trust Account (DRRTA), the ABSF Special Account and the SFSF Special Account. Figures include the ABSF and SFSF special accounts only. For further information on special accounts refer to *Budget Paper No. 4 – Agency Resourcing*. Table 2.1 has further information on outcome and program expenses broken down by various funding sources, that is, annual appropriations, special appropriations and special accounts.
- g) Comprises amounts credited to the ABSF Special Account under section 14 of the *Australian Business Securitisation Fund Act 2019*.

1.3 Budget measures

Budget measures relating to the AOFM are detailed in the Budget Paper No. 2 and are summarised below.

Table 1.2: Australian Office of Financial Management 2023–24 Budget measures

	Program	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000
Payment measures						
Comprehensive Sustainable Finance Agenda (a)	1.1, 1.2					
Administered payment		-	-	2,460	-	-
Departmental payment		-	1,902	1,400	1,271	1,282
Total		-	1,902	3,860	1,271	1,282
Total payment measures						
Administered		-	-	2,460	-	-
Departmental		-	1,902	1,400	1,271	1,282
Total		-	1,902	3,860	1,271	1,282

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 the measure titled Comprehensive Sustainable Finance Agenda is the Australian Securities and Investments Commission. The full measure description and package details appear in *Budget Paper No. 2, Budget Measures 2023–24*, under the Treasury portfolio.

Section 2: Outcomes and planned performance

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

The AOFM's outcome is described below, together with related programs. Detailed information on expenses for each outcome and program are further broken down by funding source.

Note:

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

The most recent Corporate Plan for AOFM can be found at:
(<https://www.aofm.gov.au/corporate-plan>).

The most recent annual performance statement can be found at:
(<https://aofm.gov.au/publications/annual-reports>).

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, and investing in financial assets and managing debt, investments and cash for the Australian Government.

Budgeted expenses for Outcome 1

Table 2.1.1 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

	2023-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Program 1.1: Commonwealth Debt Management					
Administered expenses					
Special appropriations					
<i>Commonwealth Inscribed Stock Act 1911</i>	22,152,069	22,611,007	23,890,340	26,223,801	29,077,301
<i>Financial Agreement Act 1994</i>	6	4	4	4	4
Expenses not requiring appropriation in the Budget year (b)	1,360	3,010	2,792	2,568	3,276
Administered total	22,153,435	22,614,021	23,893,136	26,226,373	29,080,581
Total expenses for program 1.1	22,153,435	22,614,021	23,893,136	26,226,373	29,080,581
Program 1.2: AOFM – Departmental – Outcome 1					
Departmental expenses					
Ordinary annual services (Appropriation Bill No.1)	13,678	18,368	15,901	15,993	16,250
s74 External Revenue (a)	25	25	25	25	25
Expenses not requiring appropriation in the Budget year (b)	813	813	813	813	813
Department total	14,516	19,206	16,739	16,831	17,088
Total expenses for program 1.2	14,516	19,206	16,739	16,831	17,088
Total expenses for Outcome 1	22,167,951	22,633,227	23,909,875	26,243,204	29,097,669
<hr/>					
	2022-23	2023-24			
Average staffing level (number)	46	56			

a) Table 2.1.1: Budgeted expenses for Outcome 1 Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.

b) Administered expenses not requiring appropriation comprises provision for bad and doubtful debts. Departmental expenses not requiring appropriation are made up of depreciation expenses, amortisation expenses and ANAO audit fees.

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

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 provides performance measures for each program associated with Outcome 1. It also provides related key activities as expressed in the current Corporate Plan. Further detail is also provided on: the delivery of the activities related to the program; the context in which these activities are delivered; and how activity performance will be measured.

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.		
Program 1.1 – Australian Office of Financial Management The AOFM issues Australian Government Securities debt, makes investments and manages debt and investments in accordance with policy objectives.		
Purpose 1.1.1: Meeting the government’s annual financing task while managing the trade-offs between cost and risks		
Key Activities	Establish a debt management strategy; execute the debt issuance program; settle transactions and coupon and redemption payments; monitor the costs and risks of the portfolio of assets and liabilities.	
Year	Performance measures	Expected performance results
Current year, Budget year and forward years	Annual debt management strategy: formulate an annual debt management strategy and advise the Secretary with supporting analysis.	Prior to start of fiscal year
	Term issuance: the shortfall in volume in dollar terms for the fiscal year between actual Treasury Bond issuance and planned issuance announced at the most recent official Budget related update.	Zero
	New issuance yields: the weighted average issue yield at Treasury Bond and Treasury Indexed Bond tenders compared to prevailing mid-market secondary yields.	At or below mid-market yields
	Tender coverage ratio: the average tender coverage ratio across all tenders for the fiscal year.	Greater than 2.5 times
	Settlement of Australian Government Securities transactions: number of times Australian Government Securities transactions fail to settle in a complete, timing and accurate manner where the AOFM is responsible for the failure.	Zero
	Settlement of Australian Government Securities coupons and redemptions: number of times Australian Government Securities coupon and redemption payments fail to occur in a complete, timing and accurate manner where the AOFM is responsible for the failure.	Zero
	Financing costs – issuance: the cost of Treasury Bond issuance in percentage terms over the past 12 months compared to the average 10-year bond rate over the same period.	Lower

Table 2.1.2: Performance criteria for Outcome 1 (continued)

Purpose 1.1.2: Ensure the government can always meet its cash outlay requirements		
Key Activities	Establish a liquidity management strategy; conduct the cash management task.	
Year	Performance measures	Expected performance results
Current year, Budget year and forward years	Annual liquidity management strategy: formulate an annual liquidity management strategy and advise the Secretary with supporting analysis.	Prior to start of fiscal year
	Use of overdraft facility: the number of instances the RBA overdraft facility was utilised.	Zero
Purpose 1.1.3: Conduct market facing activities in a manner that supports a well-functioning Australian Government Securities market		
Key Activities	Communicate AOFM operations clearly and consistently to the market; conduct a market engagement program; support financial market liquidity.	
Year	Performance measures	Expected performance results
Current year, Budget year and forward years	Market commitments: the number of times the AOFM failed to conduct issuance operations consistent with prior market announcements.	Zero
	Investor publications: number of times investor targeted information publications are updated and made available on the AOFM website.	At least twice a year
	Secondary market turnover: the annual turnover in dollar value terms in the secondary market for Treasury Bonds and Treasury Indexed Bonds in a fiscal year.	Greater than previous fiscal year
Purpose 1.1.4: Meet the priorities of the ABSF and SFSF		
Key Activities	Manage the ABSF program; manage the SFSF program	
Year	Performance measures	Expected performance results
Current year, Budget year and forward years	ABSF rate of return: the accrual earnings (net of losses) for a fiscal year divided by the average drawn (invested) amount in percentage point terms.	Greater than Bloomberg AusBond Treasury 0-1 year index
	SFSF losses: gross credit losses for a fiscal year divided by the average drawn amount in percentage point terms.	Zero

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements. These provide a comprehensive snapshot of entity finances for the 2023–24 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.

The AOFM's estimated departmental expenses as shown in Table 2.1 are itemised in the departmental comprehensive income statement (Table 3.1).

Administered

The AOFM receives administered appropriations to meet operating expenditures and for capital expenditure purposes arising from managing the debt and asset portfolios. These are 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 administered expenses as shown in Table 2.1 are itemised in the schedule of budgeted administered income and expenses (Table 3.7).

3.1.2 Explanatory notes and analysis of budgeted financial statements

Administered

The AOFM produces budget estimates of Australian Government Securities liabilities (debt) and certain financial assets. The projections of Australian Government Securities debt are a consequence of forecasts arising from the expenditure, investment and revenue decisions incorporated in the Budget. Annual debt servicing costs on Australian Government Securities debt are largely determined after taking into account changes in the volume of Australian Government Securities debt over the projection period, yields on existing debt and technical assumptions about yields on new debt to be issued over the projection period.

Estimated budgeting impacts of the ABSF and the SFSF 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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EXPENSES					
Employee benefits	8,054	10,188	10,395	10,679	11,055
Suppliers	5,852	8,411	5,741	5,553	5,437
Depreciation and amortisation (a)	553	553	553	553	553
Finance costs	57	54	50	46	43
Total expenses	14,516	19,206	16,739	16,831	17,088
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	25	25	25	25	25
Other	260	260	260	260	260
Total own-source revenue	285	285	285	285	285
Total own-source income	285	285	285	285	285
Net (cost of)/contribution by services	(14,231)	(18,921)	(16,454)	(16,546)	(16,803)
Revenue from Government	16,379	19,121	16,162	16,258	16,524
Surplus/(deficit) attributable to the Australian Government	2,148	200	(292)	(288)	(279)
Total comprehensive income/(loss)	2,148	200	(292)	(288)	(279)
Total comprehensive income/(loss) attributable to the Australian Government	2,148	200	(292)	(288)	(279)

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	2,148	200	(292)	(288)	(279)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	261	261	261	261	261
plus: depreciation/amortisation expenses for ROU assets (b)	292	292	292	292	292
less: lease principal repayments (b)	241	253	261	265	274
Net Cash Operating Surplus/Deficit	2,460	500	-	-	-

Prepared on Australian Accounting Standards basis.

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

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

	2023-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	100	100	100	100	100
Trade and other receivables	35,071	35,571	35,572	35,573	35,574
Total financial assets	35,171	35,671	35,672	35,673	35,674
Non-financial assets					
Property, plant and equipment	5,716	5,530	5,465	5,406	5,226
Intangibles	271	299	212	125	163
Other non-financial assets	280	280	280	280	280
Total non-financial assets	6,267	6,109	5,957	5,811	5,669
Total assets	41,438	41,780	41,629	41,484	41,343
LIABILITIES					
Payables					
Suppliers	906	906	906	906	906
Personal benefits	545	545	545	545	545
Total payables	1,451	1,451	1,451	1,451	1,451
Interest bearing liabilities					
Leases	3,901	3,648	3,387	3,122	2,848
Total interest bearing liabilities	3,901	3,648	3,387	3,122	2,848
Provisions					
Employee provisions	2,357	2,357	2,357	2,357	2,357
Other provisions	483	483	483	483	483
Total provisions	2,840	2,840	2,840	2,840	2,840
Total liabilities	8,192	7,939	7,678	7,413	7,139
Net assets	33,246	33,841	33,951	34,071	34,204
EQUITY*					
Parent entity interest					
Contributed equity	(8,287)	(7,892)	(7,491)	(7,084)	(6,673)
Reserves	315	315	315	315	315
Retained surplus (accumulated deficit)	41,218	41,418	41,127	40,840	40,562
Total parent entity interest	33,246	33,841	33,951	34,071	34,204
Total equity	33,246	33,841	33,951	34,071	34,204

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 2023–24)

	Retained earnings	Asset revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2023				
Balance carried forward from previous period	41,218	315	(8,287)	33,246
Adjusted opening balance	41,218	315	(8,287)	33,246
Comprehensive income				
Surplus/(deficit) for the period	200			200
Total comprehensive income	200	-	-	200
of which:				
Attributable to the Australian Government	200	-	-	200
Transactions with owners				
Contributions by owners				
Departmental Capital Budget (DCB)	-	-	395	395
Sub-total transactions with owners	-	-	395	395
Estimated closing balance as at 30 June 2024	41,418	315	(7,892)	33,841
Closing balance attributable to the Australian Government	41,418	315	(7,892)	33,841
Prepared on Australian Accounting Standards basis				

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June) Prepared on Australian Accounting Standards basis.

	2023-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	13,868	18,621	16,161	16,257	16,523
Sale of goods and rendering of services	25	25	25	25	25
Total cash received	13,893	18,646	16,186	16,282	16,548
Cash used					
Employees	8,003	10,188	10,395	10,679	11,055
Suppliers	5,567	8,126	5,455	5,267	5,151
Interest payments on lease liability	57	54	50	46	43
s74 External Revenue transferred to the OPA	25	25	25	25	25
Total cash used	13,652	18,393	15,925	16,017	16,274
Net cash from/(used by) operating activities	241	253	261	265	274
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	377	395	401	407	411
Total cash used	377	395	401	407	411
Net cash from/(used by) investing activities	(377)	(395)	(401)	(407)	(411)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	377	395	401	407	411
Total cash received	377	395	401	407	411
Cash used					
Principal payments on lease liability	241	253	261	265	274
Total cash used	241	253	261	265	274
Net cash from/(used by) financing activities	136	142	140	142	137
Cash and cash equivalents at the beginning of the reporting period	100	100	100	100	100
Cash and cash equivalents at the end of the reporting period	100	100	100	100	100

Prepared on Australian Accounting Standards basis.

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

	2023-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	377	395	401	407	411
Total new capital appropriations	377	395	401	407	411
Provided for:					
Purchase of non-financial assets	377	395	401	407	411
Total items	377	395	401	407	411
PURCHASE OF NON-FINANCIAL					
Funded by capital appropriations (a)	377	395	401	407	411
TOTAL	377	395	401	407	411
RECONCILIATION OF CASH USED					
Total purchases	377	395	401	407	411
Total cash used to acquire assets	377	395	401	407	411

Prepared on Australian Accounting Standards basis.

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

Table 3.6: Statement of departmental asset movements (Budget year 2023–24)

	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2023			
Gross book value	2,691	1,696	4,387
Gross book value - ROU assets	4,820	-	4,820
Accumulated depreciation/amortisation and impairment	(626)	(1,425)	(2,051)
Accumulated depreciation/amortisation and impairment - ROU assets	(1,169)	-	(1,169)
Opening net book balance	5,716	271	5,987
Capital asset additions			
Estimated expenditure on new or replacement assets			
By purchase - appropriation ordinary annual services (a)	205	190	395
Total additions	205	190	395
Other movements			
Depreciation/amortisation expense	(99)	(162)	(261)
Depreciation/amortisation on ROU assets	(292)	-	(292)
Total other movements	(391)	(162)	(553)
As at 30 June 2024			
Gross book value	2,896	1,886	4,782
Gross book value - ROU assets	4,820	-	4,820
Accumulated depreciation/amortisation and impairment	(725)	(1,587)	(2,312)
Accumulated depreciation/amortisation and impairment - ROU assets	(1,461)	-	(1,461)
Closing net book balance	5,530	299	5,829

Prepared on Australian Accounting Standards basis.

- a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2023–24 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)

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EXPENSES					
Grants	1	1	1	1	1
Finance costs	22,129,122	22,590,510	23,877,883	26,213,804	29,067,304
Write-down and impairment of assets	1,352	3,010	2,792	2,568	3,276
Other expenses	22,960	20,500	12,460	10,000	10,000
Total expenses administered on behalf of Government before re-measurement	22,153,435	22,614,021	23,893,136	26,226,373	29,080,581
LESS:					
OWN-SOURCE INCOME					
Non-taxation revenue					
Interest	1,559,002	2,377,347	1,959,873	1,430,782	1,294,808
Total non-taxation revenue	1,559,002	2,377,347	1,959,873	1,430,782	1,294,808
Total own-source revenue administered on behalf of Government before re-measurement	1,559,002	2,377,347	1,959,873	1,430,782	1,294,808
Total own-sourced income administered on behalf of Government	1,559,002	2,377,347	1,959,873	1,430,782	1,294,808
Net (cost of)/contribution by services	(20,594,433)	(20,236,674)	(21,933,263)	(24,795,591)	(27,785,773)
Surplus/(deficit) before income tax	(20,594,433)	(20,236,674)	(21,933,263)	(24,795,591)	(27,785,773)
OTHER COMPREHENSIVE INCOME					
Re-measurements					
Net market revaluation gains/(losses)	(21,938,474)	(8,847,351)	(8,148,945)	(7,390,921)	(6,354,443)
Total other comprehensive income	(21,938,474)	(8,847,351)	(8,148,945)	(7,390,921)	(6,354,443)
Total comprehensive income/(loss)	(42,532,907)	(29,084,025)	(30,082,208)	(32,186,512)	(34,140,216)

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	62,336,944	67,909,683	48,081,495	44,884,339	46,331,931
Loans to state and territory governments	1,251,623	1,169,842	1,089,300	1,004,018	913,904
Structured finance securities	942,284	1,036,411	1,216,706	1,294,836	1,493,895
Accrued interest on cash management account	134,464	139,805	99,037	92,464	95,440
Total financial assets	64,665,315	70,255,741	50,486,538	47,275,657	48,835,170
Total assets administered on behalf of Government	64,665,315	70,255,741	50,486,538	47,275,657	48,835,170
LIABILITIES					
Payables					
Suppliers	50	50	50	50	50
Total payables	50	50	50	50	50
Interest bearing liabilities					
Australian Government securities (at fair value)					
Treasury Bonds	781,730,413	826,294,658	847,662,616	897,548,887	950,534,758
Treasury Indexed Bonds	51,959,986	56,705,227	61,187,849	53,288,493	57,171,021
Treasury Notes	24,965,648	19,982,483	34,969,342	50,955,325	50,955,325
Other government securities	5,263	5,263	5,263	5,263	5,263
Total interest bearing liabilities	858,661,310	902,987,631	943,825,070	1,001,797,968	1,058,666,367
Provisions					
Other provisions	628	628	628	628	628
Total provisions	628	628	628	628	628
Total liabilities administered on behalf of Government	858,661,988	902,988,309	943,825,748	1,001,798,646	1,058,667,045
Net assets/(liabilities)	(793,996,673)	(832,732,568)	(893,339,210)	(954,522,989)	(1,009,831,875)

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Interest	1,462,335	2,358,051	1,987,706	1,425,840	1,280,976
Total cash received	1,462,335	2,358,051	1,987,706	1,425,840	1,280,976
Cash used					
Grant	1	1	1	1	1
Suppliers	22,960	20,500	12,460	10,000	10,000
Borrowing costs	22,233,184	21,871,163	23,580,792	29,424,905	27,996,691
Total cash used	22,256,145	21,891,664	23,593,253	29,434,906	28,006,692
Net cash from/(used by) operating activities	(20,793,810)	(19,533,613)	(21,605,547)	(28,009,066)	(26,725,716)
INVESTING ACTIVITIES					
Cash received					
Repayments of advances and loans	94,784	94,284	92,482	96,565	100,638
Structured finance securities	518,907	423,320	307,536	365,471	362,958
Total cash received	613,691	517,604	400,018	462,036	463,596
Cash used					
Structured finance securities	656,872	519,005	489,628	445,937	564,961
Total cash used	656,872	519,005	489,628	445,937	564,961
Net cash from/(used by) investing activities	(43,181)	(1,401)	(89,610)	16,099	(101,365)

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
FINANCING ACTIVITIES					
Cash received					
Proceeds from borrowing	192,626,174	337,228,094	437,077,464	648,219,959	764,183,663
Other	42,038	17,750	50,193	49,442	21,822
Total cash received	192,668,212	337,245,844	437,127,657	648,269,401	764,205,485
Cash used					
Net repayments of borrowing	201,764,196	302,468,470	404,686,061	594,426,882	714,740,320
Other	42,038	17,750	50,193	49,442	21,822
Total cash used	201,806,234	302,486,220	404,736,254	594,476,324	714,762,142
Net cash from/(used by) financing activities	(9,138,022)	34,759,624	32,391,403	53,793,077	49,443,343
Net increase/(decrease) in cash held	(29,975,013)	15,224,610	10,696,246	25,800,110	22,616,262
Cash at beginning of reporting period	86,085,613	62,336,944	67,909,683	48,081,495	44,884,339
Cash from Official Public Account for:					
- Appropriations	224,571,005	324,987,499	429,106,433	624,903,646	743,739,069
- Special accounts	656,872	519,005	489,628	445,937	564,961
- CMA transfers	-	5,572,740	-	-	1,447,593
Total cash from Official Public Account	225,227,877	331,079,244	429,596,061	625,349,583	745,751,623
Cash to Official Public Account for:					
- Appropriations	(194,690,907)	(340,248,616)	(439,915,312)	(650,706,556)	(766,468,902)
- Special accounts	(561,956)	(482,499)	(376,994)	(443,135)	(451,391)
- CMA transfers	(23,748,670)	-	(19,828,189)	(3,197,158)	-
Total cash to Official Public Account	(219,001,533)	(340,731,115)	(460,120,495)	(654,346,849)	(766,920,293)
Cash at end of reporting period (a)	62,336,944	67,909,683	48,081,495	44,884,339	46,331,931

Prepared on Australian Accounting Standards basis.

- a) In November 2020 the AOFM established a new investment facility to replace term deposits – a cash management account – to more flexibly and more efficiently manage cash liquidity. The balance of the CMA is reported as 'cash' and not as 'investments'.

Australian Prudential Regulation Authority

Entity resources and planned performance

Australian Prudential Regulation Authority

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Australian Prudential Regulation Authority

Section 1: Entity overview and resources

1.1 Strategic direction statement

The role of the Australian Prudential Regulation Authority (APRA) is to regulate relevant financial institutions in accordance with the laws of the Commonwealth that provide for prudential regulation or retirement income standards. Under the legislation that APRA administers, APRA is tasked with protecting the interests of depositors, policyholders and superannuation fund members. In performing and exercising its functions, APRA is to balance the objectives of financial safety and efficiency, competition, contestability and competitive neutrality, and, in balancing these objectives, is to promote financial system stability in Australia.

APRA is the financial sector's prudential supervisor. Its purpose is to ensure Australians' financial interests are protected and the financial system is stable, competitive and efficient.

APRA seeks to achieve this purpose by adopting a supervision-led approach. APRA undertakes prudential supervision with a view to (i) identifying risks and vulnerabilities that might jeopardise its purpose, and (ii) acting to ensure those risks and vulnerabilities are mitigated. By employing a supervision-led approach, APRA seeks to be forward-looking, risk-based, and outcomes focused – addressing potential problems before they adversely impact those APRA is tasked to protect.

Consistent with the Government's expectations, APRA does not pursue a zero-failure objective. APRA cannot eliminate the risk that any institution might fail and it recognises that attempting to do so would impose an unnecessary burden on institutions and the financial system. APRA seeks to maintain a low incidence of failure of APRA-regulated institutions whilst not unduly hindering efficiency, competition or otherwise impeding the competitive neutrality or contestability of the financial system. APRA's aim is to identify likely failure of an APRA-regulated financial institution early enough so that corrective action can be promptly initiated, or an orderly exit achieved.

The shape and structure of the Australian financial system is rapidly evolving and risks to the financial system, its participants and the broader Australian community can emerge quickly. Each year, in setting its strategic priorities, APRA takes into consideration changes in its operating environment and the Government's policy priorities to ensure it continues to effectively deliver on its statutory objectives and APRA's Statement of Intent in response to the Australian Government's Statement of Expectations for APRA.

APRA's strategic priorities are outlined in its rolling four-year Corporate Plan published annually. APRA's 2022–23 Corporate Plan is focused on 2 strategic themes: 'protecting the Australian community today' and working to ensure that the Australian financial system is 'prepared for tomorrow'. These themes are designed to drive organisational focus on delivering APRA's purpose and key outcomes for the Australian community so as to ensure resilient and prudently managed financial institutions; promote the stability of the Australian financial system; and contribute to the Australian community's ability to achieve good financial outcomes.

APRA's 2022–2023 Corporate Plan involves building on much of its work over the past year by focusing its efforts on delivering existing strategic priorities whilst keeping a watchful eye on changes in its operating environment and responding as needed.

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 the *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 Prudential Regulation Authority resource statement – Budget estimates for 2023–24 as at Budget May 2023

	2022-23 <i>Estimated actual</i> \$'000	2023-24 Estimate \$'000
Departmental		
Annual appropriations – ordinary annual services (a)		
Departmental appropriation	2,973	9,364
s74 External Revenue (b)	5,293	5,242
Total departmental annual appropriations	8,266	14,606
Special accounts		
Opening balance (c)	75,700	63,307
Appropriation receipts	2,973	9,364
Non-appropriation receipts (d)	5,293	5,242
Adjustments	210,608	223,152
Total special accounts	294,574	301,065
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	8,266	14,606
Total departmental resourcing	294,574	301,065
Administered		
Special accounts		
Opening balance (c)	970	970
Non-appropriation receipts to Special Accounts (e)	400,000	400,000
Total special account receipts	400,970	400,970
Total administered resourcing	400,970	400,970
Total resourcing for APRA	695,544	702,035
	2022-23	2023-24
Average staffing level (number)	853	855

Third party payments from and on behalf of other entities

	2022-23 <i>Estimated actual</i> \$'000	2023-24 Estimate \$'000
Receipts received from other entities for the provision of services (disclosed above in s74 External Revenue section above)	660	910

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

- a) Appropriation Bill (No. 1) 2023–24.
- b) Estimated Retained Revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).
- c) Excludes 'Special Public Money'. For further information on special appropriations and special accounts, 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.
- d) Appropriation receipts include receipts from the Department of Foreign Affairs and Trade, the Reserve Bank of Australia, and the Australian Bureau of Statistics.
- e) Comprises Private Health Insurance risk equalisation receipts which are redistributed to industry.

1.3 Budget measures

Budget measures relating to the APRA are detailed in the Budget Paper No. 2 and are summarised below.

**Table 1.2: Australian Prudential Regulation Authority 2023–24 Budget measures
Measures announced since the 2022–23 October Budget**

	Program	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000
Receipt measures						
Treasury Portfolio – additional resourcing (a)	1.1					
Administered receipt		-	1,000	1,000	1,000	1,000
Total		-	1,000	1,000	1,000	1,000
Total receipt measures						
Administered		-	1,000	1,000	1,000	1,000
Total		-	1,000	1,000	1,000	1,000

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 Treasury Portfolio – additional resourcing is the Department of the Treasury. The full measure description and package details appear in *Budget Paper No. 2 – Budget Measures 2023–24* under the Treasury portfolio.

Section 2: Outcomes and planned performance

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

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

Note:

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

The most recent Corporate Plan for APRA can be found at:

<https://www.apra.gov.au/sites/default/files/2022-08/APRA%20Corporate%20Plan%202022-23.pdf>.

The most recent annual performance statement can be found at:

https://www.apra.gov.au/sites/default/files/2022-10/APRA%202021-22%20Annual%20Report_2.pdf.

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Enhanced public confidence in Australia's financial institutions through a framework of prudential regulation which balances financial safety and efficiency, competition, contestability and competitive neutrality and, in balancing these objectives, promotes financial system stability in Australia.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Program 1.1: Australian Prudential Regulation Authority					
Administered expenses					
Special appropriations (a)	400,000	400,000	400,000	400,000	400,000
Expenses not requiring appropriation in the Budget (b) year	55	55	55	55	55
Administered total	400,055	400,055	400,055	400,055	400,055
Departmental expenses					
Special accounts	220,581	224,207	218,348	222,442	229,154
s74 External Revenue (c)	5,293	5,242	4,542	4,542	4,542
Ordinary annual services (Appropriation Bill No.1)	2,973	9,364	16,377	16,048	9,445
Expenses not requiring appropriation in the Budget year (d)	240	240	240	240	240
Departmental total	229,087	239,053	239,507	243,272	243,381
Total expenses for program 1.1	629,142	639,108	639,562	643,327	643,436
Total expenses for Outcome 1	629,142	639,108	639,562	643,327	643,436

	2022-23	2023-24
Average staffing level (number)	853	855

- a) Private Health Insurance Industry risk equalisation payments.
- b) Expenses not requiring appropriation in the Budget year are made up of Finance costs.
- c) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013.
- d) Expenses not requiring appropriation in the Budget year are made up of ANAO audit services that are received free of charge; however, the expense is recognised along with an equal and offsetting income stream.

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

Table 2.1.2: Performance measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current Corporate Plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of the 2023–24 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – Enhanced public confidence in Australia’s financial institutions through a framework of prudential regulation which balances financial safety and efficiency, competition, contestability and competitive neutrality and, in balancing these objectives, promotes financial system stability in Australia.		
Program 1.1 Australian Prudential Regulation Authority To enhance public confidence in Australia’s financial institutions through establishing and enforcing prudential standards and practices and delivering on APRA’s purpose and strategic objectives as set out in its Corporate Plan.		
Key Activities	APRA will focus on delivering its strategic objectives including its core role of preserving the financial and operational resilience of Australia’s banks, insurers and superannuation funds, so that Australians’ financial interests are protected today. APRA will also ensure the Australian financial system is prepared for tomorrow by dedicating regulatory attention to the evolving financial landscape in Australia including understanding and responding to the impact of new financial activities and participants and helping to find solutions to important challenges by working with key stakeholders in Government, other regulatory agencies and industry.	
Year	Performance measures	Expected performance results
Current Year 2022–23	Performing Entity Ratio.	APRA seeks to maintain a low incidence of failure of financial institutions while not unnecessarily hindering efficiency, competition or otherwise impeding the competitive neutrality or contestability of the financial system. APRA aims to identify likely failures early enough so that corrective action can be promptly initiated, or an orderly exit achieved.
	Money Protection Ratio.	
	Capital ratios for Authorised deposit taking Institutions (ADIs) and Insurers.	Above minimum prudential requirements.
	Reduction in the number of: <ul style="list-style-type: none"> • superannuation members exposed to unsustainable funds • funds with sub-standard practices • MySuper and Choice superannuation members in high fee or poor performing offerings. 	Reduction during the reporting period.
	Actual versus budget for the reporting period.	Within budget.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Planned performance results
Budget Year 2023–24	Performing Entity Ratio.	APRA seeks to maintain a low incidence of failure of financial institutions while not unnecessarily hindering efficiency, competition or otherwise impeding the competitive neutrality or contestability of the financial system. APRA aims to identify likely failures early enough so that corrective action can be promptly initiated, or an orderly exit achieved.
	Money Protection Ratio.	
	Capital ratios for Authorised deposit taking Institutions (ADIs) and Insurers.	Above minimum prudential requirements.
	Reduction in the number of: <ul style="list-style-type: none"> • superannuation members exposed to unsustainable funds • funds with sub-standard practices • MySuper and Choice superannuation members in high fee or poor performing offerings. 	Reduction during the reporting period.
	Actual versus budget for the reporting period.	Within budget.
Forward Estimates 2024–27	As per 2023–24	As per 2023–24
Material changes to Program 1.1 resulting from 2023–24 Budget Measures: Not applicable.		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2023–24 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

There are no material differences between APRA’s resourcing and its financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The departmental comprehensive income statement (Table 3.1) indicates an increase in revenue from Government for 2023–24.

Employee benefits of \$171.4 million support an average staffing level (ASL) of 855 in 2023–24. The estimated staffing will enable APRA to supervise regulated institutions, evolve APRA’s prudential and supervisory frameworks and practices to respond to key risks, continue to deliver on its longer-term strategic objectives and to serve the interests of the Australian community.

Supplier costs of \$45.1 million in 2023–24 reflect office leasing costs, IT support and maintenance, travel, training and other non-people related expenditures.

Depreciation and Amortisation of \$22.1 million reflects the amortisation of APRA’s fixed assets over their useful life.

The budgeted departmental balance sheet (Table 3.2) shows that APRA will maintain sufficient financial assets to meet all known employee and supplier commitments as and when they fall due.

The budgeted departmental statement of cash flows (Table 3.4) reflects the source and application of appropriations and other revenue, as detailed in Table 3.1.

The schedule of budgeted income and expenses administered on behalf of Government (Table 3.7) shows the amounts APRA collects in supervisory levies (the levies) from the finance industry on behalf of the Government under the *Financial Institutions Supervisory Levies Collection Act 1998*.

Apart from the amount required to fund APRA, the levies also include amounts to fund the activities of the Australian Taxation Office (ATO) for unclaimed monies, lost member functions and for the administration of claims for early release of superannuation benefits on compassionate grounds; the Gateway Network Governance Body Ltd for governing and maintaining the superannuation transactions network; the Australian Securities and Investments Commission (ASIC) to manage superannuation complaints and the Australian Competition and Consumer Commission (ACCC) to enhance competition in the financial system.

In addition, the receipts and distributions relating to the administration of the Private Health Insurance industry risk equalisation processes under the *Private Health Insurance (Risk Equalisation Levy) Act 2003* are included.

The schedule of budgeted assets and liabilities administered on behalf of Government (Table 3.8) reflects residual Financial Assistance Levy funds, the Financial Claims Scheme special account and a \$2 million security deposit relating to Lloyds as required by section 92Q of the *Insurance Act 1973*.

The schedule of budgeted administered cash flows (Table 3.9) indicates that cash collected is swept daily from APRA's account to the Official Public Account (OPA), from which APRA, in turn, draws down the amounts appropriated to it by the Parliament (as per Table 3.1), or returns it to the Private Health Insurance industry as quarterly risk equalisation payments. The residual is retained in the OPA to meet the Treasurer's Determinations for the ATO, Gateway Network Governance Body Ltd, ASIC and the ACCC.

3.2 Budgeted financial statements tables

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EXPENSES					
Employee benefits	159,214	171,441	183,314	188,637	188,739
Suppliers	46,330	45,088	33,595	31,805	31,812
Depreciation and amortisation	23,000	22,143	22,340	22,740	22,740
Finance costs	543	381	258	90	90
Total expenses	229,087	239,053	239,507	243,272	243,381
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	4,501	4,012	3,312	3,312	3,312
Other	1,032	1,470	1,470	1,470	1,470
Total own-source revenue	5,533	5,482	4,782	4,782	4,782
Total own-source income	5,533	5,482	4,782	4,782	4,782
Net (cost of)/contribution by services	(223,554)	(233,571)	(234,725)	(238,490)	(238,599)
Revenue from Government	213,581	232,516	232,649	236,607	238,889
Surplus/(deficit) attributable to the Australian Government	(9,973)	(1,055)	(2,076)	(1,883)	290
Total comprehensive income/(loss)	(9,973)	(1,055)	(2,076)	(1,883)	290
Total comprehensive income/(loss) attributable to the Australian Government	(9,973)	(1,055)	(2,076)	(1,883)	290

Note: Impact of net cash appropriation arrangements

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(9,973)	(1,055)	(2,076)	(1,883)	290
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections)	14,613	13,756	13,715	14,115	14,115
plus: depreciation/amortisation expenses for ROU assets (a)	8,387	8,387	8,625	8,625	8,625
less: lease principal repayments (a)	8,321	8,839	9,200	9,672	9,856
Net Cash Operating Surplus/ (Deficit)	4,706	12,249	11,064	11,185	13,174

Prepared on Australian Accounting Standards basis.

a) Applies leases under AASB 16 Leases.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	63,307	72,678	82,547	92,661	97,777
Trade and other receivables	3,871	3,871	3,871	3,871	3,871
Total financial assets	67,178	76,549	86,418	96,532	101,648
Non-financial assets					
Land and buildings	25,158	23,921	61,296	52,671	44,046
Property, plant and equipment	13,730	15,037	13,318	11,718	10,118
Intangibles	48,598	42,913	39,112	34,668	30,211
Other non-financial assets	4,632	4,632	4,632	4,632	4,632
Total non-financial assets	92,118	86,503	118,358	103,689	89,007
Total assets	159,296	163,052	204,776	200,221	190,655
LIABILITIES					
Payables					
Suppliers	5,786	5,786	5,786	5,786	5,786
Other payables	4,736	4,736	5,235	5,735	5,735
Total payables	10,522	10,522	11,021	11,521	11,521
Interest bearing liabilities					
Leases	27,533	25,844	62,644	52,972	43,116
Total interest bearing liabilities	27,533	25,844	62,644	52,972	43,116
Provisions					
Employee provisions	51,614	58,114	64,615	71,115	71,115
Other provisions	8,172	8,172	8,172	8,172	8,172
Total provisions	59,786	66,286	72,787	79,287	79,287
Total liabilities	97,841	102,652	146,452	143,780	133,924
Net assets	61,455	60,400	58,324	56,441	56,731
EQUITY*					
Parent entity interest					
Contributed equity	16,657	16,657	16,657	16,657	16,657
Reserves	9,764	10,764	11,764	12,764	13,764
Retained surplus (accumulated deficit)	35,034	32,979	29,903	27,020	26,310
Total parent entity interest	61,455	60,400	58,324	56,441	56,731
Total equity	61,455	60,400	58,324	56,441	56,731

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 2023–24)

	Retained earnings	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2023				
Balance carried forward from previous period	35,034	9,764	16,657	61,455
Adjusted opening balance	35,034	9,764	16,657	61,455
Comprehensive income				
Surplus/(deficit) for the period	(1,055)	-	-	(1,055)
Total comprehensive income	(1,055)	-	-	(1,055)
Transfers between equity				
Transfers between equity components	(1,000)	1,000	-	-
Estimated closing balance as at 30 June 2024	32,979	10,764	16,657	60,400
Closing balance attributable to the Australian Government	32,979	10,764	16,657	60,400

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	213,581	232,516	232,649	236,607	238,889
Sale of goods and rendering of services	4,501	4,012	3,312	3,312	3,312
Other	792	1,230	1,230	1,230	1,230
Total cash received	218,874	237,758	237,191	241,149	243,431
Cash used					
Employees	162,914	164,941	176,313	181,637	188,739
Suppliers	46,090	44,848	33,355	31,565	31,572
s74 External Revenue transferred to the OPA	543	381	258	90	90
Other	(1)	-	1	-	-
Total cash used	209,546	210,170	209,927	213,292	220,401
Net cash from/(used by) operating activities	9,328	27,588	27,264	27,857	23,030
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	13,400	9,378	8,195	8,071	8,058
Total cash used	13,400	9,378	8,195	8,071	8,058
Net cash from/(used by) investing activities	(13,400)	(9,378)	(8,195)	(8,071)	(8,058)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	8,321	8,839	9,200	9,672	9,856
Total cash used	8,321	8,839	9,200	9,672	9,856
Net cash from/(used by) financing activities	(8,321)	(8,839)	(9,200)	(9,672)	(9,856)
Net increase/(decrease) in cash held	(12,393)	9,371	9,869	10,114	5,116
Cash and cash equivalents at the beginning of the reporting period	75,700	63,307	72,678	82,547	92,661
Cash and cash equivalents at the end of the reporting period	63,307	72,678	82,547	92,661	97,777

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources	13,400	16,528*	54,195*	8,071	8,058
TOTAL	13,400	16,528	54,195	8,071	8,058
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	13,400	16,528*	54,195*	8,071	8,058
Total cash used to acquire assets	13,400	16,528	54,195	8,071	8,058

Prepared on Australian Accounting Standards basis.

* Largely due to accounting entries required for right-of-use assets under AASB16.

Table 3.6: Statement of departmental asset movements (Budget year 2023–24)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2023				
Gross book value	-	32,702	119,646	152,348
Gross book value – ROU assets	58,452	-	-	58,452
Accumulated depreciation/ amortisation and impairment	-	(18,972)	(71,048)	(90,020)
Accumulated depreciation/amortisation and impairment – ROU assets	(33,294)	-	-	(33,294)
Opening net book balance	25,158	13,730	48,598	87,486
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase – other	-	4,349	5,029	9,378
By purchase – ROU assets	7,150	-	-	7,150
Total additions	7,150	4,349	5,029	16,528
Other movements				
Depreciation/amortisation expense	-	(3,042)	(10,714)	(13,756)
Depreciation/amortisation on ROU assets	(8,387)	-	-	(8,387)
Total other movements	(8,387)	(3,042)	(10,714)	(22,143)
As at 30 June 2024				
Gross book value	-	37,051	124,675	161,726
Gross book value – ROU assets	65,602	-	-	65,602
Accumulated depreciation/ amortisation and impairment	-	(22,014)	(81,762)	(103,776)
Accumulated depreciation/amortisation and impairment – ROU assets	(41,681)	-	-	(41,681)
Closing net book balance	23,921	15,037	42,913	81,871

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)

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EXPENSES					
Finance costs	55	55	55	55	55
Risk equalisation distributions	400,000	400,000	400,000	400,000	400,000
Total expenses administered on behalf of Government	400,055	400,055	400,055	400,055	400,055
LESS:					
Own-source revenue					
Non-taxation revenue					
<i>Financial Institutions Supervisory Levies Collection Act 1998</i>	257,422	264,767	258,664	263,945	274,801
Interest	55	55	55	55	55
Risk equalisation receipts	400,000	400,000	400,000	400,000	400,000
Total non-taxation revenue	657,477	664,822	658,719	664,000	674,856
Total own-source revenue administered on behalf of Government	657,477	664,822	658,719	664,000	674,856
Total own-sourced income administered on behalf of Government	657,477	664,822	658,719	664,000	674,856
Net (cost of)/contribution by services	(257,422)	(264,767)	(258,664)	(263,945)	(274,801)
Total comprehensive income/(loss)	257,422	264,767	258,664	263,945	274,801

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	970	970	970	970	970
Receivables	2,205	2,205	2,205	2,205	2,205
Total financial assets	3,175	3,175	3,175	3,175	3,175
Total assets administered on behalf of Government	3,175	3,175	3,175	3,175	3,175
LIABILITIES					
Payables					
Lloyds Security Trust Deposit	2,000	2,000	2,000	2,000	2,000
Total payables	2,000	2,000	2,000	2,000	2,000
Total liabilities administered on behalf of Government	2,000	2,000	2,000	2,000	2,000
Net assets/(liabilities)	1,175	1,175	1,175	1,175	1,175

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Financial Institutions Supervisory Levies	257,422	264,767	258,664	263,945	274,801
Interest	55	55	55	55	55
Risk equalisation levy collections	400,000	400,000	400,000	400,000	400,000
Total cash received	657,477	664,822	658,719	664,000	674,856
Cash used					
Borrowing costs	55	55	55	55	55
Risk equalisation levy payments	400,000	400,000	400,000	400,000	400,000
Total cash used	400,055	400,055	400,055	400,055	400,055
Net cash from/(used by) operating activities	257,422	264,767	258,664	263,945	274,801
Net increase/(decrease) in cash held	257,422	264,767	258,664	263,945	274,801
Cash and cash equivalents at beginning of reporting period	970	970	970	970	970
Cash from Official Public Account for:					
- Risk equalisation collections	400,000	400,000	400,000	400,000	400,000
Total cash from Official Public Account	400,000	400,000	400,000	400,000	400,000
Cash to Official Public Account for:					
- Financial Institutions Supervisory Levies	(257,422)	(264,767)	(258,664)	(263,945)	(274,801)
- Risk equalisation payments	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)
Total cash to Official Public Account	(657,422)	(664,767)	(658,664)	(663,945)	(674,801)
Cash and cash equivalents at end of reporting period	970	970	970	970	970

Prepared on Australian Accounting Standards basis.

Australian Securities and Investments Commission

Entity resources and planned performance

Australian Securities and Investments Commission

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Australian Securities and Investments Commission

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Australian Securities and Investments Commission (ASIC) is an independent government body established under the *Australian Securities and Investments Commission Act 2001*.

ASIC's objectives, as set out in the *Australian Securities and Investments Commission Act 2001*, are to:

- maintain, facilitate, and improve the performance of the financial system and the entities within that system in the interests of commercial certainty, reducing business costs, and the efficiency and development of the economy
- promote the confident and informed participation of investors and consumers in the financial system
- administer the laws that confer functions and powers on it effectively and with a minimum of procedural requirements
- receive, process and store, efficiently and quickly, the information given to ASIC under the laws that confer functions and powers on it
- ensure that information is available as soon as practicable for access by the public
- take whatever action it can take, and is necessary, to enforce and give effect to the laws of the Commonwealth that confer functions and powers on it.

ASIC is Australia's integrated corporate, markets, financial services, and consumer credit regulator.

ASIC also monitors and promotes market integrity and consumer protection in relation to the Australian financial system and payments system.

As the financial services and consumer credit regulator, ASIC administers the Australian financial services and credit licensing regime and monitors financial services and credit businesses to ensure that they operate efficiently, honestly, and fairly. These businesses typically deal in superannuation, managed funds, deposit and payment products, personal lending, insurance, shares and company securities, and derivatives.

As the markets regulator, ASIC assesses how effective operators of financial markets are at ensuring their markets operate in a fair, orderly, and transparent way. ASIC also exercises delegated authority from the Minister in authorising new markets and approving important changes to market structure. It has responsibility for the supervision of trading on Australia’s domestic licensed equity, derivatives markets.

As the corporate regulator, ASIC ensures that companies, schemes, and related entities meet their conduct and fundraising disclosure obligations under the *Corporations Act 2001* (Corporations Act). ASIC ensures that company officers comply with their responsibilities. It also takes disciplinary action against company auditors and liquidators. ASIC monitors public companies’ financial reporting and disclosure and fundraising activities.

In August 2022, ASIC released its Corporate Plan for 2022–2026 (*ASIC Corporate Plan 2022–26: Focus 2022–23*).

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 the *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 Securities and Investments Commission resource statement – Budget estimates for 2023–24 as at Budget May 2023

	2022-23 <i>Estimated actual</i> \$'000	2023-24 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	130,349	123,790
Departmental appropriation (b)	426,323	433,678
s74 External Revenue (c)	29,020	23,525
Departmental Capital Budget (d)	21,058	19,826
Annual appropriations - other services - non-operating (e)		
Equity injection	5,824	3,866
Total departmental annual appropriations	<u>612,574</u>	<u>604,685</u>
Special accounts (f)		
Opening balance	71,137	71,137
Appropriation receipts (g)	55,246	56,504
Non-appropriation receipts	3,000	-
Total special accounts	<u>129,383</u>	<u>127,641</u>
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	<u>55,246</u>	<u>56,504</u>
Total departmental resourcing	<u>686,711</u>	<u>675,822</u>

Table 1.1: Australian Securities and Investments Commission resource statement – Budget estimates for 2023–24 as at Budget May 2023 (continued)

	2022-23 <i>Estimated actual</i> \$'000	2023-24 Estimate \$'000
Administered		
Annual appropriations – ordinary annual services (a)		
Outcome 1	7,925	10,628
Total administered annual appropriations	7,925	10,628
Total administered special appropriations	142,177	146,469
Total administered resourcing	150,102	157,097
Total resourcing for ASIC	836,813	832,919
	2022-23	2023-24
Average staffing level (number)	1,846	1,810

Third party payments from and on behalf of other entities

	2022-23 <i>Estimated actual</i> \$'000	2023-24 Estimate \$'000
Receipts received from other entities for the provision of services (disclosed above in s74 External Revenue section above)	21,373	17,800

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) 2023–24.
- b) Excludes Departmental Capital Budget (DCB).
- c) Estimated External Revenue receipts under section 74 of the PGPA Act.
- d) Departmental Capital Budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- e) Appropriation Bill (No. 2) 2023–24.
- f) Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to the *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.
- g) Amounts credited to the special account from ASIC's annual appropriation.

1.3 Budget measures

Budget measures relating to ASIC are detailed in the Budget Paper No. 2 and are summarised below.

Table 1.2: Australian Securities and Investments Commission 2023–24 Budget measures

Measures announced since the 2022–23 October Budget

Program	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000
Receipt measures					
Comprehensive Sustainable Finance Agenda	1.1				
Administered receipt	-	-	(4,302)	-	-
Total	-	-	(4,302)	-	-
Fighting Scams (a)(b)	1.1				
Administered receipt	-	-	(4,819)	(4,176)	(4,209)
Total	-	-	(4,819)	(4,176)	(4,209)
Total receipt measures					
Administered	-	-	(4,819)	(4,176)	(4,209)
Total	-	-	(9,121)	(4,176)	(4,209)
Payment measures					
Comprehensive Sustainable Finance Agenda	1.1				
Departmental payment	-	4,302	-	-	-
Total	-	4,302	-	-	-
Fighting Scams (a)(b)	1.1				
Departmental payment	-	4,819	4,176	4,209	4,441
Total	-	4,819	4,176	4,209	4,441
Total payment measures					
Departmental	-	9,121	4,176	4,209	4,441
Total	-	9,121	4,176	4,209	4,441

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 Fighting Scams is the Australian Competition and Consumer Commission. The full measure description and package details appear in Budget Paper No. 2 under the Treasury portfolio.

b) This measure includes capital for ASIC of \$0.756m in 2023–24 and \$0.189m in 2026–27.

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.

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

Note:

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

The most recent Corporate Plan for ASIC can be found at:
[\(ASIC Corporate Plan 2022–26: Focus 2022–26\)](#).

The most recent annual performance statement can be found at:
[\(ASIC Annual Report 2021–22\)](#).

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Improved confidence in Australia’s financial markets through promoting informed investors and financial consumers, facilitating fair and efficient markets and delivering efficient registry systems.

Linked programs

Australian Taxation Office
<ul style="list-style-type: none"> • Program 1.1 Australian Taxation Office • Program 1.3 Australian Business Registry Services
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Australian Taxation Office (ATO) exchanges information with ASIC in relation to self-managed superannuation funds auditor registrations, and financial crime intelligence. ATO contributes funding for the latter as well as for the Modernising Business Registers program.</p>

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Program 1.1: Australian Securities and Investments Commission					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	5,627	6,074	5,861	5,638	5,699
Expenses not requiring appropriation in the Budget year (a)	65,584	75,972	70,391	69,663	69,729
Administered total	71,211	82,046	76,252	75,301	75,428
Departmental expenses					
Departmental appropriation	378,393	411,937	414,769	415,494	419,864
s74 External Revenue (b)	32,374	23,879	6,079	6,079	6,079
Expenses not requiring appropriation in the Budget year (c)	58,895	62,839	62,785	59,759	62,663
Departmental total	469,662	498,655	483,633	481,332	488,606
Total expenses for program 1.1	540,873	580,701	559,885	556,633	564,034
Program 1.2: Banking Act 1959, Life Insurance Act 1995, unclaimed monies and special accounts					
Administered expenses					
Companies unclaimed monies - s77 of the PGPA ACT	62,569	55,027	54,434	54,339	57,342
Ordinary annual services (Appropriation Bill No. 1)	2,298	4,554	5,574	5,684	5,618
Special appropriations					
<i>Banking Act 1959</i> - Banking Unclaimed Moneys	126,718	92,670	91,089	90,303	90,366
<i>Life Insurance Act 1995</i> - Life Unclaimed Moneys	8,318	1,856	5,063	5,358	10,474
Administered total	199,903	154,107	156,160	155,684	163,800
Total expenses for program 1.2	199,903	154,107	156,160	155,684	163,800

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	7,925	10,628	11,435	11,322	11,317
Special appropriations	135,036	94,526	96,152	95,661	100,840
Companies unclaimed monies - s77 of the PGPA ACT	62,569	55,027	54,434	54,339	57,342
Expenses not requiring appropriation in the Budget year (a)	65,584	75,972	70,391	69,663	69,729
Administered total	271,114	236,153	232,412	230,985	239,228
Departmental expenses					
Departmental appropriation	378,393	411,937	414,769	415,494	419,864
s74 External Revenue (b)	32,374	23,879	6,079	6,079	6,079
Expenses not requiring appropriation in the Budget year (c)	58,895	62,839	62,785	59,759	62,663
Departmental total	469,662	498,655	483,633	481,332	488,606
Total expenses for Outcome 1	740,776	734,808	716,045	712,317	727,834

	2022-23	2023-24
Average staffing level (number)	1,846	1,810

- a) Expenses not requiring appropriation in the Budget year are doubtful debts.
b) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.
c) Expenses not requiring appropriation in the Budget year are made up of depreciation 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 measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current Corporate Plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of the 2023–24 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – Improved confidence in Australia’s financial markets through promoting informed investors and financial consumers, facilitating fair and efficient markets and delivering efficient registry systems.	
Program 1.1 – Australian Securities and Investments Commission	
Program 1.1 contributes to Outcome 1 by strategically identifying and responding to conduct which presents the greatest risk of harm.	
Key Activities	<p>Our external priorities target the most significant threats and harms in our regulatory environment:</p> <ul style="list-style-type: none"> • product design and distribution • sustainable finance • retirement decision making • technology risks. <p>To deliver on our external priorities, we will undertake a number of projects, including eight core strategic projects. We will also continue our ongoing regulatory work.</p> <p>Core strategic projects:</p> <ul style="list-style-type: none"> • scams • sustainable finance practices • crypto-assets • design and distribution obligations • breach reporting • cyber and operational resilience • Financial Accountability Regime • digital technology and data.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected performance results
Current Year 2022–23	<p>Enforcement and surveillance</p> <ul style="list-style-type: none"> • Financial firms and individuals providing financial services meet their obligations, act professionally and treat their clients fairly. • Entities improve their business practices in response to identified areas for improvement, with these changes reducing harms or improving consumer outcomes. • Entities have fair and efficient dispute resolution processes in place. • Misconduct is identified and addressed, wrongdoing is punished. • Where consumers suffer loss as a result of misconduct, culpable entities compensate those consumers appropriately. 	<p>On track to meet the performance criteria for 2022–23.</p> <p>Evidenced by qualitative and quantitative measures, including:</p> <ul style="list-style-type: none"> • Case studies (for example where we have used our regulatory tools to change behaviour in the financial system). • Measures of the cleanliness of the Australian listed equity market. • Operational data (for example number of enforcement actions undertaken and results achieved, number of industry reports published). • External data (for example data published by Australian Financial Complaints Authority). • Number and nature of misconduct-related complaints. • The amount of compensation for wrongdoing provided to investors and consumers. • Where we exercise our product intervention power, evaluation of the resulting outcome within 18 months. • Metrics from our impact assessment methodology.
	<p>Guidance</p> <ul style="list-style-type: none"> • Assist our regulated population to comply with their obligations, and to drive better compliance. 	<p>Evidenced by qualitative and quantitative measures, including:</p> <ul style="list-style-type: none"> • Operational data (for example number of regulatory guides published, number of times guides are accessed). • Case studies (for example where we have published guidance to drive better compliance among our regulated population).
	<p>Licensing</p> <ul style="list-style-type: none"> • We act as an effective frontline gatekeeper to ensure that a licence or registration is granted to applicants who are competent, fit and proper. 	<p>Evidenced by qualitative and quantitative measures, including:</p> <ul style="list-style-type: none"> • Operational data (for example decisions to grant, vary or cancel Australian financial services and credit licences and other professional registrations, number of applications with additional conditions imposed, service charter results). • Case studies (for example how we have exercised our licensing powers).

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected performance results
Current Year 2022–23 (continued)	Engagement <ul style="list-style-type: none"> We consult with various stakeholders to undertake our work more effectively and efficiently. The regulatory system supports the work of innovative start-up businesses and the market testing of novel products and services, while minimising the risk of harm to consumers. We promote reduced compliance costs and improved efficiency among our regulated population. 	Evidenced by qualitative and quantitative measures, including: <ul style="list-style-type: none"> Case studies (for example initiatives that reduce compliance costs and improve efficiency). Use of the ASIC Innovation Hub by innovative financial firms, including the enhanced regulatory sandbox. Operational data (for example number of engagements in a year, joint-agency initiatives, consultation papers published, relief applications assessed, and legislative instruments made). Performance against the ASIC service charter targets.
	Regulatory relief <ul style="list-style-type: none"> We exercise our discretionary powers to grant relief or make a legislative instrument appropriately. 	Evidenced by qualitative and quantitative measures, including: <ul style="list-style-type: none"> Operational data, including relief applications assessed and legislative instruments made, including performance against the ASIC service charter targets.
	Education <ul style="list-style-type: none"> People can take action based on ASIC’s educational materials. We support better financial education across Australia’s education system. We provide a range of tools and resources to help people understand money and how to manage it. 	Evidenced by qualitative and quantitative measures, including: <ul style="list-style-type: none"> Operational data, including ASIC Moneysmart accessibility and usage. Case studies (for example where we have helped Australians to understand money and how to manage it).
Year	Performance measures	Planned performance results
Budget Year 2023–24	As per 2022–23	As per 2022–23
Forward Estimates 2024–27	As per 2022–23	As per 2022–23

Table 2.1.2: Performance measure for Outcome 1 (continued)

Program 1.2 – <i>Banking Act 1959, Life Insurance Act 1995, unclaimed monies, and special accounts.</i> ASIC is responsible for the administration of unclaimed money from banking and deposit taking institutions and life insurance institutions.		
Key activities	Provide an accurate register of unclaimed money and special accounts administered by ASIC.	
Year	Performance measures	Expected performance results
Current Year 2022–23	<ul style="list-style-type: none"> • Ensure that refunds of unclaimed monies are paid to successful claimants promptly. • Ensure that payments of money from special accounts are paid out promptly in accordance with the specified purposes or appropriate legislation. 	<ul style="list-style-type: none"> • Process claims within 28 days of receiving all necessary claim documentation.
Year	Performance measures	Planned performance results
Budget Year 2023–24	As per 2022–23	As per 2022–23
Forward Estimates 2024-27	As per 2022–23	As per 2022–23

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2023–24 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Explanatory notes and analysis of budgeted financial statements

Budgeted departmental income statement

ASIC is budgeting for a \$41.1 million operating deficit in 2023–24. The operating deficit is due to unfunded depreciation and amortisation expenses, depreciation of right-of-use assets and principal repayments of lease liabilities. After adjusting for the impact of the government’s net cash appropriation framework, ASIC is budgeting for a balanced budget position in the budget and forward years.

Budgeted departmental balance sheet

This statement shows the financial position of ASIC. It helps readers to track the movement and composition of ASIC’s assets and liabilities.

Departmental statement of changes in equity – summary of movement

This statement shows the changes in the equity position of ASIC during the budget year. It helps readers understand the movements in ASIC’s equity position.

Budgeted departmental statement of cash flows

The budgeted statement of cash flows provides important information on the extent and nature of cash flows by categorising them into expected cash flows from operating activities, investing activities and financing activities.

Departmental capital budget statement

This statement shows details of capital appropriations received by ASIC. It helps readers understand the acquisition of new non-financial assets and how these assets funded.

Statement of departmental asset movements

This statement shows details of gross asset movements during the year. It helps readers analyse movements of non-financial assets.

Schedule of budgeted income and expenses administered on behalf of government

The schedule of budgeted income and expenses administered on behalf of government shows the revenue and expenses associated with the collection of revenue under the *Corporations Act 2001* and ASIC's responsibilities in administering unclaimed monies under the *Banking Act 1959*, the *Life Insurance Act 1995* and s77 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

In addition, ASIC collects taxation and non-taxation revenue under the *ASIC Supervisory Cost Recovery Levy Act 2017* and the *ASIC Supervisory Cost Recovery Levy Regulations 2017*.

Other non-taxation revenue represents the amount of fees and charges budgeted to be levied under the *Corporations Act 2001* and estimated receipts of unclaimed monies under the *Banking Act 1959*, the *Life Insurance Act 1995* and the *Corporations Act 2001*.

Expenses represent budgeted payments of unclaimed monies, refund of overpaid fees and charges levied under the *Corporations Act 2001*, bad debt expense, administered advertising expenses and grant payments to registered insolvency practitioners to investigate breaches of directors' duties and fraudulent conduct.

Schedule of budgeted assets and liabilities administered on behalf of government

The amount shown for receivables in 2023–24 and in the forward estimates is the estimated amount of taxation and non-taxation revenue fees and charges remaining unpaid at 30 June.

The amounts shown in other payables for 2023–24 and the forward estimates represent the estimated amount of refunds relating to the overpayments of annual review and other fees under the *Corporations Act 2001*, estimated claims payable under the *Banking Act 1959* and the *Life Insurance Act 1995* and companies unclaimed monies under s77 of the PGPA Act.

Schedule of budgeted administered cash flows

Budgeted administered cash flows provide important information on the extent and nature of cash flows by categorising them into expected cash flows from operating activities, investing activities and financing activities.

3.2 Budgeted financial statements tables

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EXPENSES					
Employee benefits	279,278	296,521	292,033	295,165	296,172
Suppliers	129,805	137,823	127,558	125,323	128,654
Depreciation and amortisation (a)	58,895	62,839	62,785	59,759	62,663
Finance costs	1,684	1,472	1,257	1,085	1,117
Total expenses	469,662	498,655	483,633	481,332	488,606
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	2,250	2,330	2,330	2,330	2,330
Royalties	165	165	165	165	165
Other	29,959	21,384	3,584	3,584	3,584
Total own-source revenue	32,374	23,879	6,079	6,079	6,079
Total own-source income	32,374	23,879	6,079	6,079	6,079
Net (cost of)/contribution by services	(437,288)	(474,776)	(477,554)	(475,253)	(482,527)
Revenue from Government	426,323	433,678	438,138	440,058	445,671
Surplus/(deficit) attributable to the Australian Government	(10,965)	(41,098)	(39,416)	(35,195)	(36,856)
Total comprehensive income/(loss)	(10,965)	(41,098)	(39,416)	(35,195)	(36,856)
Total comprehensive income/(loss) attributable to the Australian Government	(10,965)	(41,098)	(39,416)	(35,195)	(36,856)

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**

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(10,965)	(41,098)	(39,416)	(35,195)	(36,856)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	37,487	41,431	41,377	38,351	41,255
plus: depreciation/amortisation expenses for ROU assets (b)	21,408	21,408	21,408	21,408	21,408
less: lease principal repayments (b)	21,417	21,741	23,369	24,564	25,807
Net Cash Operating Surplus/ (Deficit)	26,513	-	-	-	-

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 (the Departmental 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 leases under AASB 16 Leases.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	72,743	72,743	72,743	72,743	72,743
Trade and other receivables	135,337	134,220	134,220	134,240	134,240
Total financial assets	208,080	206,963	206,963	206,983	206,983
Non-financial assets					
Land and buildings	164,662	138,984	112,611	86,366	60,113
Property, plant and equipment	17,764	13,389	11,106	9,191	8,145
Intangibles	138,927	130,643	116,674	111,086	99,502
Other non-financial assets	14,332	14,332	14,332	14,332	14,332
Total non-financial assets	335,685	297,348	254,723	220,975	182,092
Total assets	543,765	504,311	461,686	427,958	389,075
LIABILITIES					
Payables					
Suppliers	29,178	28,851	28,831	28,831	28,811
Other payables	35,345	35,345	35,345	35,345	35,345
Total payables	64,523	64,196	64,176	64,176	64,156
Interest-bearing liabilities					
Leases	164,107	142,366	118,997	94,433	68,626
Total interest-bearing liabilities	164,107	142,366	118,997	94,433	68,626
Provisions					
Employee provisions	77,490	77,490	77,490	77,490	77,490
Other provisions	5,156	5,176	5,196	5,216	5,236
Total provisions	82,646	82,666	82,686	82,706	82,726
Total liabilities	311,276	289,228	265,859	241,315	215,508
Net assets	232,489	215,083	195,827	186,643	173,567
EQUITY*					
Parent entity interest					
Contributed equity	552,250	575,942	596,102	622,113	645,893
Reserves	26,180	26,180	26,180	26,180	26,180
Retained surplus (accumulated deficit)	(345,941)	(387,039)	(426,455)	(461,650)	(498,506)
Total parent entity interest	232,489	215,083	195,827	186,643	173,567
Total equity	232,489	215,083	195,827	186,643	173,567

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 2023–24)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2023				
Balance carried forward from previous period	(345,941)	26,180	552,250	232,489
Adjusted opening balance	(345,941)	26,180	552,250	232,489
Comprehensive income				
Surplus/(deficit) for the period	(41,098)	-	-	(41,098)
Total comprehensive income	(41,098)	-	-	(41,098)
Transactions with owners				
Contributions by owners				
Equity injection - Appropriation	-	-	3,866	3,866
Departmental Capital Budget (DCB)	-	-	19,826	19,826
Sub-total transactions with owners	-	-	23,692	23,692
Estimated closing balance as at 30 June 2024	(387,039)	26,180	575,942	215,083
Closing balance attributable to the Australian Government	(387,039)	26,180	575,942	215,083

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Receipts from Government	432,869	433,985	439,274	440,058	445,671
Sale of goods and rendering of services	2,420	3,140	1,194	2,310	2,330
Net GST received	15,323	14,743	14,928	12,972	12,334
Other	29,770	21,195	3,395	3,395	3,395
Total cash received	480,382	473,063	458,791	458,735	463,730
Cash used					
Employees	279,268	296,511	292,023	295,165	296,172
Suppliers	145,116	152,549	142,162	137,941	140,654
Interest payments on lease liability	1,659	1,452	1,237	1,065	1,097
Total cash used	426,043	450,512	435,422	434,171	437,923
Net cash from/(used by) operating activities	54,339	22,551	23,369	24,564	25,807
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	59,817	24,502	20,160	26,011	23,780
Total cash used	59,817	24,502	20,160	26,011	23,780
Net cash from/(used by) investing activities	(59,817)	(24,502)	(20,160)	(26,011)	(23,780)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	26,895	23,692	20,160	26,011	23,780
Total cash received	26,895	23,692	20,160	26,011	23,780
Cash used					
Principal payments on lease liability	21,417	21,741	23,369	24,564	25,807
Total cash used	21,417	21,741	23,369	24,564	25,807
Net cash from/(used by) financing activities	5,478	1,951	(3,209)	1,447	(2,027)
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	72,743	72,743	72,743	72,743	72,743
Cash and cash equivalents at the end of the reporting period	72,743	72,743	72,743	72,743	72,743

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	21,058	19,826	20,160	23,386	23,591
Equity injections - Bill 2	5,824	3,866	-	2,625	189
Total new capital appropriations	26,882	23,692	20,160	26,011	23,780
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	26,857	23,672	20,140	25,991	23,760
<i>Other Items</i>	25	20	20	20	20
Total items	26,882	23,692	20,160	26,011	23,780
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	8,086	3,866	-	2,625	189
Funded by capital appropriation - DCB (b)	23,548	19,826	20,160	23,386	23,591
Funded internally from departmental resources (c)	28,183	810	-	-	-
TOTAL	59,817	24,502	20,160	26,011	23,780
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	59,817	24,502	20,160	26,011	23,780
Total cash used to acquire assets	59,817	24,502	20,160	26,011	23,780

Prepared on Australian Accounting Standards basis.

- a) Includes both current Bill 2 and prior Act 2/4/6 appropriations.
- b) Includes purchases from current and previous years' Departmental Capital Budgets (DCBs).
- c) Includes the following s74 external receipts:
 - internally developed assets
 - lease incentives.

Table 3.6: Statement of departmental asset movements (Budget year 2023–24)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2023				
Gross book value	58,574	59,821	549,449	667,844
Gross book value – ROU assets	205,465	-	-	205,465
Accumulated depreciation/ amortisation and impairment	(26,883)	(42,057)	(410,522)	(479,462)
Accumulated depreciation/amortisation and impairment – ROU assets	(72,494)	-	-	(72,494)
Opening net book balance	164,662	17,764	138,927	321,353
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase – appropriation equity (a)	-	-	3,866	3,866
By purchase – appropriation ordinary annual services (b)	-	816	18,690	19,506
By purchase – other	1,130	-	-	1,130
Total additions	1,130	816	22,556	24,502
Other movements				
Depreciation/amortisation expense	(5,400)	(5,191)	(30,840)	(41,431)
Depreciation/amortisation on ROU assets	(21,408)	-	-	(21,408)
Total other movements	(26,808)	(5,191)	(30,840)	(62,839)
As at 30 June 2024				
Gross book value	59,704	60,637	572,005	692,346
Gross book value – ROU assets	205,465	-	-	205,465
Accumulated depreciation/ amortisation and impairment	(32,283)	(47,248)	(441,362)	(520,893)
Accumulated depreciation/amortisation and impairment – ROU assets	(93,902)	-	-	(93,902)
Closing net book balance	138,984	13,389	130,643	283,016

Prepared on Australian Accounting Standards basis.

- a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2023–24.
- b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2023–24 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)

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EXPENSES					
Suppliers	959	990	614	621	627
Grants	4,668	5,084	5,247	5,017	5,072
Write-down and impairment of assets	65,584	75,972	70,391	69,663	69,729
Interest expense	6,325	11,445	13,773	13,859	13,490
Other expenses	191,280	138,108	136,813	136,141	144,692
Total expenses administered on behalf of Government	268,816	231,599	226,838	225,301	233,610
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Taxation revenue					
Other levies	72,016	126,667	94,753	93,736	94,568
Other taxes	1,007,726	1,085,895	1,147,626	1,196,750	1,247,788
Total taxation revenue	1,079,742	1,212,562	1,242,379	1,290,486	1,342,356
Non-taxation revenue					
Fees and fines	351,498	264,293	276,757	285,750	296,140
Other fees from regulatory services	326,063	267,372	266,932	266,933	266,933
Other revenue	266,064	280,303	296,525	300,456	307,473
Total non-taxation revenue	943,625	811,968	840,214	853,139	870,546
Total own-source revenue administered on behalf of Government	2,023,367	2,024,530	2,082,593	2,143,625	2,212,902
Total own-sourced income administered on behalf of Government	2,023,367	2,024,530	2,082,593	2,143,625	2,212,902
Net (cost of)/contribution by services	1,754,551	1,792,931	1,855,755	1,918,324	1,979,292
Total comprehensive income/(loss)	1,754,551	1,792,931	1,855,755	1,918,324	1,979,292

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,380	1,380	1,380	1,380	1,380
Taxation receivables	243,952	259,775	272,479	280,107	288,566
Trade and other receivables	281,182	292,729	308,683	312,594	319,116
Total financial assets	526,514	553,884	582,542	594,081	609,062
Total assets administered on behalf of Government	526,514	553,884	582,542	594,081	609,062
LIABILITIES					
Payables					
Suppliers	37,135	38,492	39,900	41,361	42,898
Grants	4,196	4,196	4,196	4,196	4,196
Other payables	8,411	8,411	8,411	8,411	8,411
Total payables	49,742	51,099	52,507	53,968	55,505
Provisions					
Other provisions	522,083	530,613	543,502	555,802	568,234
Total provisions	522,083	530,613	543,502	555,802	568,234
Total liabilities administered on behalf of Government	571,825	581,712	596,009	609,770	623,739
Net assets/(liabilities)	(45,311)	(27,828)	(13,467)	(15,689)	(14,677)

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	417,233	343,903	345,989	347,506	349,990
Taxes	997,118	1,123,784	1,162,314	1,216,195	1,267,168
Other	494,308	453,501	475,241	498,722	511,034
Total cash received	1,908,659	1,921,188	1,983,544	2,062,423	2,128,192
Cash used					
Grant	4,668	5,084	5,247	5,017	5,072
Suppliers	(348)	(367)	(794)	(840)	(910)
Borrowing costs	6,325	11,445	13,773	13,859	13,490
Other	128,075	129,578	123,924	123,841	132,260
Total cash used	138,720	145,740	142,150	141,877	149,912
Net cash from/(used by) operating activities	1,769,939	1,775,448	1,841,394	1,920,546	1,978,280
Net increase/(decrease) in cash held	1,769,939	1,775,448	1,841,394	1,920,546	1,978,280
Cash and cash equivalents at beginning of reporting period	1,380	1,380	1,380	1,380	1,380
Cash from Official Public Account					
- Appropriations	150,102	157,097	153,558	153,338	161,449
Total cash from Official Public Account	150,102	157,097	153,558	153,338	161,449
Cash to Official Public Account for:					
- Appropriations	(1,920,041)	(1,932,545)	(1,994,952)	(2,073,884)	(2,139,729)
Total cash to Official Public Account	(1,920,041)	(1,932,545)	(1,994,952)	(2,073,884)	(2,139,729)
Cash and cash equivalents at end of reporting period	1,380	1,380	1,380	1,380	1,380

Prepared on Australian Accounting Standards basis.

Australian Taxation Office

Entity resources and planned performance

Australian Taxation Office

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Australian Taxation Office

Section 1: Entity overview and resources

1.1 Strategic direction statement

The role of the Australian Taxation Office (ATO) is to effectively manage and shape the tax, superannuation and registry systems that support and fund services for Australians. Our vision is to be a leading tax, superannuation and registry administration, known for our contemporary service, expertise and integrity.

We build community confidence by sustainably reducing the tax gap, providing assurance across the tax, superannuation and registry systems and designing systems that make it easy to comply and hard not to.

Our technology and digital services offer a reliable, secure and contemporary client experience and we use data, information and insights to inform and support decision making. Our online and personal interactions are well designed, tailored and fair.

In 2023–24 the ATO will continue to support the economic wellbeing of the Australian community. Our priorities include:

- Implementing integrated prevention, detection and treatment strategies to improve and assure tax performance
- Continuing to strengthen our cyber capability and safeguarding ATO-held data
- Delivering modernised business registry services for business and strengthening the integrity of the registry system
- Strengthening our focus on client protection to reduce fraud and improve system integrity
- Continuing to expand the use of Single Touch Payroll data to simplify and increase compliance across employer reporting obligations
- Delivering on government priorities, including through our funded taskforces, and our contribution to and implementation of new measures
- Leveraging targeted strategies to address collectable debt growth
- Ensuring that our high-performing workforce has the right capability, tools and culture to respond to organisational priorities.

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 the *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 Taxation Office resource statement – Budget estimates for 2023–24 as at Budget May 2023

	2022-23 Estimated actual \$'000	2023-24 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	397,459	200,310
Departmental appropriation (b)	3,979,581	4,054,629
s74 External Revenue (c)	141,078	160,939
Departmental capital budget (d)	111,465	125,594
Annual appropriations - other services - non-operating (e)		
Prior year appropriations available	77,049	253,486
Equity injection	23,522	26,174
Total departmental annual appropriations	<u>4,730,154</u>	<u>4,821,132</u>
Special accounts (f)		
Opening balance	13,229	13,229
Appropriation receipts (g)	18,277	18,277
Total special accounts	<u>31,506</u>	<u>31,506</u>
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	<u>18,277</u>	<u>18,277</u>
Total departmental resourcing	<u>4,743,383</u>	<u>4,834,361</u>
Administered		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available		
Outcome 1	<u>9,750</u>	<u>6,266</u>
Total administered annual appropriations	<u>9,750</u>	<u>6,266</u>
Special appropriations		
<i>Public Governance, Performance and Accountability Act 2013 - s77</i>	120,000	120,000
<i>Product Grants and Benefits Administration Act 2000 - Product stewardship for oil</i>	82,600	87,278
<i>Superannuation Guarantee (Administration) Act 1992</i>	723,000	642,900
<i>Taxation Administration Act 1953 - section 16 (Non-refund items) (h)</i>	<u>13,231,062</u>	<u>14,872,699</u>
Total administered special appropriations	<u>14,156,662</u>	<u>15,722,877</u>
Special accounts (f)		
Opening balance	78,333	82,533
Appropriation receipts (g)	21,900	20,100
Total special account receipts	<u>100,233</u>	<u>102,633</u>
<i>less administered appropriations drawn from annual/special appropriations and credited to special accounts</i>	<u>21,900</u>	<u>20,100</u>
Total administered resourcing	<u>14,244,745</u>	<u>15,811,676</u>
Total resourcing for Australian Taxation Office	<u>18,988,128</u>	<u>20,646,037</u>
	<u>2022-23</u>	<u>2023-24</u>
Average staffing level (number)	18,402	20,774

Table 1.1: Australian Taxation Office resource statement – Budget estimates for 2023–24 as at Budget May 2023 (continued)

Third party payments from and on behalf of other entities

	2022-23 <i>Estimated actual \$'000</i>	2023-24 Estimate \$'000
Payments made to other entities for the provision of services (disclosed above)	233,922	238,346
Receipts received from other entities for the provision of services (disclosed above in s74 External Revenue section above)	124,770	131,459
Payments made to corporate entities within the Portfolio Reserve Bank of Australia	108,370	114,751

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) 2023–24.
- b) Excludes Departmental Capital Budget (DCB).
- c) Estimated External Revenue receipts under section 74 of the PGPA Act.
- d) Departmental Capital Budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- e) Appropriation Bill (No. 2) 2023–24.
- f) Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to the *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.
- g) Amounts credited to the special account(s) from the ATO's annual and special appropriations.
- h) These figures relate to administered expenses such as the fuel tax credit, the refundable research and development tax incentive, and the Australian screen and digital game production incentive. Estimated tax refunds for 2022–23 are \$160 billion including \$200 million made on behalf of the ATO by the Department of Home Affairs. Estimated tax refunds for 2023–24 are \$155 billion including \$270 million made on behalf of the ATO by the Department of Home Affairs.

1.3 Budget measures

Budget measures relating to the ATO are detailed in the Budget Paper No. 2 and are summarised below.

**Table 1.2: Australian Taxation Office 2023–24 Budget measures
Measures announced since the 2022–23 October Budget**

	Program	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000
Payment measures						
Amending measures of the former Government	1.1					
Administered payments		-	241,000	22,000	-	-
Departmental payment (a)		(10,945)	(6,564)	(8,194)	(7,330)	(7,330)
Total		(10,945)	234,436	13,806	(7,330)	(7,330)
Better Targeted Superannuation Concessions	1.1					
Departmental payment (b)		-	4,517	14,297	15,975	10,755
Total		-	4,517	14,297	15,975	10,755
Cyber Security – additional funding	1.1					
Departmental payment		(8,583)	-	-	-	-
Total		(8,583)	-	-	-	-
Driving Collaboration with Small Business to Reduce the Time Spent Complying with Tax Obligations	1.1					
Departmental payment		-	5,554	9,437	5,436	1,373
Total		-	5,554	9,437	5,436	1,373
Extend the Personal Income Tax Compliance Program	1.1					
Departmental payment		-	1,169	1,187	43,414	43,796
Total		-	1,169	1,187	43,414	43,796
Extending and merging the Serious Financial Crime Taskforce and Serious Organised Crime program	1.1					
Departmental payment		-	54,227	55,588	56,535	57,549
Total		-	54,227	55,588	56,535	57,549
GST compliance program – 4-year extension	1.1					
Departmental payment		-	146,720	148,000	149,107	144,950
Total		-	146,720	148,000	149,107	144,950
Heavy Vehicle Road User Charge – increase	1.7					
Administered payments		-	(101,756)	(228,163)	(369,299)	(391,546)
Total		-	(101,756)	(228,163)	(369,299)	(391,546)

Table 1.2: Australian Taxation Office 2023–24 Budget measures (continued)

Program	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000
Housing (Build-To-Rent Developments) – accelerating tax deductions and reduce managed investment trust withholding tax rate	1.1				
Departmental payment	-	-	2,850	862	611
Total	-	-	2,850	862	611
Implementation of a global minimum tax and a domestic minimum tax	1.1				
Departmental payment (c)	-	39,359	29,468	21,876	19,743
Total	-	39,359	29,468	21,876	19,743
Jobs and Skills Summit – incentivise pensioners into the workforce – 6 months extension	1.1				
Departmental payment	-	-	-	-	-
Total	-	-	-	-	-
Next Steps for Digital ID	1.1				
Departmental payment	-	1,071	-	-	-
Total	-	1,071	-	-	-
Petroleum Resource Rent Tax – Government Response to the Review of the PRRT Gas Transfer Pricing arrangements	1.1				
Departmental payment	-	1,427	1,271	857	865
Total	-	1,427	1,271	857	865
Reform of the Product Stewardship for Oil Scheme	1.9				
Administered payments	-	3,000	3,000	3,000	3,000
Total	-	3,000	3,000	3,000	3,000
Revive – National Cultural Policy and Location Incentive	1.5				
Administered payments	-	-	(4,409)	36,747	25,123
Total	-	-	(4,409)	36,747	25,123
Securing Australians' Superannuation Package – increasing the payment frequency of the Superannuation Guarantee (SG) and investing in SG compliance	1.1				
Administered payments	-	-	-	-	(285,000)
Departmental payment (d)	-	40,178	-	-	-
Total	-	40,178	-	-	(285,000)

Table 1.2: Australian Taxation Office 2023–24 Budget measures (continued)

	Program	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000
Simplified Trade System – additional funding	1.1					
Departmental payment		-	561	-	-	-
Total		-	561	-	-	-
Small Business Support – Small Business Energy Incentive	1.1					
Departmental payment (e)		-	3,939	280	-	-
Total		-	3,939	280	-	-
Tax Integrity – improving engagement with taxpayers to ensure timely payment of tax and superannuation liabilities	1.1					
Administered payments		-	1,900	4,000	4,200	2,200
Departmental payment		-	21,332	23,016	24,114	13,625
Total		-	23,232	27,016	28,314	15,825
Treasury Portfolio – additional resourcing	1.1					
Departmental payment		-	752	746	752	607
Total		-	752	746	752	607
Total payment measures						
Administered		-	144,144	(203,572)	(325,352)	(646,223)
Departmental		(19,528)	314,242	277,946	311,598	286,544
Total		(19,528)	458,386	74,374	(9,554)	(642,479)

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

- Includes a reduction of capital funding of \$3.3 million in 2022–23 and \$2.4 million in 2023–24.
- Including capital funding of \$13.8 million in 2023–24 and \$4.3 million in 2024–25.
- Including \$1.3 million in capital funding in 2023–24.
- Including capital funding of \$1.6 million in 2023–24, \$6.5 million in 2024–25, \$6.5 million in 2025–26 and \$1.6 million in 2026–27.
- Including \$1.6 million in capital funding in 2023–24.

Table 1.3: Changes to the outcome and program structures since the last portfolio statement Program changes

Program No.	Program title	Description of change
1.15	Interest on Unclaimed Superannuation Accounts Paid	The old program name, “Targeted assistance through the taxation system”, was a generic name that did not clearly align with or indicate the purpose and description of Program 1.15. This caused confusion and uncertainty in our public documentation (PBS, Corporate Plan and Annual report). Previously the program included other payments which are no longer made (Tax Bonus). As the program now only includes interest payments on unclaimed superannuation money, the program name has been updated to reflect this. The new proposed name will also align with the program description published in PBS.

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

Note:

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

The most recent Corporate Plan for the Australian Taxation Office can be found at: (<https://www.ato.gov.au/About-ATO/About/corporate-plan/>).

The most recent annual performance statement can be found at: (<https://www.ato.gov.au/About-ATO/Commitments-and-reporting/Annual-report-and-other-reporting-to-Parliament/Annual-report/>).

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Confidence in the administration of aspects of Australia’s taxation and superannuation systems, including through helping people understand their rights and obligations, improving ease of compliance and access to benefits, and managing non-compliance with the law; and in delivering effective and efficient business registry services.

Linked programs

<p>Australian Criminal Intelligence Commission</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – <i>Australian Criminal Intelligence Commission</i> <p>Contribution to Outcome 1 made by linked programs</p> <p>The Australian Criminal Intelligence Commission (ACIC) works collaboratively with the ATO to protect the financial system from criminal abuse, including through joint operations and task forces and the sharing of data and intelligence. The ACIC’s special operations and investigations focus on the highest risk transnational, serious and organised crime activities impacting Australia, including money laundering and serious financial crime.</p>
<p>Australian Federal Police</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – <i>Federal Policing – Investigations</i> <p>Contribution to Outcome 1 made by linked programs</p> <p>The Australian Federal Police (AFP) provides ATO with intelligence and expertise for investigations, policy and taskforces combating serious financial crimes and its harm.</p>
<p>Australian Financial Security Authority</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – <i>Personal Insolvency and Trustee Services</i> <p>Contribution to Outcome 1 made by linked programs</p> <p>Australian Financial Security Authority exchanges information with the ATO and administers the bankruptcy notices and payment arrangements to support this service.</p>

Linked programs (continued)

<p>Australian Securities and Investments Commission</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – <i>Australian Securities and Investment Commission</i> • Program 1.3 – <i>Australian Business Registry Services</i> <p>Contribution to Outcome 1 made by linked programs</p> <p>Australian Securities and Investments Commission (ASIC) exchanges information with the ATO in relation to self-managed superannuation fund auditor registration, and financial crime intelligence. ASIC contributes to the management and governance of the Standard Business Reporting program.</p>
<p>Australian Transaction Reports and Analysis Centre</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – <i>AUSTRAC</i> <p>Contribution to Outcome 1 made by linked programs</p> <p>Australian Transaction Reports and Analysis Centre (AUSTRAC) exchanges information with the ATO and delivers financial crime intelligence that assists partner agency operations.</p>
<p>Department of Climate Change, Energy, the Environment and Water</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – <i>Reducing Australia's greenhouse gas emissions</i> • Program 2.3 – <i>Accelerate the transition to a circular economy, while safely managing pollutants and hazardous substances</i> <p>Contribution to Outcomes 1 & 2 made by linked programs</p> <p>The Department of Climate Change, Energy, the Environment and Water (DCCEEW) works with the Australian Taxation Office in the following ways:</p> <ul style="list-style-type: none"> • DCCEEW shares information with the ATO to confirm trees meet certain conditions when a taxpayer claims a deduction under the Carbon Sink Forest measure. • ATO administers financial aspects of the Product Stewardship for Oil program, pays the benefits on recycled motor oil and collects the levy on new oil entering the market from domestic sources.

Linked programs (continued)

<p>Department of Education</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 2.4 – <i>Higher Education Loan Program</i> <p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of Education exchanges information with the ATO in relation to the Higher Education Loan Program.</p>
<p>Department of Employment and Workplace Relations</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 2.1 – <i>Building Skills and Capability</i> • Program 2.2 – <i>VET Student Loans</i> <p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of Employment and Workplace Relations exchanges information with the ATO in relation to the VET Student Loans and Trade Support Loans.</p>
<p>Department of Health and Aged Care</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 2.1 – <i>Medical Benefits</i> • Program 2.3 – <i>Pharmaceutical Benefits</i> • Program 2.4 – <i>Private Health Insurance</i> <p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of Health and Aged Care contributes to the administrative arrangements for the Government’s Private Health Insurance Rebate. Health and Aged Care also works with the ATO to deliver the Multi-agency Data Integration Project.</p>
<p>Department of Home Affairs</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 3.3 – <i>Border-Revenue Collection</i> <p>Contribution to Outcome 1 made by linked programs</p> <p>Department of Home Affairs exchanges information with the ATO, administers the Tourist Refund Scheme and collects border revenue for: Excise Equivalent Goods, Goods and Services Tax, Luxury Car Tax and Wine Equalisation Tax on behalf of the ATO.</p>

Linked programs (continued)

<p>Department of Industry, Science, and Resources</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – <i>Growing innovative and competitive businesses, industries and regions</i> • Program 1.2 – <i>Investing in science, technology and commercialisation</i> • Program 1.3 – <i>Supporting a strong resources sector</i> <p>Contribution to Outcome 1 made by linked programs</p> <p>Department of Industry, Science, and Resources works with the ATO to enable the growth and productivity of globally competitive industries through programs delivered through the tax system, including the Research and Development Tax Incentive, tax incentives for early stage investors, venture capital related tax concessions, Pooled Development Funds tax concessions and the Junior Minerals Exploration Incentive.</p>
<p>Department of the Treasury</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – <i>Department of the Treasury</i> <p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of the Treasury (Treasury) contributes to the administration of the National Tax Equivalent Regime. Treasury co-regulates the foreign investment framework, consisting of the <i>Foreign Acquisitions and Takeovers Act 1975</i>, the <i>Foreign Acquisitions and Takeovers Fees Impositions Act 2015</i> and their associated regulations, with the ATO regulating foreign investment proposals concerning residential land, while the Treasury regulates all other proposals covered by the framework. The ATO also maintains current registers of foreign ownership of water, agricultural land and residential land. These registers will be amalgamated into an expanded Register of Foreign Ownership of Australia Assets, which ATO will maintain once commenced as expected from 1 July 2023.</p>
<p>Services Australia</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.2 – <i>Customer Service Delivery</i> <p>Contribution to Outcome 1 made by linked programs</p> <p>Services Australia supports individuals, families and communities to achieve greater self-sufficiency by providing administration and payments services on behalf of the ATO.</p>

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Program 1.1: Australian Taxation Office					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	9,750	6,266	2,882	-	-
Administered total	9,750	6,266	2,882	-	-
Departmental expenses					
Departmental appropriation	3,810,433	3,891,732	3,876,984	3,942,575	3,376,481
s74 External Revenue (a)	132,178	152,856	152,626	150,858	162,810
Expenses not requiring appropriation in the Budget year (b)	187,036	144,196	138,434	123,426	129,187
Departmental total	4,129,647	4,188,784	4,168,044	4,216,859	3,668,478
Total expenses for program 1.1	4,139,397	4,195,050	4,170,926	4,216,859	3,668,478
Program 1.2: Tax Practitioners Board					
Departmental expenses					
Departmental appropriation	20,483	25,167	27,987	31,028	30,150
Departmental total	20,483	25,167	27,987	31,028	30,150
Total expenses for program 1.2	20,483	25,167	27,987	31,028	30,150
Program 1.3: Australian Business Registry Services					
Departmental expenses					
Departmental appropriation	123,787	127,389	129,354	130,543	131,608
Departmental total	123,787	127,389	129,354	130,543	131,608
Total expenses for program 1.3	123,787	127,389	129,354	130,543	131,608
Program 1.4: Australian Charities and Not-for-profit Commission					
Departmental expenses					
<i>Special appropriation Australian Charities and Not-for Profits Commission</i>	18,277	18,277	18,631	18,847	18,902
Departmental total	18,277	18,277	18,631	18,847	18,902
Total expenses for program 1.4	18,277	18,277	18,631	18,847	18,902

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Program 1.5: Australian Screen and Digital Game Production Incentive					
Administered expenses					
Special appropriations					
<i>Taxation Administration Act 1953 - section 16 (Non-refund items)</i>	584,000	558,364	489,293	536,580	493,451
Administered total	584,000	558,364	489,293	536,580	493,451
Total expenses for program 1.5	584,000	558,364	489,293	536,580	493,451
Program 1.6: Junior Minerals Exploration Incentive					
Administered expenses					
Special appropriations					
<i>Taxation Administration Act 1953 - section 16 (Non-refund items)</i>	(142)	5,032	4,634	-	-
Administered total	(142)	5,032	4,634	-	-
Total expenses for program 1.6	(142)	5,032	4,634	-	-
Program 1.7: Fuel Tax Credit Scheme					
Administered expenses					
Special appropriations					
<i>Taxation Administration Act 1953 - section 16 (Non-refund items)</i>	7,466,174	9,583,436	9,874,177	10,473,328	11,217,986
Administered total	7,466,174	9,583,436	9,874,177	10,473,328	11,217,986
Total expenses for program 1.7	7,466,174	9,583,436	9,874,177	10,473,328	11,217,986
Program 1.8: National Rental Affordability Scheme					
Administered expenses					
Special Appropriations					
<i>Taxation Administration Act 1953 - section 16 (Non-refund items)</i>	116,928	97,380	53,969	28,111	-
Administered total	116,928	97,380	53,969	28,111	-
Total expenses for program 1.8	116,928	97,380	53,969	28,111	-

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Program 1.9: Product Stewardship for Oil					
Administered expenses					
Special Appropriations					
<i>Product Grants and Benefits</i>					
<i>Administration Act 2000 - product</i>					
<i>stewardship (oil) benefits</i>	82,600	87,278	91,079	91,069	91,080
Administered total	82,600	87,278	91,079	91,069	91,080
Total expenses for program 1.9	82,600	87,278	91,079	91,069	91,080
Program 1.10: Research & Development Tax Incentive					
Administered expenses					
Special Appropriations					
<i>Taxation Administration Act 1953 -</i>					
<i>section 16 (Non-refund items)</i>	3,555,325	3,314,629	3,416,378	3,509,011	3,616,727
Administered total	3,555,325	3,314,629	3,416,378	3,509,011	3,616,727
Total expenses for program 1.10	3,555,325	3,314,629	3,416,378	3,509,011	3,616,727
Program 1.11: Low Income Superannuation Tax Offset					
Administered expenses					
Special Appropriations					
<i>Taxation Administration Act 1953 -</i>					
<i>section 16 (Non-refund items)</i>	783,711	685,324	692,078	694,448	675,454
Administered total	783,711	685,324	692,078	694,448	675,454
Total expenses for program 1.11	783,711	685,324	692,078	694,448	675,454
Program 1.12: Private Health Insurance Rebate					
Administered expenses					
Special Appropriations					
<i>Taxation Administration Act 1953 -</i>					
<i>section 16 (Non-refund items)</i>	280,420	261,479	272,103	282,798	293,471
Administered total	280,420	261,479	272,103	282,798	293,471
Total expenses for program 1.12	280,420	261,479	272,103	282,798	293,471

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Program 1.13: Superannuation Co-contribution Scheme					
Administered expenses					
Special Appropriations					
<i>Taxation Administration Act 1953 - section 16 (Non-refund items)</i>	124,000	117,000	114,000	109,000	104,000
Administered total	124,000	117,000	114,000	109,000	104,000
Total expenses for program 1.13	124,000	117,000	114,000	109,000	104,000
Program 1.14: Superannuation Guarantee Scheme					
Administered expenses					
Special Appropriations					
<i>Taxation Administration Act 1953 - section 16 (Non-refund items)</i>	723,000	641,000	693,000	747,000	521,000
Administered total	723,000	641,000	693,000	747,000	521,000
Total expenses for program 1.14	723,000	641,000	693,000	747,000	521,000
Program 1.15: Interest on Unclaimed Superannuation Accounts Paid					
Administered expenses					
Special Appropriations					
<i>Taxation Administration Act 1953 - section 16 (Non-refund items)</i>	45,460	9,000	9,000	10,000	9,000
Administered total	45,460	9,000	9,000	10,000	9,000
Total expenses for program 1.15	45,460	9,000	9,000	10,000	9,000
Program 1.16: Interest on Overpayment and Early Payments					
Administered expenses					
Special Appropriations					
<i>Taxation Administration Act 1953 - section 16 (Non-refund items)</i>	205,000	145,000	95,000	95,000	95,000
Administered total	205,000	145,000	95,000	95,000	95,000
Total expenses for program 1.16	205,000	145,000	95,000	95,000	95,000

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Program 1.17: Bad & Doubtful Debts & Remissions					
Administered expenses					
Expenses not requiring appropriation in the budget year (b)	8,773,000	7,203,000	8,358,000	8,642,000	8,681,000
Administered total	8,773,000	7,203,000	8,358,000	8,642,000	8,681,000
Total expenses for program 1.17	8,773,000	7,203,000	8,358,000	8,642,000	8,681,000
Program 1.18: Seafarer Tax Offset					
Administered expenses					
Seafarer Tax Offset	9,000	9,000	9,000	9,000	9,000
Administered total	9,000	9,000	9,000	9,000	9,000
Total expenses for program 1.18	9,000	9,000	9,000	9,000	9,000
Program 1.19: Economic Response to the Coronavirus					
Administered expenses					
Economic Response to the Coronavirus					
<i>JobMaker</i>	(31)	-	-	-	-
Administered total	(31)	-	-	-	-
Total expenses for program 1.19	(31)	-	-	-	-
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	9,750	6,266	2,882	-	-
Special appropriations	13,975,445	15,513,922	15,813,711	16,585,345	17,126,169
Expenses not requiring appropriation in the Budget year (b)	8,773,000	7,203,000	8,358,000	8,642,000	8,681,000
Administered total	22,758,195	22,723,188	24,174,593	25,227,345	25,807,169

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Departmental expenses					
Departmental appropriation	3,954,703	4,044,288	4,034,325	4,104,146	3,538,239
s74 External Revenue (a)	132,178	152,856	152,626	150,858	162,810
Special accounts	18,277	18,277	18,631	18,847	18,902
Expenses not requiring appropriation in the Budget year (b)	187,036	144,196	138,434	123,426	129,187
Departmental total	4,292,194	4,359,617	4,344,016	4,397,277	3,849,138
Total expenses for Outcome 1	27,050,389	27,082,805	28,518,609	29,624,622	29,656,307

	2022-23	2023-24
Average staffing level (number)	18,402	20,774

- 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 and write down and impairments of other assets.

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

Table 2.1.2: Performance measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current Corporate Plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of the 2023–24 Budget measures that have created new programs or materially changed existing programs are provided.

<p>Outcome 1 – Confidence in the administration of aspects of Australia’s taxation and superannuation systems, including through helping people understand their rights and obligations, improving ease of compliance and access to benefits, and managing non-compliance with the law; and in delivering effective and efficient business registry services.</p>	
<p>Program 1.1 – Australian Taxation Office The objective of the ATO is to administer aspects of Australia’s tax and superannuation systems providing confidence that the right amount of payments are being made and collected.</p>	
<p>Key Activities</p>	<p>The ATO will undertake the following core activities to achieve its program objective:</p> <ul style="list-style-type: none"> • collecting revenue • administering the goods and services tax on behalf of the Australian States and Territories • administering major aspects of Australia’s superannuation system. <p>Additionally, the ATO will undertake key activities that achieve its strategic objectives of:</p> <ul style="list-style-type: none"> • building trust and confidence by designing and administering systems that make it easy for the community to understand and comply with obligations • providing interactions that are tailored, fair and transparent • using data and insights to deliver value for clients and to inform decision-making • leveraging technology and digital experiences to make interactions with the ATO seamless • focusing on the integrity, capability and culture of our high-performing workforce • striving for quality outcomes and operational excellence.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected/planned performance outcomes
Current year 2022–23 Budget year 2023–24 Forward estimates 2024–27	Trust – Community trust in the ATO and the system	Target: Under development Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report Target 2023–24: Under development Target 2024–27: As per 2023–24
Current year 2022–23 Budget year 2023–24 Forward estimates 2024–27	Registration – proportion of companies and individuals registered in the system	Target: The ATO aims to ensure that all entities that are required to participate in the tax and superannuation systems are registered on the ATO's client register, allowing a tolerance of 2% (companies) and 5% (individuals) from the last reporting period (increase or decrease) Forecast: On track Target 2023–24: The ATO aims to ensure that all entities that are required to participate in the tax and superannuation systems are registered on the ATO's client register, allowing a tolerance of 2% (companies) and 5% (individuals) from the last reporting period (increase or decrease) Target 2024–27: As per 2023–24
Current year 2022–23 Budget year 2023–24 Forward estimates 2024–27	Lodgement – proportion of activity statements and income tax returns lodged on time	Target: Activity statements lodged on time: 78% Income tax returns lodged on time: 83% Forecast: Activity statements: Not on track Income tax returns: On track Target 2023–24: Activity statements lodged on time: 78% Income tax returns lodged on time: 83% Target 2024–27: As per 2023–24
Current year 2022–23 Budget year 2023–24 Forward estimates 2024–27	Payment – proportion of liabilities paid on time by value	Target: 88% Forecast: On track Target 2023–24: 88% Target 2024–27: As per 2023–24

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected/planned performance outcomes
<p>Current year 2022–23</p> <p>Budget year 2023–24</p> <p>Forward estimates 2024–27</p>	<p>Tax gap – as a proportion of revenue</p>	<p>Target: Reduce the gap to a level as low as practicable given the nature and complexity of the law and the resources available Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report</p> <p>Target 2023–24: Reduce the gap to a level as low as practicable given the nature and complexity of the law and the resources available</p> <p>Target 2024–27: As per 2023–24</p>
<p>Current year 2022–23</p> <p>Budget year 2023–24</p> <p>Forward estimates 2024–27</p>	<p>Debt – ratio of collectable debt to net tax collections</p>	<p>Target: Between 8.0% and 8.5% Forecast: At risk</p> <p>Target 2023–24: Between 7.5% and 8.0%</p> <p>Target 2024–25: Between 6.5% and 7.0% Target 2025–26: Below 6.0% Target 2026–27: As per 2025–26</p>
<p>Current year 2022–23</p> <p>Budget year 2023–24</p> <p>Forward estimates 2024–27</p>	<p>Total revenue effects – revenue from all compliance activities</p>	<p>Target: \$15 billion Forecast: On track</p> <p>Target 2023–24: \$15.7 billion</p> <p>Target 2024–27: As per 2023–24</p>
<p>Current year 2022–23</p> <p>Budget year 2023–24</p> <p>Forward estimates 2024–27</p>	<p>Influence tax and super system design through a mutually positive relationship with Treasury and the provision of quality advice</p>	<p>Target: Demonstrated effort in supporting the Treasury Department to design and deliver effective tax and super policy Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report</p> <p>Target 2023–24: Demonstrated effort in supporting the Treasury Department to design and deliver effective tax and super policy.</p> <p>Target 2024–27: As per 2023–24</p>

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected/planned performance outcomes
Current year 2022–23 Budget year 2023–24 Forward estimates 2024–27	Compliance cost – adjusted median cost to individual taxpayers of managing their tax affairs	Target: Remain steady Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report Target 2023–24: A decrease, or no more than 2% increase over the prior year figure Target 2024–27: As per 2023–24
Current year 2022–23 Budget year 2023–24 Forward estimates 2024–27	Digital – proportion of inbound transactions received digitally for key services	Target: 95% Forecast: On track Target 2023–24: 95% Target 2024–27: As per 2023–24
Current year 2022–23 Budget year 2023–24 Forward estimates 2024–27	Digital – proportion of outbound interactions issued digitally for key services	Target: Under development Forecast: N/A – new measure Target 2023–24: 76% Target 2024–27: As per 2023–24
Current year 2022–23 Budget year 2023–24 Forward estimates 2024–27	Service satisfaction – client satisfaction with their recent interaction with the ATO	Target: 80% Forecast: On track to partially meet target Target 2023–24: 80% Target 2024–27: As per 2023–24
Current year 2022–23 Budget year 2023–24 Forward estimates 2024–27	Working together – partner perceptions of how the ATO is working together with them to administer the tax and superannuation systems	Target: Equal to or better than the 2018–19 result (64/100) Forecast: On track Target 2023–24: Equal to or better than the 2018–19 result (64/100) Target 2024–27: As per 2023–24

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected/planned performance outcomes
Current year 2022–23 Budget year 2023–24 Forward estimates 2024–27	Culture – level of employee engagement	Target: Equal to or better than the average result for large agencies Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report Target 2023–24: Equal to or better than the average result for large agencies Target 2024–27: As per 2023–24
Current year 2022–23 Budget year 2023–24 Forward estimates 2024–27	Staff experience – employee perceptions around whether they have access to the tools and resources needed to perform well	Target: Equal to or better than the average result for large agencies Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report Target 2023–24: Equal to or better than the average result for large agencies Target 2024–27: As per 2023–24
Current year 2022–23 Budget year 2023–24 Forward estimates 2024–27	Tax returns – proportion of pre-filled items accepted without change	Target: 90% Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report Target 2023–24: 90% Target 2024–27: As per 2023–24
Current year 2022–23 Budget year 2023–24 Forward estimates 2024–27	Identity matching – proportion of data items matched to client identifiers	Target: Under development Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report Target 2023–24: 95% Target 2024–27: As per 2023–24

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected/planned performance outcomes
Current year 2022–23	Availability – key digital systems availability	Target: 99.5% (excluding planned outages) Forecast: On track
Budget year 2023–24		Target 2023–24: 99.5% (excluding planned outages)
Forward estimates 2024–27		Target 2024–27: As per 2023–24
Current year 2022–23	Cost of collection – cost to collect \$100	Target: Consistent with pre-pandemic trend Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report
Budget year 2023–24		Target 2023–24: Consistent with pre-pandemic trend
Forward estimates 2024–27		Target 2024–25: Consistent with trend Target 2025–27: As per 2024–25

Table 2.1.2: Performance measure for Outcome 1 (continued)

Program 1.2 – Tax Practitioners Board (TPB)		
<p>The TPB is responsible for the administration of the <i>Tax Agent Services Act 2009</i> (TASA) and the registration and regulation of tax practitioners. These include tax agents and business activity statement (BAS) agents. The TPB also has the responsibility to deter the use and activities of unregistered preparers. The TPB's functions and powers are defined in the TASA and they are supported by staff made available by the Commissioner of Taxation. The TPB's role is to ensure that tax practitioner services are provided to the public in accordance with appropriate standards of professional and ethical conduct.</p>		
Key Activities	<p>Key activities reported in the current Corporate Plan that relates to this program.</p> <ol style="list-style-type: none"> 1. Support the Government's area of focus and reform 2. Administer a system of registration 3. Investigate applications for registration and address conduct that may breach the TASA 4. Impose sanctions for breaches of the TASA 5. Issue guidance to support tax practitioners 6. Build organisational capability and culture. 	
Year	Performance measures	Expected Performance Results
<p>Current Year 2022–23</p>	1.1 We contribute to government reform	<p>Target: >95% of TPB submissions are relevant to the TPB's regulatory role Expected Result: Target will be met. Currently 100% of our engagement has contributed to government reform</p>
	2.1 Our internal service standards results	<p>Target: 80% new and renewal within 30 days, 95% new and renewal within 60 days Expected results: Target will be met. We continue to exceed our registration service standards</p>
	2.2 Our Quality Assurance results	<p>Target: The TPB aims to conduct quality assurance checks quarterly Expected results: Target will be met. We conduct QA quarterly, and we continue to use our results to identify and address issues</p>
	2.3 Tax Practitioner satisfaction with engagement with TPB/registration and renewal process	<p>Target: 65% new and 74% renewal biannual survey results Expected results: Target will be met. The majority of tax practitioners currently surveyed are satisfied with the online registrations process (64% new and 77% renewal)</p>
	2.4 Tax practitioner satisfaction with reduction in red tape	<p>Target: Under development Expected results: Target remains under development. The majority of tax practitioners currently surveyed indicate the TPB continues to make easier for tax practitioners to register, comply and practice.</p>
	2.5 The TPB register is available and updated daily	<p>Target: 99% Expected result: Target will be met. The public register remains available over 99% of the time</p>

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results
Current Year 2022–23 (continued)	3.1 Tax Practitioner satisfaction with TPB compliance effectiveness	Target: 65% biannual survey results Expected result: Target will be met. The majority of tax practitioners currently surveyed (67%) indicate that they are satisfied with TPB compliance effectiveness
	3.2 The number of completed compliance investigations	Target: >2000 investigations completed Expected Result: Target will be met Current results (1215) suggest the TPB will achieve >2000 compliance investigations
	3.3 The number of self-generated cases	Target: >350 cases Expected result: Target will be met Current results (187) suggest the TPB will achieve >350 self-generated cases
	3.4 Unregistered Preparers are identified and addressed	Target: >62 identified and >15 investigated Expected result: Target may be met Current results (13 identified and 14 investigated) suggest the TPB may achieve >62 identified and >15 investigated unregistered preparer cases
	4.1 The number of sanctions imposed	Target: Under development Expected result: Target remains under development. The TPB has currently imposed 77 sanctions against Tax Practitioners
	4.2 Sanctions are appropriate	Target: Under development Expected result: Target remains under development. The TPB continues to deter misconduct through positive litigation outcomes
	5.1 The number of guidance products/instruments published	Target: No Target Expected Result: 8 guidance and support products as at 31 December 2022
	5.2 Satisfaction from tax practitioners	Target: 79% Expected Result: Target may be met. Current results (74%) indicate the majority of tax practitioners are satisfied with the TPB's policy and guidance

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results
Current Year 2022–23 (continued)	6.1 Our System availability	<p>Targets: 95% System availability/ Staff satisfaction (Under development) / % reduction incident/support calls</p> <p>Expected results: Target will be met; TPB systems remain available 99% of the time</p> <p>Staff satisfaction target remains under development. Preliminary results indicate 82% staff are satisfied with the TPB's system availability</p> <p>The TPB continues to reduce incident/support calls</p>
	6.2 Our staff wellbeing and engagement scores	<p>Targets: 68% wellbeing/ 73% engagement</p> <p>Expected Results: Target will be met. Current APS Survey results (78% wellbeing/ 76% engagement) indicate the TPB will exceed its target</p>
	6.3 Staff satisfaction with workplace culture	<p>Target: Under development</p> <p>Expected Result: The target for this measure remains under development. Preliminary results indicate 79% of staff are satisfied with the TPB's workplace culture</p>
	6.4 Staff satisfaction with skills development	<p>Target: Under development</p> <p>Expected Result: The target for this measure remains under development. Preliminary results indicate 75% of staff are satisfied with the TPB's skills development</p>
	6.5 Staff satisfaction with TPB leadership	<p>Target: Under development</p> <p>Expected Result: The target for this measure remains under development. Preliminary results indicate 81% of staff are satisfied with the TPB leadership</p>
	6.6 Board satisfaction with TPB governance	<p>Target: The TPB Audit and Risk Committee expresses satisfaction with governance activities to the Board</p> <p>Expected Result: Target will be met; the TPB Audit and Risk Committee is yet to be requested to advise the Board of their view of TPB governance but have not indicated any concerns to the Board so far</p>

Table 2.1.2: Performance measure for Outcome 1 (continued)

Key Activities	Key activities reported in the 2023–24 Corporate Plan that relate to this program. 1. Collaborate with our stakeholders to support and shape Government reforms 2. Streamline registration to support new & existing tax practitioners 3. Improve tax practitioner standards and integrity with support and guidance 4. Protect consumers through a risk-based compliance program 5. Support our people to build organisation capability, culture, and leadership 6. Support and safeguard our performance through a technology work program 7. Enhance TPB performance through data science and systems.	
Year	Performance measures	Expected Performance Results
Budget Year 2023–24	1.1 The number and quality of TPB submissions that enhance our regulatory role and government coordination	Target: The TPB aims to provide timely and valued submissions Qualitative self-assessment only
	2.1 Our internal service standards results	Target: 80% of new and renewal applications are processed within 30 days and 95% of new and renewal applications are processed within 60 days
	2.2 Our Quality Assurance results	Target: The TPB aims to conduct quality assurance checks quarterly
	2.3 Tax practitioner satisfaction with reduction in red tape	Target: Under development in 2022–23 Will be confirmed once 2022–23 results are known
	3.1 The number and quality of guidance products published	No Target: the TPB aims to support the tax profession by publishing regular guidance material Qualitative self-assessment only
	3.2 The number and quality of education opportunities offered	No Target: the TPB aims to support the tax profession by offering regular education opportunities Qualitative self-assessment only
	3.3 Tax practitioner feedback	No Target: TPB considers and analyses Tax practitioner feedback via biannual surveys and forum inputs Qualitative self-assessment only
	4.1 Number of risk assessments completed	Target: >2,700
	4.2 The number and type of completed compliance cases	Target: > 850
	4.3 Sanctions are appropriate	No Target: The TPB aims for positive Court and Tribunal outcomes
	4.4 Tax Practitioner satisfaction with TPB compliance effectiveness	Target: 62%
	5.1 Our staff wellbeing and engagement	Targets: >75% (wellbeing), >78% (engagement)
	5.2 Staff satisfaction with workplace culture, skills development and TPB leadership	Target: Under development in 2022–23. Will be confirmed once 2022–23 results are known
	6.1 Our system availability	Target: >95%
	6.2 Our system reliability	Target: Under development
	7.1 Improving data analytics capability, including utility of risk and measurement tools	Target: The TPB aims to improve its data analytics capability. Qualitative self-assessment only
	Forward estimates 2024–27	As per 2023–24

Table 2.1.2: Performance measure for Outcome 1 (continued)

Program 1.3 – Australian Business Registry Services Australian Business Registry Services has been established to assist the Registrar to carry out their functions. The Registrar has separate and distinct responsibilities from the Commissioner of Taxation, including administering director identification numbers and assisting the Australian Securities and Investments Commission (ASIC) to manage its registry functions. The Commissioner of Taxation remains Registrar of the Australian Business Register (ABR) under the <i>A New Tax System (Australian Business Number) Act 1999</i> . The Registrar of Australian Business Registry Services is now responsible for assisting ASIC to perform its registry functions (under a delegation from ASIC). As ASIC registers are migrated to the new registry system, the Registrar will assume primary responsibility for registry functions and associated reporting. Australian Business Registry Services is a custodian of trusted business information and world-class provider of associated services used by businesses, governments and communities to unlock economic and social value for Australia.		
Key Activities	Australian Business Registry Services is a new service that will be progressively established as the Modernising Business Registers program is implemented over the coming years. Australian Business Registry Services will provide: <ul style="list-style-type: none"> • effective, efficient and accessible business registry services that reduce the regulatory burden for business • a unified, accessible and trusted source of business data that supports the activities of businesses, governments and the community • robust identity verification and relationship traceability for directors, through Director ID, which will foster trust and confidence by creating a fairer business environment. 	
Year	Performance measures	Expected/Planned Performance Results
Current year 2022–23 Budget year 2023–24 Forward estimates 2024–27	Increased use of the ABR as the national business dataset	Target: ABR Explorer – 500 ABR Identifier Search – 20 ABN Lookup – \$2.0 billion Forecast: On track Target 2023–24: ABR Explorer – 535 ABR Identifier Search – 22 ABN Lookup – \$2.3 billion Target 2024–25: ABR Explorer – 550 ABR Identifier Search – 24 ABN Lookup – \$2.5 billion Target 2025–27: As per 2024–25
Current year 2022–23 Budget year 2023–24 Forward estimates 2024–27	Reduction in the administrative cost to businesses and government in dealing with each other	Target: Total – \$2.25 billion Forecast: On track Target 2023–24: N/A – measure ceases in 2022–23 Target 2024–27: N/A – measure ceases in 2022–23

Table 2.1.2: Performance measure for Outcome 1 (continued)

Program 1.4 – Australian Charities and Not-for-profits Commission		
The Australian Charities and Not-for-profits Commission (ACNC) is the independent national regulator of charities. The ACNC Commissioner (the Commissioner) has a number of statutory functions and regulatory powers set out in the <i>Australian Charities and Not-for-profits Commission Act 2012</i> (Cth) (ACNC Act), the <i>Charities Act 2013</i> (Cth) (the Charities Act) and accompanying regulations.		
Key Activities(a)	<ul style="list-style-type: none"> • maintaining a public register of Australian charities (the Charity Register) • registering new charities • revoking the registration of charities that are no longer entitled to registration • collecting and publishing information about charities annually • providing advice and guidance to charities and the public • disseminating resources to build capacity and good governance in the sector • sharing our data with the public, charities and government • monitoring charities for compliance with legal requirements, and acting on identified concerns • working across governments to reduce unnecessary regulation. 	
Year	Performance measures	Expected Performance Results (b)
Current Year	90% of new charity registrations completed within agreed timeframe	On track to meet or partially meet by 30 June 2023
2022–23	75% of charities complying with timeliness of Annual Information Statement submission requirements	On track to meet or partially meet by 30 June 2023
	75% of investigations finalised within 12 months	On track to meet or partially meet by 30 June 2023
	Complete 75 investigations	On track to not meet or partially meet by 30 June 2023
	2% of Charities Register with DGR endorsement reviewed	On track to meet or partially meet by 30 June 2023
	Increased usage of the enhanced Charity Register with searchable program data available	On track to meet or partially meet by 30 June 2023
	80% of phone calls answered within 4 minutes	On track to meet or partially meet by 30 June 2023
	Information and guidance materials are reviewed and updated or published for the first time on the ACNC website to assist charities in understanding their obligations	On track to meet or partially meet by 30 June 2023
	Demonstrated reduction in unnecessary regulation for charities	On track to meet or partially meet by 30 June 2023
	Year	Performance measures
Budget Year 2023–24	Percentage of new eligible charities registered within 15 business days of ACNC receiving all information necessary to make a decision	Target: 90%
	Percentage of Annual Information Statements submitted by the due date	Target: 75%
	Percentage of investigations finalised within 90 business days of ACNC receiving all information necessary to make a decision	Target: 75%

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Planned Performance Results
Budget Year 2023–24 (continued)	When a charity is notified of an investigation, the percentage of investigations that result in regulatory action	Target: 90%
	Percentage of DGR endorsed charities reviewed to confirm eligibility of subtype and registration	Target: 2%
	Percentage of time that the Charity Register and Charity Portal are available (excluding scheduled maintenance)	Target: 95%
	Percentage of users that find our guidance useful	Target: Establish baseline
	Percentage of calls answered within 4 minutes and percentage of written correspondence responded to within 7 business days of receiving all information necessary to respond	Target: At or above 80%
	Percentage of datasets delivered to other regulators (as part of data sharing arrangements) on-time	Target: Establish baseline
Forward Estimates 2024–27	Percentage of new eligible charities registered within 15 business days of ACNC receiving all information necessary to make a decision	Target: 90%
	Percentage of Annual Information Statements submitted by the due date	Target: 75%
	Percentage of investigations finalised within 90 business days of ACNC receiving all information necessary to make a decision	Target: 75%
	When a charity is notified of an investigation, the percentage of investigations that result in regulatory action	Target: 90%
	Percentage of DGR endorsed charities reviewed to confirm eligibility of subtype and registration	Target: 2%
	Percentage of time that the Charity Register and Charity Portal are available (excluding scheduled maintenance)	Target: 95%
	Percentage of users that find our guidance useful	Target: At or above previous year's result
	Percentage of calls answered within 4 minutes and percentage of written correspondence responded to within 7 business days of receiving all information necessary to respond	Target: At or above 80%
	Percentage of datasets delivered to other regulators (as part of data sharing arrangements) on-time	Target: At or above previous year's result

- a) The description of key activities has been refined to better represent the work of the ACNC. These updates will be reflected in the ACNC's *2023–24 Corporate Plan*.
- b) A measure will be partially met if 80% or more of the target is achieved.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Program 1.5 – 1.19 Administered programs		
The ATO administers a range of payments and transfers on behalf of the Australian Government, including incentives and rebates delivered through the taxation and superannuation systems.		
Key Activities	Administered programs may be administered by the ATO with policy and delivery assistance from other Commonwealth agencies, or directly through the tax and superannuation systems.	
Program 1.5 – Australian Screen and Digital Game Production Incentive		
The Australian Screen Production Incentive comprises 3 refundable film tax offsets: the Producer Offset, the Location Offset, and the Post, Digital and Visual Effects (PDV) Offset. These offsets are designed to ensure Australia remains competitive in attracting high budget film and television productions and are aimed at providing increased opportunities for Australian casts, crew, post-production companies and other services to participate in these productions.		
The Digital Game Offset is a new tax incentive, announced as commencing from 1 July 2022 that would provide a refundable tax offset for qualifying Australian games expenditure to eligible businesses. However, as at March 2023 the legislation is yet to be enacted and administrative arrangements determined.		
The Office for the Arts, along with Screen Australia and the ATO, have co-administration responsibilities for the program. Screen Australia has responsibility for the Producer Offset while the Office for the Arts has responsibility for the Location, PDV and Digital Games Tax Offset. The ATO conducts verification and reconciliation with the certificates issued by the Arts Minister before the offset is paid to the taxpayer.		
Year	Performance measures	Expected/Planned Performance Results
Current year 2022–23	Value of tax offsets processed	Target: The ATO aims to administer the program in accordance with the law Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report
Budget year 2023–24		Target 2023–24: The ATO aims to administer the program in accordance with the law
Forward estimates 2024–27		Target 2024–27: As per 2023–24
Program 1.6 – Junior Minerals Exploration Incentive		
The Junior Minerals Exploration Incentive provides a tax incentive to invest in small minerals exploration companies undertaking greenfields minerals exploration in Australia. Eligible Australian resident investors of these companies receive a tax incentive where the companies choose to give up a portion of their tax losses relating to their exploration expenditure in an income year.		
Year	Performance measures	Expected/Planned Performance Results
Current Year 2022–23	All applications received are processed and taxpayers notified of their exploration credit allocation within 28 calendar days of the application period closing	Target: 100% notifications issued within 28 calendar days of the application period closing Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report
Budget Year 2023–24		Target 2023–24: All applicants notified within 28 calendar days of the application period closing
Forward Estimates 2024–27		Target 2024–27: As per 2023–24

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected/Planned Performance Results
Current Year 2022–23	Public reporting data uploaded on data.gov.au (and linked to the ato.gov.au website) within 56 calendar days of the application period closing after determination letters are issued	Target: Published within 56 calendar days of the application period closing Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report
Budget Year 2023–24		Target 2023–24: Published within 56 calendar days of the application period closing
Forward Estimates 2024–27		Target 2024–27: As per 2023–24
<p>Program 1.7 – Fuel Tax Credits Scheme</p> <p>The objective of the Fuel Tax Credits Scheme is to remove or reduce the incidence of fuel tax levied on taxable fuels by providing a credit for fuel used for:</p> <ul style="list-style-type: none"> • business activities in machinery, plant and equipment and vehicles • the domestic generation of electricity by taxpayers not in business. 		
Year	Performance measures	Expected/Planned Performance Results
Current year 2022–23	Fuel Tax Credits Scheme gap	Target: Reduce the gap to a level as low as practicable given the nature and complexity of the law and the resources available Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report
Budget year 2023–24		Target 2023–24: Reduce the gap to a level as low as practicable given the nature and complexity of the law and the resources available
Forward estimates 2024–27		Target 2024–27: As per 2023–24

Table 2.1.2: Performance measure for Outcome 1 (continued)

Program 1.8 – National Rental Affordability Scheme		
<p>The Department of Social Services has policy responsibility for the National Rental Affordability Scheme. The objectives are to:</p> <ul style="list-style-type: none"> • increase the supply of new affordable rental housing • reduce rental costs for low- and moderate-income households – National Rental Affordability Scheme homes rented to eligible tenants at a rate that is at least 20 per cent below the market value rent • encourage large-scale investment and innovative delivery of affordable housing through the provision of the following incentives: <ul style="list-style-type: none"> – an Australian Government incentive per dwelling per year as a tax offset or direct payment – a State or Territory Government incentive as a direct payment per dwelling per year or in-kind financial support. 		
Year	Performance measures	Expected/Planned Performance Results
Current year 2022–23	Value of tax offsets processed	Target: The ATO aims to administer the program in accordance with the law Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report
Budget year 2023–24		Target 2023–24: The ATO aims to administer the program in accordance with the law
Forward estimates 2024–27		Target 2024–27: As per 2023–24
Program 1.9 – Product Stewardship for Oil		
<p>The objective of the Product Stewardship for Oil Program is to:</p> <ul style="list-style-type: none"> • provide incentives to increase used oil recycling • encourage the environmentally sustainable management and re-refining of used oil and its re-use. <p>These objectives are met through the payment of a levy by producers and importers of petroleum-based oils and their synthetic equivalents. Benefits are paid to oil recyclers as an incentive to undertake increased recycling of used oil. The Department of Climate Change, Energy, the Environment and Water has policy responsibility for the program, with the ATO administering the program on its behalf.</p>		
Year	Performance measures	Expected/Planned Performance Results
Current year 2022–23	Product Stewardship for Oil gap	Target: Reduce the gap to a level as low as practicable given the nature and complexity of the law and the resources available Forecast: Information not yet available Actual performance will be reported in the ATO Annual Report
Budget year 2023–24		Target 2023–24: Reduce the gap to a level as low as practicable given the nature and complexity of the law and the resources available
Forward estimates 2024–27		Target 2024–27: As per 2023–24

Table 2.1.2: Performance measure for Outcome 1 (continued)

Program 1.10 – Research and Development Tax Incentive		
<p>The Research and Development (R&D) Tax Incentive is an ongoing scheme designed to increase the level of research and development being conducted by Australian companies.</p> <p>The Department of Industry, Science and Resources has the primary policy responsibility for the program with the aim of increasing both the number of companies investing in innovation and the value of innovation investment over time.</p> <p>The ATO has an important supporting role in processing claims through the tax system for the R&D offset.</p>		
Year	Performance measures	Expected/Planned Performance Results
Current year 2022–23 Budget year 2023–24 Forward estimates 2024–27	Value of claims processed for companies claiming the non-refundable research and development tax offset (38.5% of notional R&D deductions)	Target: The ATO aims to administer the program in accordance with the law Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report Target 2023–24: N/A – measure ceases in 2022–23 Target 2024–27: N/A – measure ceases in 2022–23
Current year 2022–23 Budget year 2023–24 Forward estimates 2024–27	Value of claims processed for companies claiming the refundable research and development tax offset (43.5% of notional R&D deductions)	Target: The ATO aims to administer the program in accordance with the law Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report Target 2023–24: N/A – measure ceases in 2022–23 Target 2024–27: N/A – measure ceases in 2022–23
Current year 2022–23 Budget year 2023–24 Forward estimates 2024–27	Number of claims processed for companies claiming the non-refundable research and development tax offset (38.5% of notional R&D deductions)	Target: The ATO aims to administer the program in accordance with the law Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report Target 2023–24: N/A – measure ceases in 2022–23 Target 2024–27: N/A – measure ceases in 2022–23

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected/Planned Performance Results
Current year 2022–23	Number of claims processed for companies claiming the refundable research and development tax offset (43.5% of notional R&D deductions)	Target: The ATO aims to administer the program in accordance with the law Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report
Budget year 2023–24		Target 2023–24: N/A – measure ceases in 2022–23
Forward estimates 2024–27		Target 2024–27: N/A – measure ceases in 2022–23
Current year 2022–23	Proportion of offsets processed within service standard timeframes	Target: The ATO aims to administer the program in accordance with the law Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report
Budget year 2023–24		Target 2023–24: N/A – measure ceases in 2022–23
Forward estimates 2024–27		Target 2024–27: N/A – measure ceases in 2022–23
Current year 2022–23	<i>Research and Development Tax Incentives (RDTI) refundable claims are subject to RDTI-specific risk detection processes</i>	Target: N/A – new measure in 2023–24 Forecast: N/A – new measure in 2023–24
Budget year 2023–24		Target 2023–24: 100%
Forward estimates 2024–27		Target 2024–27: As per 2023–24
Current year 2022–23	<i>RDTI offset claims are amended when Industry Innovation and Science Australia advises the ATO that RDTI registration has been revoked</i>	Target: N/A – new measure in 2023–24 Forecast: N/A – new measure in 2023–24
Budget year 2023–24		Target 2023–24: 100%
Forward estimates 2024–27		Target 2024–27: As per 2023–24

Table 2.1.2: Performance measure for Outcome 1 (continued)

Program 1.11 – Low Income Superannuation Tax Offset		
<p>The Low Income Superannuation Tax Offset (LISTO) is aimed to address some of the inequity in the superannuation system, where low-income earners with a marginal rate of tax less than 15 per cent, pay a higher rate of tax on superannuation contributions than if they had received the money as salary and wages.</p> <p>The LISTO replaces the low income superannuation contribution (LISC) policy from 1 July 2017. LISC will continue to be payable for concessional contributions made up to and including the 2016–17 year, however, determinations will cease at 1 July 2019.</p> <p>The Treasury has policy responsibility for the program, while the ATO administers the program and provides information and support to individuals and superannuation funds through advice and education services.</p>		
Year	Performance measures	Expected/Planned Performance Results
Current year 2022–23	Value of entitlements paid	Target: The ATO aims to administer the program in accordance with the law Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report
Budget year 2023–24		Target 2023–24: N/A measure ceases in 2022–23
Forward estimates 2024–27		Target 2024–27: N/A measure ceases in 2022–23
Current year 2022–23	Proportion of original contributions paid within 60 days	Target: 97% Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report
Budget year 2023–24		Target 2023–24: 97%
Forward estimates 2024–27		Target 2024–27: As per 2023–24
Program 1.12 – Private Health Insurance Rebate		
<p>The objective of the Private Health Insurance Rebate is to provide access to a benefit to eligible individuals with private health insurance and to act as an incentive to take up private health insurance.</p> <p>The Department of Health has policy responsibility for the program, and the administration of the program is split between the ATO and registered health insurers, depending on the claim method.</p>		
Year	Performance measures	Expected/Planned Performance Results
Current year 2022–23	Value of rebates processed	Target: The ATO aims to administer the program in accordance with the law Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report
Budget year 2023–24		Target 2023–24: The ATO aims to administer the program in accordance with the law
Forward estimates 2024–27		Target 2024–27: As per 2023–24

Table 2.1.2: Performance measure for Outcome 1 (continued)

Program 1.13 – Superannuation Co-contribution Scheme		
<p>The Superannuation Co-contribution Scheme is to help low-and-middle income earners save for their retirement. Eligible individuals who make personal superannuation contributions to a complying superannuation fund or retirement savings account receive a co-contribution from the Government up to certain limits.</p> <p>The Treasury has policy responsibility for the program, while the ATO administers the program and provides information and support to individuals and superannuation funds through marketing and education services.</p>		
Year	Performance measures	Expected/Planned Performance Results
Current year 2022–23	Value of entitlements paid	Target: The ATO aims to administer the program in accordance with the law Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report
Budget year 2023–24		Target 2023–24: N/A – measure ceases in 2022–23
Forward estimates 2024–27		Target 2024–27: N/A – measure ceases in 2022–23
Current year 2022–23	Proportion of original co-contributions paid within 60 days	Target: 97% Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report
Budget year 2023–24		Target 2023–24: 97%
Forward estimates 2024–27		Target 2024–27: As per 2023–24
Program 1.14 – Superannuation Guarantee Scheme		
<p>Under the <i>Superannuation Guarantee (Administration) Act 1992</i> (SGAA), most employers must pay superannuation contributions into a complying superannuation fund or retirement savings account.</p> <p>Non-compliance with the SGAA by employers means that eligible employees will not receive their entitlements to, and benefits of, superannuation in their retirement.</p>		
Year	Performance measures	Expected/Planned Performance Results
Current year 2022–23	Superannuation guarantee gap as a proportion of superannuation guarantee contributions	Target: Reduce the gap to a level as low as practicable given the nature and complexity of the law and the resources available. Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report
Budget year 2023–24		Target 2023–24: Reduce the gap to a level as low as practicable given the nature and complexity of the law and the resources available.
Forward estimates 2024–27		Target 2024–27: As per 2023–24

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected/Planned Performance Results
<p>Current year 2022–23</p> <p>Budget year 2023–24</p> <p>Forward estimates 2024–27</p>	<p>Value of superannuation guarantee charge:</p> <ul style="list-style-type: none"> • raised (including penalties and interest) • collected 	<p>Target: Raised: \$946 million Collected: \$550 million Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report</p> <p>Target 2023–24: Raised: \$1,017 million Collected: \$594 million</p> <p>Target 2024–25: Raised: \$1,099 million Collected: \$642 million</p> <p>Target 2025–26: Raised: \$1,184 million Collected: \$692 million</p> <p>Target 2026–27: Raised: As per 2025–26 Collected: As per 2025–26</p>
<p>Current year 2022–23</p> <p>Budget year 2023–24</p> <p>Forward estimates 2024–27</p>	<p>Value of superannuation guarantee entitlements distributed to individuals or superannuation funds</p>	<p>Target: \$497 million Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report</p> <p>Target 2023–24: \$536 million</p> <p>Target 2024–25: \$578 million Target 2025–26: \$622 million Target 2026–27: As per 2025–26</p>

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected/Planned Performance Results
Current year 2022–23	Value of superannuation guarantee debt on hand and the amount of superannuation guarantee debt irrecoverable at law or uneconomical to pursue	Target: Debt on hand: \$3,500 million Irrecoverable at law or uneconomical to pursue: \$172 million Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report
Budget year 2023–24		Target 2023–24: Debt on hand: \$3,700 million Irrecoverable at law or uneconomical to pursue: \$177 million
Forward estimates 2024–27		Target 2024–25: Debt on hand: \$4,000 million Irrecoverable at law or uneconomical to pursue: \$183 million Target 2025–26: Debt on hand: \$4,300 million Irrecoverable at law or uneconomical to pursue: \$189 million Target 2026–27: Debt on hand: As per 2025–26 Irrecoverable at law or uneconomical to pursue: As per 2025–26
Current year 2022–23	Superannuation guarantee charge: • raised • distributed within 12 months	Target: Under development Forecast: N/A – new measure
Budget year 2023–24		Target 2023–24: Under development
Forward estimates 2024–27		Target 2024–27: As per 2023–24
Current year 2022–23	Superannuation guarantee distributed as a proportion of superannuation guarantee raised	Target: Under development Forecast: N/A – new measure
Budget year 2023–24		Target 2023–24: Under development
Forward estimates 2024–27		Target 2024–27: As per 2023–24

Table 2.1.2: Performance measure for Outcome 1 (continued)

Program 1.15 – Interest on unclaimed superannuation accounts paid Under the <i>Superannuation (Unclaimed Money and Lost Members) Act 1999</i> , superannuation funds must identify certain types of lost and former temporary resident accounts as unclaimed superannuation money and transfer amounts to the ATO every 6 months. Since 1 July 2013, any unclaimed superannuation money payments from the ATO to either individuals or active fund accounts includes interest, at a rate equivalent to the consumer price index, to preserve the value of these accounts. While the Treasury has policy responsibility, the ATO administers the program.		
Year	Performance measures	Expected/Planned Performance Results
Current year 2022–23	Value of interest payments processed	Target: The ATO aims to administer the program in accordance with the law Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report
Budget year 2023–24		Target 2023–24: N/A – measure ceases in 2022–23
Forward estimates 2024–27		Target 2024–27: N/A – measure ceases in 2022–23
Current year 2022–23	Proportion of unclaimed superannuation accounts where interest is paid compared to total accounts transferred	Target: N/A – new measure in 2023–24 Forecast: N/A – new measure in 2023–24
Budget year 2023–24		Target 2023–24: 100%
Forward estimates 2024–27		Target 2024–27: As per 2023–24
Program 1.16 – Interest on Overpayment and Early Payments of Tax The objective of the program is to apply credit interest to taxpayers' accounts where they are entitled under the law. The application of credit interest is non-discretionary where an entitlement exists under the <i>Taxation (Interest on Overpayments and Early Payments) Act 1983</i> . Administered interest regimes include: <ul style="list-style-type: none"> • interest on overpayments of tax • delayed refund interest • interest on early payments of tax. 		
Year	Performance measures	Expected/Planned Performance Results
Current year 2022–23	Value of credit interest applied to client accounts	Target: The ATO aims to administer the program in accordance with the law Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report
Budget year 2023–24		Target 2023–24: The ATO aims to administer the program in accordance with the law
Forward estimates 2024–27		Target 2024–27: As per 2023–24

Table 2.1.2: Performance measure for Outcome 1 (continued)

Program 1.17 – Bad and Doubtful Debts and Remissions		
<p>The primary objective of the program is to help ensure that the value of tax receivables reported is a true and fair estimate of what can be collected on behalf of the Australian Government.</p> <p>The ATO may not be able to collect all tax liabilities due. The ATO estimates the amount it does not expect to recover and, in accordance with Australian Accounting Standards, creates an impairment allowance provision for this amount. This provision is one of the amounts offset against the gross total taxation receivables to determine the net total taxation receivables, which is a true and fair estimate of what can be collected on behalf of the Australian Government.</p>		
Year	Performance measures	Expected/Planned Performance Results
Current year 2022–23	Ratio of debt uneconomical to pursue to ATO net tax collections	Target: Below 1% Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report
Budget year 2023–24		Target 2023–24: Below 1%
Forward estimates 2024–27		Target 2024–27: As per 2023–24
Program 1.18 – Seafarer Tax Offset		
<p>The Seafarer Tax Offset commenced from 1 July 2012 and is designed to encourage the development of sustainable employment and skills opportunities for Australian seafarers.</p>		
Year	Performance measures	Expected/Planned Performance Results
Current year 2022–23	Eligible taxpayers are aware of how to claim the offset	Target: 100% Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report
Budget year 2023–24		Target 2023–24: 100%
Forward estimates 2024–27		Target 2024–27: As per 2023–24
Program 1.19 – Economic Response to the Coronavirus		
<p>The objective of the program is to support taxpayers and businesses through the coronavirus (COVID-19) pandemic. JobMaker Hiring Credit is a broad scheme to encourage job creation by employers in the COVID-19 recovery. JobMaker Hiring Credit is aimed at supporting young people (aged 16 to 35 years) into employment. This program also covered the JobKeeper Payment scheme and Boosting cash flow for employers, both of which ceased in the 2020–21 year.</p> <p>The Treasury has policy responsibility for the program, while the ATO administers the program.</p>		
Year	Performance measures	Expected/Planned Performance Results
Current year 2022–23	Value of Hiring credit paid	Target: The ATO aims to administer the program in accordance with the law Forecast: Information not yet available. Actual performance will be reported in the ATO Annual Report
Budget year 2023–24		Target 2023–24: N/A – program ceases in 2022–23
Forward estimates 2024–27		Target 2024–27: N/A – measure ceases in 2022–23

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2023–24 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

The budgeted financial statements have been prepared on an accrual basis.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The ATO's total operating revenue for 2023–24 is estimated at \$4.2 billion while expenditure is estimated to be \$4.4 billion, inclusive of unfunded depreciation. These budgeted amounts have increased since the 2022–23 October Budget mainly due to new budget measure funding to support Government initiatives.

Departmental balance sheet (Table 3.2)

ATO's net assets as of 30 June 2024 is expected to be \$239 million. Net assets have increased by \$36 million since 2022–23 October Budget mainly due to decreases in lease liabilities.

Departmental capital budget statement (Table 3.5)

Total capital appropriations in 2023–24 have increased by \$17.5 million since the 2022–23 October Budget due to Government decisions.

Total purchase of non-financial assets in 2023–24 have increased by \$9 million since the 2022–23 October Budget, primarily due to Government decisions.

3.2 Budgeted financial statements tables

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EXPENSES					
Employee benefits	2,229,297	2,411,651	2,420,353	2,440,911	2,105,600
Suppliers	1,630,479	1,533,156	1,495,211	1,501,443	1,281,752
Depreciation and amortisation (a)	413,048	391,348	401,191	419,764	429,668
Finance costs	19,370	23,462	27,261	35,159	32,118
Total expenses	4,292,194	4,359,617	4,344,016	4,397,277	3,849,138
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	108,167	112,788	124,506	135,801	149,723
Sublease income	17,949	19,845	14,808	7,055	5,087
Sublease interest income	175	96	26	2	-
Other	5,887	20,127	13,286	8,000	8,000
Total own-source revenue	132,178	152,856	152,626	150,858	162,810
Gains					
Other	3,000	3,000	3,000	3,000	3,000
Total gains	3,000	3,000	3,000	3,000	3,000
Total own-source income	135,178	155,856	155,626	153,858	165,810
Net (cost of)/contribution by services					
	(4,157,016)	(4,203,761)	(4,188,390)	(4,243,419)	(3,683,328)
Revenue from Government	3,970,615	4,054,629	4,049,274	4,120,038	3,554,769
Surplus/(deficit) attributable to the Australian Government	(186,401)	(149,132)	(139,116)	(123,381)	(128,559)
OTHER COMPREHENSIVE INCOME					
Total comprehensive income/(loss)	(186,401)	(149,132)	(139,116)	(123,381)	(128,559)

Total comprehensive income/(loss) attributable to the Australian Government	(186,401)	(149,132)	(139,116)	(123,381)	(128,559)
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Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)

Note: Impact of net cash appropriation arrangement

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(186,401)	(149,132)	(139,116)	(123,381)	(128,559)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	182,976	172,424	168,767	157,959	165,545
plus: depreciation/amortisation expenses for ROU assets (b)	230,073	218,924	232,424	261,805	264,123
less: lease principal repayments (b)	223,299	245,565	262,075	296,383	301,109
Net Cash Operating Surplus/ (Deficit)	3,349	(3,349)	-	-	-

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 (the Departmental Capital Budget (DCB)) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement. Applies leases under AASB 16 Leases.
- b) Applies leases under AASB 16 Leases.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	34,924	34,934	34,988	35,040	35,095
Trade and other receivables	513,632	497,600	470,540	490,332	444,857
Total financial assets	548,556	532,534	505,528	525,372	479,952
Non-financial assets					
Land and buildings	1,250,417	1,127,114	1,412,523	1,193,441	1,184,466
Property, plant and equipment	94,262	80,615	77,750	63,758	61,269
Intangibles	422,740	415,633	381,356	351,821	317,978
Other non-financial assets	104,526	104,526	104,526	104,526	104,526
Total non-financial assets	1,871,945	1,727,888	1,976,155	1,713,546	1,668,239
Total assets	2,420,501	2,260,422	2,481,683	2,238,918	2,148,191
LIABILITIES					
Payables					
Suppliers	214,173	214,173	214,173	214,173	214,173
Employees	63,352	64,436	71,810	79,969	75,998
Other payables	4,846	4,846	4,846	4,846	4,846
Total payables	282,371	283,455	290,829	298,988	295,017
Interest bearing liabilities					
Leases	1,160,451	996,652	1,213,164	951,254	862,437
Total interest bearing liabilities	1,160,451	996,652	1,213,164	951,254	862,437
Provisions					
Employee provisions	716,665	716,665	716,665	716,665	716,665
Other provisions	24,502	24,502	24,502	24,502	24,502
Total provisions	741,167	741,167	741,167	741,167	741,167
Total liabilities	2,183,989	2,021,274	2,245,160	1,991,409	1,898,621
Net assets	236,512	239,148	236,523	247,509	249,570

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EQUITY*					
Parent entity interest					
Contributed equity	2,370,912	2,522,680	2,659,171	2,793,538	2,924,158
Reserves	140,743	140,743	140,743	140,743	140,743
Retained surplus (accumulated deficit)	(2,275,143)	(2,424,275)	(2,563,391)	(2,686,772)	(2,815,331)
Total parent entity interest	236,512	239,148	236,523	247,509	249,570
Total Equity	236,512	239,148	236,523	247,509	249,570

Prepared on Australian Accounting Standards basis.

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

Table 3.3: Departmental statement of changes in equity – summary of movement (Budget year 2023–24)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2023					
Balance carried forward from previous period	(2,275,143)	140,743	-	2,370,912	236,512
Adjusted opening balance	(2,275,143)	140,743	-	2,370,912	236,512
Comprehensive income					
Surplus/(deficit) for the period	(149,132)	-	-	-	(149,132)
Total comprehensive income	(149,132)	-	-	-	(149,132)
Contributions by owners					
Equity injection - Appropriation	-	-	-	26,174	26,174
Departmental Capital Budget (DCB)	-	-	-	125,594	125,594
Sub-total transactions with owners	-	-	-	151,768	151,768
Estimated closing balance as at 30 June 2024	(2,424,275)	140,743	-	2,522,680	239,148
Closing balance attributable to the Australian Government	(2,424,275)	140,743	-	2,522,680	239,148

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	4,059,119	4,086,942	4,038,095	4,111,453	3,558,795
Sale of goods and rendering of services	141,078	160,939	156,842	151,699	162,810
Net GST received	130,218	128,786	128,786	-	-
Total cash received	4,330,415	4,376,667	4,323,723	4,263,152	3,721,605
Cash used					
Employees	2,225,601	2,410,567	2,412,979	2,432,752	2,109,571
Suppliers	1,617,064	1,530,156	1,492,211	1,498,443	1,278,752
Net GST paid	128,786	128,786	128,786	-	-
Interest payments on lease liability	19,370	23,462	27,261	35,159	32,118
Total cash used	3,990,821	4,092,971	4,061,237	3,966,354	3,420,441
Net cash from/(used by) operating activities	339,594	283,696	262,486	296,798	301,164
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	180,534	165,525	170,871	122,682	172,069
Total cash used	180,534	165,525	170,871	122,682	172,069
Net cash from/(used by) investing activities	(180,534)	(165,525)	(170,871)	(122,682)	(172,069)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	74,535	127,404	170,514	122,319	172,069
Total cash received	74,535	127,404	170,514	122,319	172,069
Cash used					
Principal payments on lease liability	223,299	245,565	262,075	296,383	301,109
Other	10,232	-	-	-	-
Total cash used	233,531	245,565	262,075	296,383	301,109
Net cash from/(used by) financing activities	(158,996)	(118,161)	(91,561)	(174,064)	(129,040)
Net increase/(decrease) in cash held	64	10	54	52	55
Cash and cash equivalents at the beginning of the reporting period	34,860	34,924	34,934	34,988	35,040
Cash and cash equivalents at the end of the reporting period	34,924	34,934	34,988	35,040	35,095

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget – Bill 1 (DCB)	111,465	125,594	125,741	127,850	128,976
Equity injections – Bill 2	3,877	26,174	10,750	6,517	1,644
Total new capital appropriations	115,342	151,768	136,491	134,367	130,620
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	115,342	151,768	136,491	134,367	130,620
Total items	115,342	151,768	136,491	134,367	130,620
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	38,691	48,935	10,750	6,517	1,644
Funded by capital appropriation - DCB (b)	141,843	116,590	160,121	116,166	170,425
TOTAL	180,534	165,525	170,871	122,683	172,069
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	180,534	165,525	170,871	122,683	172,069
Total cash used to acquire assets	180,534	165,525	170,871	122,683	172,069

Prepared on Australian Accounting Standards basis.

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

b) Includes purchases from current and previous years' Departmental capital budgets (DCBs).

Table 3.6: Statement of departmental asset movements (Budget year 2023–24)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2023				
Gross book value	249,690	131,657	2,059,001	2,440,348
Gross book value - ROU assets	1,931,875	64,850	-	1,996,725
Accumulated depreciation/ amortisation and impairment	(46,133)	(82,004)	(1,636,261)	(1,764,398)
Accumulated depreciation/amortisation and impairment - ROU assets	(885,015)	(20,241)	-	(905,256)
Opening net book balance	1,250,417	94,262	422,740	1,767,419
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	-	-	48,935	48,935
By purchase - appropriation ordinary annual services (b)	44,570	18,020	54,000	116,590
By purchase - appropriation ordinary annual services - ROU assets	81,766	-	-	81,766
Total additions	126,336	18,020	102,935	247,291
Other movements				
Depreciation/amortisation expense	(36,998)	(25,384)	(110,042)	(172,424)
Depreciation/amortisation on ROU assets	(212,641)	(6,283)	-	(218,924)
Total other movements	(249,639)	(31,667)	(110,042)	(391,348)
As at 30 June 2024				
Gross book value	294,260	149,677	2,161,936	2,605,873
Gross book value - ROU assets	2,013,641	64,850	-	2,078,491
Accumulated depreciation/ amortisation and impairment	(83,131)	(107,388)	(1,746,303)	(1,936,822)
Accumulated depreciation/amortisation and impairment - ROU assets	(1,097,656)	(26,524)	-	(1,124,180)
Closing net book balance	1,127,114	80,615	415,633	1,623,362

Prepared on Australian Accounting Standards basis

- a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2023–24.
- b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2023–24 for depreciation/amortisation expenses, Departmental Capital Budget or other operational expenses.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EXPENSES					
Subsidies	11,813,854	13,655,119	13,938,530	14,647,099	15,428,244
Personal benefits	1,188,131	1,063,803	1,078,181	1,086,246	1,072,925
Penalty and interest charge remission expense	1,530,000	1,590,000	1,630,000	1,720,000	1,800,000
Write-down and impairment of assets	7,243,000	5,613,000	6,728,000	6,922,000	6,881,000
Interest on overpayments	205,000	145,000	95,000	95,000	95,000
Superannuation Guarantee Charge	723,000	641,000	693,000	747,000	521,000
Unclaimed superannuation monies interest	45,460	9,000	9,000	10,000	9,000
Other expenses	9,750	6,266	2,882	-	-
Total expenses administered on behalf of Government	22,758,195	22,723,188	24,174,593	25,227,345	25,807,169
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Taxation revenue					
Income tax	458,528,325	479,563,102	471,441,822	499,537,650	524,138,185
Indirect tax	116,510,000	121,190,000	127,760,000	134,920,000	142,290,000
Other taxes	3,472,766	3,394,271	3,154,778	3,303,187	3,154,898
Total taxation revenue	578,511,091	604,147,373	602,356,600	637,760,837	669,583,083

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Unclaimed Superannuation Monies	426,000	349,596	275,097	267,334	269,602
Other Revenue	14,142	35,376	26,024	39,921	42,597
Total non-taxation revenue	440,142	384,972	301,121	307,255	312,199
Total own-source revenue administered on behalf of Government	578,951,233	604,532,345	602,657,721	638,068,092	669,895,282
Net (cost of)/contribution by services	(556,193,038)	(581,809,157)	(578,483,128)	(612,840,747)	(644,088,113)
Total comprehensive income/(loss)	556,193,038	581,809,157	578,483,128	612,840,747	644,088,113

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
ASSETS					
Financial assets					
Cash	544,757	544,757	544,757	544,757	544,757
Total financial assets	544,757	544,757	544,757	544,757	544,757
Non-financial assets					
Taxation Receivables	39,388,520	44,106,226	47,555,830	51,231,233	54,698,635
Other Receivables	334,295	349,745	364,095	377,895	391,695
Accrued Revenues	16,830,667	17,420,667	16,735,667	17,605,667	18,365,667
Total non-financial assets	56,553,482	61,876,638	64,655,592	69,214,795	73,455,997
Total assets administered on behalf of Government	57,098,239	62,421,395	65,200,349	69,759,552	74,000,754
LIABILITIES					
Payables					
Subsidies	291,951	291,951	291,951	291,951	291,951
Personal benefits	10,219	10,219	10,219	10,219	10,219
Superannuation guarantee charge	74,189	74,189	74,189	74,189	74,189
Taxation refunds due	1,939,369	1,939,369	1,939,369	1,939,369	1,939,369
Superannuation holding account	82,533	92,533	103,833	105,433	108,633
Total payables	2,398,261	2,408,261	2,419,561	2,421,161	2,424,361

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Provisions					
Subsidies	5,130,545	5,258,547	5,331,167	5,413,519	5,618,090
Personal Benefits	1,166,029	1,174,164	1,194,363	1,205,788	1,196,285
Income Taxation refunds provided for	2,329,672	2,319,672	2,309,672	2,299,672	2,289,672
Indirect Taxation refunds provided for	22,860	22,860	22,860	22,860	22,860
Superannuation guarantee payments	749,878	852,978	963,978	1,084,778	1,218,578
Unclaimed superannuation payments	596,636	459,636	403,636	393,636	403,636
Interest on Unclaimed Superannuation Accounts Paid	75,664	53,664	36,664	27,664	23,664
Provision for interest on overpayments of taxes	104,186	104,186	104,186	104,186	104,186
Other provisions	26,241	26,241	26,241	26,241	26,241
Total provisions	10,201,711	10,271,948	10,392,767	10,578,344	10,903,212
Total liabilities administered on behalf of Government	12,599,972	12,680,209	12,812,328	12,999,505	13,327,573
Net assets/(liabilities)	44,498,267	49,741,186	52,388,021	56,760,047	60,673,181

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Taxes	563,273,475	591,626,667	591,223,996	624,563,434	656,664,681
Other	272,342	242,522	242,071	285,055	311,599
Total cash received	563,545,817	591,869,189	591,466,067	624,848,489	656,976,280
Cash used					
Subsidies paid	10,741,434	13,527,117	13,865,910	14,564,747	15,223,673
Personal benefits	1,064,371	1,055,668	1,057,982	1,074,821	1,082,428
Suppliers	9,750	6,266	2,882	-	-
Interest	205,000	145,000	95,000	95,000	95,000
Other	709,000	568,900	608,000	645,200	400,200
Total cash used	12,729,555	15,302,951	15,629,774	16,379,768	16,801,301
Net cash from/(used by) operating activities	550,816,262	576,566,238	575,836,293	608,468,721	640,174,979
Net increase/(decrease) in cash held	550,816,262	576,566,238	575,836,293	608,468,721	640,174,979
Cash and cash equivalents at beginning of reporting period	544,757	544,757	544,757	544,757	544,757
Cash from Official Public Account for:					
- Appropriations	12,849,555	15,422,951	15,749,774	16,499,768	16,921,301
- Special accounts	17,700	10,100	11,100	12,200	12,400
Total cash from Official Public Account	12,867,255	15,433,051	15,760,874	16,511,968	16,933,701
Cash to Official Public Account for:					
- Administered receipts	(563,661,617)	(591,979,189)	(591,574,767)	(624,966,889)	(657,093,080)
- Special accounts	(21,900)	(20,100)	(22,400)	(13,800)	(15,600)
Total cash to Official Public Account	(563,683,517)	(591,999,289)	(591,597,167)	(624,980,689)	(657,108,680)
Cash and cash equivalents at end of reporting period	544,757	544,757	544,757	544,757	544,757

Prepared on Australian Accounting Standards basis.

Commonwealth Grants Commission

Entity resources and planned performance

Commonwealth Grants Commission

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Commonwealth Grants Commission

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Commonwealth Grants Commission (the Commission) is a statutory authority operating under the *Commonwealth Grants Commission Act 1973*.

The Commission's main role is to inquire into and report to the Australian Government on the allocation of goods and services tax (GST) revenue among the states and territories. Terms of reference for these inquiries are determined by the Australian Government in consultation with the states and territories.

The Commission or its staff may also be asked to report on the finances of Australia's external territories, local government matters and the financing of services for Indigenous people. Where required, terms of reference for these inquiries are developed by relevant Australian Government entities and the reports are considered by their Ministers.

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 departmental (for the entity's operations) classification.

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

Table 1.1: Commonwealth Grants Commission resource statement – Budget estimates for 2023–24 as at Budget May 2023

	<i>2022-23 Estimated actual \$'000</i>	2023-24 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	12,131	11,493
Departmental appropriation (b)	7,873	7,904
Departmental capital budget (c)	265	271
Total departmental annual appropriations	<u>20,269</u>	<u>19,668</u>
Total departmental resourcing	<u>20,269</u>	<u>19,668</u>
Total resourcing for Commonwealth Grants Commission	<u>20,269</u>	<u>19,668</u>
	<i>2022-23</i>	2023-24
Average staffing level (number)	34	34

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) 2023–24.
- b) Excludes Departmental Capital Budget (DCB).
- c) 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'.

1.3 Budget measures

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

Note:

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

The most recent Corporate Plan for Commonwealth Grants Commission can be found at: (www.cgc.gov.au).

The most recent annual performance statement can be found at: (www.cgc.gov.au).

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Informed Government decisions on fiscal equalisation between the states and territories through advice and recommendations on the distribution of GST revenue.

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 Departmental funding sources.

Table 2.1.1: Budgeted expenses for Outcome 1

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Program 1.1: Commonwealth Grants Commission					
Departmental expenses					
Departmental appropriation	7,873	7,904	8,073	8,189	8,299
Expenses not requiring appropriation in the Budget year (a)	220	513	534	485	483
Departmental total	8,093	8,417	8,607	8,674	8,782
Total expenses for program 1.1	8,093	8,417	8,607	8,674	8,782
Total expenses for Outcome 1	8,093	8,417	8,607	8,674	8,782
	2022-23	2023-24			
Average staffing level (number)	34	34			

a) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expense, 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 measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current Corporate Plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of the 2023–24 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – Informed Government decisions on the distribution of the GST among the states and territories.		
Program 1.1– Commonwealth Grants Commission The Commission provides independent advice to the Government on the distribution of the GST among the states and territories.		
Key Activities	The Commission will prepare an annual update on the recommended GST sharing relativities. Periodically, the Commission will review the methods it uses to determine the GST sharing relativities.	
Year	Performance measures	Expected Performance Results
Current year 2022–23	Responsiveness to Government. Excellence in research and analysis. Effective engagement and consultation with stakeholders.	Achieved
Year	Performance measures	Planned Performance Results
Budget Year 2023–24	Responsiveness to government. Excellence in research and analysis. Effective engagement and consultation with stakeholders.	The Commission's advice meets the Government's requirements as specified in the terms of reference provided by the Commonwealth Treasurer. The research and analysis underlying the Commission's advice are recognised to be high quality and technically robust. The Commission's advice is informed by the best available information and data and considers the views of relevant stakeholders.
Forward Estimates 2024–27	As per 2023–24	As per 2023–24

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2023–24 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

There are no material differences between the financial information presented in the Budget Papers (most notably *Budget Paper No. 1: Budget Strategy and Outlook*) and Portfolio Budget Statements as a result of differences between whole-of-government level financial reporting.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The financial statements have been prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EXPENSES					
Employee benefits	5,472	5,547	5,642	5,772	5,951
Suppliers	2,189	2,143	2,221	2,213	2,150
Depreciation and amortisation (a)	403	679	700	667	666
Finance costs	65	60	55	49	43
Total expenses	8,129	8,429	8,618	8,701	8,810
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other	45	45	45	45	45
Total own-source revenue	45	45	45	45	45
Total own-source income	45	45	45	45	45
Net (cost of)/contribution by services	(8,084)	(8,384)	(8,573)	(8,656)	(8,765)
Revenue from Government	7,873	7,904	8,073	8,189	8,299
Surplus/(deficit) attributable to the Australian Government	(211)	(480)	(500)	(467)	(466)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	(200)	-	-	-	-
Total other comprehensive income	(200)	-	-	-	-
Total comprehensive income/(loss)	(411)	(480)	(500)	(467)	(466)
Total comprehensive income/(loss) attributable to the Australian Government	(411)	(480)	(500)	(467)	(466)

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

Note: Impact of net cash appropriation arrangement

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(411)	(480)	(500)	(467)	(466)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	175	468	489	440	438
plus: depreciation/amortisation expenses for ROU assets (b)	228	211	211	227	228
less: lease principal repayments (b)	154	168	183	200	216
Net Cash Operating Surplus/ (Deficit)	(162)	31	17	-	(16)

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 (the Departmental 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 leases under AASB 16 Leases.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	172	172	172	172	172
Trade and other receivables	11,623	11,654	11,671	11,671	11,655
Total financial assets	11,795	11,826	11,843	11,843	11,827
Non-financial assets					
Land and buildings	2,726	2,415	2,104	1,802	1,499
Property, plant and equipment	480	484	490	443	603
Intangibles	1,691	1,590	1,470	1,429	1,186
Other non-financial assets	57	57	57	57	57
Total non-financial assets	4,954	4,546	4,121	3,731	3,345
Total assets	16,749	16,372	15,964	15,574	15,172
LIABILITIES					
Payables					
Suppliers	478	478	478	478	478
Other payables	153	153	153	153	153
Total payables	631	631	631	631	631
Interest bearing liabilities					
Leases	2,123	1,955	1,772	1,572	1,356
Total interest bearing liabilities	2,123	1,955	1,772	1,572	1,356
Provisions					
Employee provisions	1,472	1,472	1,472	1,472	1,472
Total provisions	1,472	1,472	1,472	1,472	1,472
Total liabilities	4,226	4,058	3,875	3,675	3,459
Net assets	12,523	12,314	12,089	11,899	11,713
EQUITY*					
Parent entity interest					
Contributed equity	3,355	3,626	3,901	4,178	4,458
Retained surplus (accumulated deficit)	9,168	8,688	8,188	7,721	7,255
Total parent entity interest	12,523	12,314	12,089	11,899	11,713
Total equity	12,523	12,314	12,089	11,899	11,713

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 2023–24)

	Retained earnings \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2023			
Balance carried forward from previous period	9,168	3,355	12,523
Adjusted opening balance	9,168	3,355	12,523
Comprehensive income			
Surplus/(deficit) for the period	(480)	-	(480)
Total comprehensive income	(480)	-	(480)
Transactions with owners			
Contributions by owners			
Departmental Capital Budget (DCB)	-	271	271
Sub-total transactions with owners	-	271	271
Estimated closing balance as at 30 June 2024	8,688	3,626	12,314
Closing balance attributable to the Australian Government	8,688	3,626	12,314

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	8,511	7,873	8,056	8,189	8,315
Total cash received	8,511	7,873	8,056	8,189	8,315
Cash used					
Employees	5,472	5,547	5,642	5,772	5,951
Suppliers	2,120	2,098	2,176	2,168	2,105
Interest payments on lease liability	65	60	55	49	43
Total cash used	7,657	7,705	7,873	7,989	8,099
Net cash from/(used by) operating activities	854	168	183	200	216
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	965	271	275	277	280
Total cash used	965	271	275	277	280
Net cash from/(used by) investing activities	(965)	(271)	(275)	(277)	(280)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	265	271	275	277	280
Total cash received	265	271	275	277	280
Cash used					
Principal payments on lease liability	154	168	183	200	216
Total cash used	154	168	183	200	216
Net cash from/(used by) financing activities	111	103	92	77	64
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	172	172	172	172	172
Cash and cash equivalents at the end of the reporting period	172	172	172	172	172

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	265	271	275	277	280
Total new capital appropriations	265	271	275	277	280
<i>Provided for:</i>					
Purchase of non-financial assets	265	271	275	277	280
Total items	265	271	275	277	280
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB (a)	265	271	275	277	280
Funded internally from departmental resources (a)	700	-	-	-	-
TOTAL	965	271	275	277	280
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	965	271	275	277	280
Total cash used to acquire assets	965	271	275	277	280

Prepared on Australian Accounting Standards basis.

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

Table 3.6: Statement of departmental asset movements (Budget year 2023–24)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2023				
Gross book value	1,008	652	1,713	3,373
Gross book value - ROU assets	4,377	-	-	4,377
Accumulated depreciation/ amortisation and impairment	(331)	(172)	(22)	(525)
Accumulated depreciation/amortisation and impairment - ROU assets	(2,328)	-	-	(2,328)
Opening net book balance	2,726	480	1,691	4,897
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	-	66	205	271
Total additions	-	66	205	271
Other movements				
Depreciation/amortisation expense	(100)	(62)	(306)	(468)
Depreciation/amortisation on ROU assets	(211)	-	-	(211)
Total other movements	(311)	(62)	(306)	(679)
As at 30 June 2024				
Gross book value	1,008	718	1,918	3,644
Gross book value - ROU assets	4,377	-	-	4,377
Accumulated depreciation/ amortisation and impairment	(431)	(234)	(328)	(993)
Accumulated depreciation/amortisation and impairment - ROU assets	(2,539)	-	-	(2,539)
Closing net book balance	2,415	484	1,590	4,489

Prepared on Australian Accounting Standards basis.

- a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2023–24, including Collection Development Acquisition Budget.

Inspector-General of Taxation

Entity resources and planned performance

Inspector-General of Taxation

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Inspector-General of Taxation

Section 1: Entity overview and resources

1.1 Strategic direction statement

The objective of the Inspector-General of Taxation (IGT) and Taxation Ombudsman is to improve tax administration through independent investigation of tax disputes, review investigations of systemic and broader community issues, reporting issues that are in the public interest and independent advice to the Government and its relevant entities.

The IGT's strategic direction for 2023–24 is to achieve this by delivering independent investigation and advice for improvement through:

- a specialised Dispute Investigation Service for the Australian community
- review investigations into priority areas of tax administration for improvement, as informed by our Dispute Investigation Service and in consultation with the community
- independent advice and recommendations to the Minister, the Government, the Parliament, the Australian Taxation Office (ATO) and the Tax Practitioners Board (TPB) through public reporting.

The IGT's outcome statement has been updated to more accurately describe its role in the tax and superannuation system and to better align with its statutory objectives and purpose. The revised outcome statement is included below in Section 2.

The IGT's effectiveness in achieving its purpose is dependent on its ability to manage and adapt to the environment in which it operates.

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 the *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: Inspector-General of Taxation resource statement – Budget estimates for 2023–24 as at Budget May 2023

	2022-23 <i>Estimated actual \$'000</i>	2023-24 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	3,783	4,996
Departmental appropriation (b)	6,484	6,677
Departmental capital budget (c)	32	32
Total departmental annual appropriations	<u>10,299</u>	<u>11,705</u>
Total departmental resourcing	<u>10,299</u>	<u>11,705</u>
Total resourcing for entity Inspector-General of Taxation	<u>10,299</u>	<u>11,705</u>
	<u>2022-23</u>	<u>2023-24</u>
Average staffing level (number)	35	35

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

- a) Appropriation Bill (No. 1) 2023–24.
- b) Excludes Departmental Capital Budget (DCB).
- c) 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’.

1.3 Budget measures

Inspector-General of Taxation 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 IGT's outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

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

The most recent Corporate Plan for the IGT can be found at:
(<https://www.igt.gov.au/corporate-plan-reports/corporate-plan-fy23-fy26/>).

The most recent annual performance statement can be found at:
(<https://www.igt.gov.au/annual-reports/annual-report-2021-22/>).

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Fair, accountable and improved administration and integrity of the taxation and superannuation systems for the benefit of the Australian community, through independent investigation and reporting.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Program 1.1: Inspector-General of Taxation					
Departmental expenses					
Departmental appropriation	6,484	6,677	6,836	6,927	7,037
s74 External Revenue (a)	60	60	60	60	60
Expenses not requiring appropriation in the Budget year (b)	240	46	46	46	47
Departmental total	6,784	6,783	6,942	7,033	7,144
Total expenses for program 1.1	6,784	6,783	6,942	7,033	7,144
Total expenses for Outcome 1	6,784	6,783	6,942	7,033	7,144
	2022-23	2023-24			
Average staffing level (number)	35	35			

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

b) Expenses not requiring appropriation in the Budget year are 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 measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current Corporate Plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of the 2023–24 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – Fair, accountable and improved administration and integrity of the taxation and superannuation systems for the benefit of the Australian community, through independent investigation and reporting.		
Program 1.1- Inspector-General of Taxation		
To improve tax administration through an effective disputes investigation service, prioritising areas of tax administrative review in consultation with relevant stakeholders and the provision of independent advice to the Government, ATO and Tax Practitioners Board (TPB).		
Key Activities	<ul style="list-style-type: none"> • Effective handling of tax administration disputes. • Identify and prioritise areas of tax administration for improvement. • Conduct reviews and make independent recommendations for improvement to the Government, the ATO and the TPB. 	
Year	Performance measures	Expected performance results
Current Year 2022–23	<ul style="list-style-type: none"> • Effective handling of tax administration disputes. • Efficient conduct of reviews into tax administration issues. • Publication of reports on tax administration. • Independent advice to Government and relevant entities on improvements to tax administration. 	<ul style="list-style-type: none"> • Tax administration dispute responses. • Positive feedback on disputes and broader reviews from community stakeholders including taxpayers, tax practitioners, other citizens and relevant government entities. • Areas of tax administration for improvement identified and prioritised through disputes and stakeholder consultation. • Reviews, reports and recommendations on areas of tax administration.
Year	Performance measures	Planned performance results
Budget Year 2023–24	As per 2022–23	As per 2022–23
Forward Estimates 2024–27	As per 2022–23	As per 2022–23

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2023–24 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

There are no material differences between entity resourcing and the financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The financial statements have been prepared on an Australian Accounting Standards basis.

The IGT is budgeting for a break-even operating result in 2023–24.

3.2 Budgeted financial statements tables

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EXPENSES					
Employee benefits	4,617	4,628	4,650	4,606	4,624
Suppliers	1,473	1,692	1,829	1,964	2,055
Depreciation and amortisation (a)	694	463	463	463	465
Total expenses	6,784	6,783	6,942	7,033	7,144
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other	60	60	60	60	60
Total own-source revenue	60	60	60	60	60
Total own-source income	60	60	60	60	60
Net (cost of)/contribution by services	(6,724)	(6,723)	(6,882)	(6,973)	(7,084)
Revenue from Government	6,484	6,677	6,836	6,927	7,037
Surplus/(deficit) attributable to the Australian Government	(240)	(46)	(46)	(46)	(47)
Total comprehensive income/(loss)	(240)	(46)	(46)	(46)	(47)
Total comprehensive income/(loss) attributable to the Australian Government	(240)	(46)	(46)	(46)	(47)

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**

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(240)	(46)	(46)	(46)	(47)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	281	46	46	35	36
plus: depreciation/amortisation expenses for ROU assets (b)	413	417	417	428	429
less: lease principal repayments (b)	454	417	417	417	418
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 (the Departmental 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 leases under AASB 16 Leases.

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

	2022–23 Estimated actual \$'000	2023–24 Budget \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000	2026–27 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	20	20	20	20	20
Trade and other receivables	4,349	4,216	4,216	4,216	4,216
Total financial assets	4,369	4,236	4,236	4,236	4,236
Non-financial assets					
Land and buildings	1,431	2,899	2,471	2,043	1,614
Property, plant and equipment	202	167	132	97	61
Intangibles	25	57	89	122	156
Other non-financial assets	119	119	119	119	119
Total non-financial assets	1,777	3,242	2,811	2,381	1,950
Total assets	6,146	7,478	7,047	6,617	6,186
LIABILITIES					
Payables					
Suppliers	209	209	209	209	209
Other payables	204	204	204	204	204
Total payables	413	413	413	413	413
Interest bearing liabilities					
Leases	(45)	1,301	884	467	49
Total interest bearing liabilities	(45)	1,301	884	467	49
Provisions					
Employee provisions	1,618	1,618	1,618	1,618	1,618
Other provisions	231	231	231	231	231
Total provisions	1,849	1,849	1,849	1,849	1,849
Total liabilities	2,217	3,563	3,146	2,729	2,311
Net assets	3,929	3,915	3,901	3,888	3,875
EQUITY*					
Parent entity interest					
Contributed equity	1,417	1,449	1,481	1,514	1,548
Reserves	411	411	411	411	411
Retained surplus (accumulated deficit)	2,101	2,055	2,009	1,963	1,916
Total parent entity interest	3,929	3,915	3,901	3,888	3,875
Total equity	3,929	3,915	3,901	3,888	3,875

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 2023–24)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2023				
Balance carried forward from previous period	2,101	411	1,417	3,929
Adjusted opening balance	2,101	411	1,417	3,929
Comprehensive income				
Surplus/(deficit) for the period	(46)	-	-	(46)
Total comprehensive income	(46)	-	-	(46)
Contributions by owners				
Departmental Capital Budget (DCB)	-	-	32	32
Sub-total transactions with owners	-	-	32	32
Estimated closing balance as at 30 June 2024	-	-	32	32
Closing balance attributable to the Australian Government	2,055	411	1,449	3,915

Prepared on Australian Accounting Standards basis.

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

	2022–23 Estimated actual \$'000	2023–24 Budget \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000	2026–27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	7,937	6,810	6,836	6,927	7,037
Total cash received	7,937	6,810	6,836	6,927	7,037
Cash used					
Employees	4,617	4,628	4,650	4,606	4,624
Suppliers	1,413	1,632	1,769	1,904	1,995
Total cash used	6,030	6,260	6,419	6,510	6,619
Net cash from/(used by) operating activities	1,907	550	417	417	418
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	1,485	165	32	33	34
Total cash used	1,485	165	32	33	34
Net cash from/(used by) investing activities	(1,485)	(165)	(32)	(33)	(34)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	32	32	32	33	34
Total cash received	32	32	32	33	34
Cash used					
Principal payments on lease liability	454	417	417	417	418
Total cash used	454	417	417	417	418
Net cash from/(used by) financing activities	(422)	(385)	(385)	(384)	(384)
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	20	20	20	20	20
Cash and cash equivalents at the end of the reporting period	20	20	20	20	20

Prepared on Australian Accounting Standards basis.

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

	2022–23 Estimated actual \$'000	2023–24 Budget \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000	2026–27 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	32	32	32	33	34
Total new capital appropriations	32	32	32	33	34
<i>Provided for:</i>					
Purchase of non-financial assets	32	32	32	33	34
Total items	32	32	32	33	34
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	1,453	133	-	-	-
Funded by capital appropriation - DCB (b)	32	32	32	33	34
TOTAL	1,485	165	32	33	34
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	1,485	165	32	33	34
Total cash used to acquire assets	1,485	165	32	33	34

Prepared on Australian Accounting Standards basis.

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

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

Table 3.6: Statement of departmental asset movements (Budget year 2023–24)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2023				
Gross book value	1,923	314	511	2,748
Gross book value - ROU assets	1,767	-	-	1,767
Accumulated depreciation/ amortisation and impairment	(491)	(112)	(486)	(1,089)
Accumulated depreciation/amortisation and impairment - ROU assets	(1,768)	-	-	(1,768)
Opening net book balance	1,431	202	25	1,658
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	133	-	32	165
By purchase - appropriation equity - ROU assets	1,763	-	-	1,763
Total additions	1,896	-	32	1,928
Other movements				
Depreciation/amortisation expense	(11)	(35)	-	(46)
Depreciation/amortisation on ROU assets	(417)	-	-	(417)
Total other movements	(428)	(35)	-	(463)
As at 30 June 2024				
Gross book value	2,056	314	543	2,913
Gross book value - ROU assets	3,530	-	-	3,530
Accumulated depreciation/ amortisation and impairment	(502)	(147)	(486)	(1,135)
Accumulated depreciation/amortisation and impairment - ROU assets	(2,185)	-	-	(2,185)
Closing net book balance	2,899	167	57	3,123

Prepared on Australian Accounting Standards basis.

a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2023–24.

National Housing Finance and Investment Corporation

Entity resources and planned performance

National Housing Finance and Investment Corporation

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National Housing Finance and Investment Corporation

Section 1: Entity overview and resources

1.1 Strategic direction statement

The National Housing Finance and Investment Corporation (NHFIC) was established for the purpose of improving housing outcomes for Australians by:

- strengthening efforts to increase the supply of housing
- encouraging investment in housing, particularly in the social or affordable housing sector
- providing finance, grants or investments that complement, leverage or support Commonwealth, state or territory activities relating to housing
- contributing to the development of the scale, efficiency and effectiveness of the community housing sector in Australia
- assisting earlier access to the housing market by eligible home buyers and by single parents or legal guardians with dependents.

NHFIC is a corporate Commonwealth entity operating under the provisions of the *National Housing Finance and Investment Corporation Act 2018* (NHFIC Act), the National Housing Finance and Investment Corporation Investment Mandate Direction 2018 (Investment Mandate) and the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

NHFIC's main functions include operating the Affordable Housing Bond Aggregator (AHBA) which is self-funding and is classified as a Public Financial Corporation (PFC), the National Housing Infrastructure Facility (NHIF) and the Home Guarantee Scheme (HGS) which are both part of the General Government Sector (GGS).

The Government in the 2022 October Federal Budget announced the expanded role of NHFIC and the proposal for it to transition to Housing Australia. The expanded remit requires Housing Australia to deliver the Australian Government's social and affordable housing programs. The legislation, which is currently before the Parliament, includes new functions for the administration of the revenue allocated to Housing Australia under the proposed Housing Australia Future Fund and the administration of the Help to Buy scheme.

NHFIC will continue to undertake preparatory work to assist the Government with the design of a program to disburse Housing Australia Future Fund revenue to support the delivery of 30,000 new social and affordable dwellings over 5 years. This work will ensure the entity is well placed to deliver on the commitments whilst acknowledging the program is subject to the passage of legislation.

The entity intends to publish a Portfolio Budget Statement from 2023–24 given its material entity status and responsibility for primary delivery of the Government’s Housing Australia Future Fund including the proposed increase in the entity’s resourcing through the General Government Sector (GGS).

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 the *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: National Housing Finance and Investment Corporation resource statement – Budget estimates for 2023–24 as at Budget May 2023

	2022-23 <i>Estimated actual</i> \$'000	2023-24 Estimate \$'000
Opening balance/cash reserves at 1 July	18,631	56,205
Funds from Government		
Amounts received from related entities		
Amounts from portfolio department (a)	43,899	39,690
Total amounts received from related entities	43,899	39,690
Total funds from Government	43,899	39,690
Funds from other sources		
Interest	25,873	34,670
Other	202	1,202
Total funds from other sources	26,075	35,872
Total resourcing for the National Housing Finance and Investment Corporation	88,605	131,767

	2022-23	2023-24
Average staffing level (number)	26	133

a) Funding provided by the portfolio department that is not specified within the Annual Appropriation Bills as a payment to the CCE (for example, a grant awarded to a CCE from one of its portfolio department's administered programs). 2022–23 Estimated actual includes \$35 million of funding provided for making National Housing Infrastructure Facility (NHIF) grants.

1.3 Budget measures

The National Housing Finance and Investment Corporation will work with the Treasury to implement the measure Increasing the Supply of Social and Affordable Housing and Making it Easier to Buy a Home.

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.

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

Note:

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

The most recent Corporate Plan for NHFIC can be found at:
(<https://www.nhfc.gov.au/reports-and-publications>).

The most recent annual performance statement can be found at:
(<https://www.nhfc.gov.au/reports-and-publications>).

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Improved housing outcomes for Australians, including through financial and other assistance to improve the efficiency and scale of the community housing sector and increase the supply of social and affordable housing, as well as support for eligible home buyers to access the housing market sooner.

Budgeted expenses for Outcome 1

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome.

Table 2.1.1: Budgeted expenses for Outcome 1

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Program 1.1: National Housing Finance and Investment Corporation					
Revenue from Government					
Payment from Treasury	19,604	39,690	37,362	37,210	37,648
Expenses not requiring appropriation in the budget year (a)	6,129	32,484	49,667	40,327	22,485
Revenues from other independent sources	-	19,720	28,265	24,821	36,560
Total expenses for Program 1.1	25,733	91,894	115,294	102,358	96,693
Total expenses for Outcome 1	25,733	91,894	115,294	102,358	96,693

	2022-23	2023-24
Average staffing level (number)	26	133

Expenses not requiring appropriation in the Budget year are made up of NHIF grants funded from payments received from Treasury in prior years.

Table 2.1.2: Performance measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current Corporate Plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of the 2023–24 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – Improved housing outcomes for Australians, including through financial and other assistance to improve the efficiency and scale of the community housing sector and increase the supply of social and affordable housing, as well as support for eligible home buyers to access the housing market sooner.		
Program 1.1- National Housing Investment Finance Corporation (NHIFC)		
Key Activities (a)	<ul style="list-style-type: none"> • Operation of National Housing Infrastructure Facility (NHIF) (a) <ul style="list-style-type: none"> – Proactively engage with stakeholders to identify and prioritise infrastructure or social or affordable housing projects – Expand NHIF portfolio through eligible borrowers and active pipeline engagement and management – Manage NHIF loans to be consistent with the requirements of the Investment Mandate. • Operation of Home Guarantee Scheme (HGS) (a) <ul style="list-style-type: none"> – Facilitate the release of guarantees to participating lenders each financial year from 1 July and any rolled over guarantees from the previous financial year as directed by the Minister. – Work collaboratively with participating lenders to encourage the embedding of Scheme requirements into operational processes and customer interactions. – Continue to develop data infrastructure and capability for enhanced portfolio management and reporting. – Appoint one or two additional major bank/s to the panel of participating lenders in 2022–23 consistent with the Board approved strategy. • Operation of the Housing Australia Future Fund (b) • Operation of Help to Buy 	
Year	Performance measures	Expected performance results
Current Year 2022-23	New NHIF facilities (loans, grants and equity investments) approved by NHIFC Board. Number of NHIF applications received. Turnaround time from receipt of NHIF application to NHIFC Board approval. Facilitate the release of guarantees to participating lenders: <ul style="list-style-type: none"> • First Home Guarantee • Family Home Guarantee • Regional First Home Buyer Guarantee 	Target: \$100m – \$300m Target: 7 Target: 60 days Target: 35,000 Target: 5,000 Target: 10,000

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected performance results
Current Year 2022-23 (continued)	Receipt of lender audit reviews and lender 6-monthly reporting of material policy changes.	Target: 100 per cent
	Research delivered according to Board approved pipeline including scope and timeframe.	Target: 100
	Satisfaction with research output.	Target: Stakeholders satisfied
Year	Performance measures	Planned performance results
Budget Year 2023-24	New NHIF facilities (loans, grants and equity investments) approved by NHFIC Board	Target: \$100m – \$300m
	Number of NHIF applications received	Target: 10
	Turnaround time from receipt of NHIF application to NHFIC Board approval	Target: 60 days
	Facilitate the release of guarantees to participating lenders:	
	• First Home Buyers Guarantee (FHBG)	Target: 35,000
	• First Home Guarantee (FHG)	Target: 5,000
• Regional First Home Buyers Guarantee (RFHBG)	Target: 10,000	
	Receipt of lender audit reviews and lender 6-monthly reporting of material policy changes	Target: 100 per cent
Forward Estimates 2024-27	<i>As per 2023-24</i>	<i>As per 2023-24 except for FHG and RFHBG which ceases in 2024-25</i>

- a) Key activities are consistent with NHFIC’s 2022–23 Corporate Plan.
- b) New performance measures that reflect new programs are shown in italics. Establishment of new key activities is contingent on passage of legislation. The performance criteria for the new key activities will be developed and reported in the 2023–24 Corporate Plan. NHFIC’s PFC function the Affordable Housing Bond Aggregator (AHBA) contributes to the entity achieving Outcome 1 has not been included in the performance measures as it is a self-funded program through external revenue.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2023–24 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

There are no material differences between entity resourcing and financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

NHFIC is budgeting an operating loss in 2023–24 of \$11.7 million. The operating loss does not impact the entity's financial sustainability and is a result of timing differences between receipt of NHIF grant funding from prior year budgets and NHIF grants being made in 2023–24 of \$32.5 million.

NHFIC has received funding from Government for \$175 million in NHIF funding for grants from 2018–19 to 2022–23 which have not been fully disbursed.

Total operating revenue for 2023–24 is estimated at \$80.1 million while expenditure including NHIF grants made is estimated to be \$91.9 million.

NHFIC's balance sheet (Table 3.2) net assets as of 30 June 2024 is expected to be \$997.7 million. NHFIC's assets are mainly financial assets consisting of concessional loan receivables, investments and cash.

The financial statements have been prepared on Australian Accounting Standards basis.

3.2 Budgeted financial statements tables

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EXPENSES					
Employee benefits	6,210	21,723	25,137	26,083	26,484
Suppliers	12,017	21,306	15,918	15,006	15,302
Grants	6,129	32,484	49,667	40,327	22,485
Depreciation and amortisation	352	178	-	-	-
Finance costs	704	11,374	20,614	12,347	16,309
Write-down and impairment of assets	119	866	366	274	(168)
Other expenses	202	3,963	3,592	8,321	16,281
Total expenses	25,733	91,894	115,294	102,358	96,693
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	26,435	34,670	37,303	40,747	43,513
Other	551	5,792	10,646	13,604	20,856
Total own-source revenue	26,986	40,462	47,949	54,351	64,369
Total own-source income	26,986	40,462	47,949	54,351	64,369
Net (cost of)/contribution by services	1,253	(51,432)	(67,345)	(48,007)	(32,324)
Revenue from Government	49,090	39,690	37,362	37,210	37,648
Surplus/(deficit) attributable to the Australian Government	50,343	(11,742)	(29,983)	(10,797)	5,324
Total comprehensive income/(loss)	50,343	(11,742)	(29,983)	(10,797)	5,324
Total comprehensive income/(loss) attributable to the Australian Government	50,343	(11,742)	(29,983)	(10,797)	5,324

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	56,205	53,507	53,619	53,730	53,843
Trade and other receivables	78,217	240,119	530,823	696,314	727,843
Other investments	878,542	707,698	386,868	210,437	184,087
Other financial assets	8	8	8	8	8
Total financial assets	1,012,972	1,001,332	971,318	960,489	965,781
Non-financial assets					
Intangibles	178	-	-	-	-
Total non-financial assets	178	-	-	-	-
Total assets	1,013,150	1,001,332	971,318	960,489	965,781
LIABILITIES					
Payables					
Other payables	3,304	3,304	3,304	3,304	3,304
Total payables	3,304	3,304	3,304	3,304	3,304
Provisions					
Employee provisions	315	239	208	176	144
Other provisions	125	125	125	125	125
Total provisions	440	364	333	301	269
Total liabilities	3,744	3,668	3,637	3,605	3,573
Net assets	1,009,406	997,664	967,681	956,884	962,208
EQUITY*					
Parent entity interest					
Contributed equity	825,000	825,000	825,000	825,000	825,000
Reserves	-	-	-	-	-
Retained surplus (accumulated deficit)	184,406	172,664	142,681	131,884	137,208
Total parent entity interest	1,009,406	997,664	967,681	956,884	962,208
Total equity	1,009,406	997,664	967,681	956,884	962,208

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 2023–24)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/capital \$'000	Total equity \$'000
Opening balance as at 1 July 2023				
Balance carried forward from previous period	184,406	-	825,000	1,009,406
Adjusted opening balance	184,406	-	825,000	1,009,406
Comprehensive income				
Surplus/(deficit) for the period	(11,742)	-	-	(11,742)
Total comprehensive income	(11,742)	-	-	(11,742)
Sub-total transactions with owners	172,664	-	825,000	997,664
Estimated closing balance as at 30 June 2024	172,664	-	825,000	997,664
Closing balance attributable to the Australian Government	172,664	-	825,000	997,664

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Receipts from Government	49,090	39,690	37,362	37,210	37,648
Interest	26,997	34,670	37,303	40,747	43,513
Net GST received	(4)	(5)	(3)	(6)	(5)
Other	202	1,202	3,587	8,325	16,285
Total cash received	76,285	75,557	78,249	86,276	97,441
Cash used					
Employees	6,209	21,799	25,168	26,115	26,516
Suppliers	12,017	21,306	15,918	15,006	15,302
Other	6,331	36,447	53,259	48,648	38,766
Total cash used	24,557	79,552	94,345	89,769	80,584
Net cash from/(used by) operating activities	51,728	(3,995)	(16,096)	(3,493)	16,857
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of financial instruments	1,559,700	1,724,700	1,553,856	1,233,026	1,056,595
Other	-	21,135	422,526	80,253	254,892
Total cash received	1,559,700	1,745,835	1,976,382	1,313,279	1,311,487
Cash used					
Purchase of financial instruments	1,724,700	1,553,856	1,233,026	1,056,595	1,030,246
Other	14,154	190,682	727,148	253,080	297,985
Total cash used	1,738,854	1,744,538	1,960,174	1,309,675	1,328,231
Net cash from/(used by) investing activities	(179,154)	1,297	16,208	3,604	(16,744)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	165,000	-	-	-	-
Total cash received	165,000	-	-	-	-
Net cash from/(used by) financing activities	165,000	-	-	-	-
Net increase/(decrease) in cash held	37,574	(2,698)	112	111	113
Cash and cash equivalents at the beginning of the reporting period	18,631	56,205	53,507	53,619	53,730
Cash and cash equivalents at the end of the reporting period	56,205	53,507	53,619	53,730	53,843

Prepared on Australian Accounting Standards basis.

Table 3.5: Statement of departmental asset movements (Budget year 2023–24)

	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2023		
Gross book value	1,409	1,409
Accumulated depreciation/amortisation and impairment	(1,231)	(1,231)
Opening net book balance	178	178
Other movements		
Depreciation/amortisation expense	(178)	(178)
Total other movements	(178)	(178)
As at 30 June 2024		
Gross book value	1,409	1,409
Accumulated depreciation / amortisation and impairment	(1,409)	(1,409)
Closing net book balance	-	-

Prepared on Australian Accounting Standards basis.

National Competition Council

Entity resources and planned performance

National Competition Council

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National Competition Council

Section 1: Entity overview and resources

1.1 Strategic direction statement

The National Competition Council (NCC) makes recommendations under the National Access Regime in Part IIIA of the *Competition and Consumer Act 2010*.

The National Access Regime promotes competition, efficiency and productivity in markets that depend on the use of services provided by monopoly infrastructure facilities. Within this regime the NCC may recommend the declaration of a service provided by a monopoly facility but only if all of the 'declaration criteria' specified in the *Competition and Consumer Act 2010* are met. Where a service is declared, the Australian Competition and Consumer Commission (ACCC) is empowered to arbitrate access disputes if the parties seeking access and the facility owner are unable to agree on access arrangements including prices.

As an alternative to the National Access Regime, state and territory governments may implement access regimes specific to their circumstances or implement (cooperatively) parallel regulation in each jurisdiction (as has occurred for the gas and electricity industries). The NCC is responsible for recommending whether a state or territory access regime should be certified as effective, with the result that services covered by that access regime are exempt from declaration under the *Competition and Consumer Act 2010*.

On 1 July 2014, the NCC entered into a Memorandum of Understanding with the ACCC under which staff and other support for the NCC's operations are provided by the ACCC. The NCC remains an independent entity, however, under this arrangement, it does not employ staff directly. The NCC maintains responsibility for its recommendations, decisions and other functions under the *Competition and Consumer Act 2010* and ensures that its websites, guidelines, and other information resources remain relevant and available to all stakeholders.

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 the 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: National Competition Council resource statement – Budget estimates for 2023–24 as at Budget May 2023

	<i>2022–23 Estimated actual \$'000</i>	<i>2023–24 Estimate \$'000</i>
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	3,382	2,783
Departmental appropriation (b)(c)	1,683	1,727
Total departmental annual appropriations	5,065	4,510
Total departmental resourcing	5,065	4,510
Total resourcing for National Competition Council	5,065	4,510
	<i>2022-23</i>	<i>2023-24</i>
Average staffing level (number)	1	1
Third party payments from and on behalf of other entities		
	<i>2022-23 Estimated actual \$'000</i>	<i>2023-24 Estimate \$'000</i>
Payments made by the ACCC on behalf of the NCC	1,683	1,727
Payments made to the ACCC for the provision of corporate and professional services	850	850

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

Prepared on a resourcing (for example, appropriations available) basis.

a) Appropriation Bill (No. 1) 2023–24.

b) Excludes \$0.08m subject to administrative quarantine by Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

c) Excludes Departmental Capital Budget (DCB).

1.3 Budget measures

The National Competition Council 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.

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

Note:

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

The most recent Corporate Plan for the National Competition Council can be found at: (http://ncc.gov.au/about/strategic_plan).

The most recent annual performance statement can be found at (<http://ncc.gov.au/publications/C41>).

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Competition in markets that are dependent on access to nationally significant monopoly infrastructure, through recommendations and decisions promoting the efficient operation of, use of and investment in infrastructure.

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: Budgeted expenses for Outcome 1

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Program 1.1: National Competition Council					
Departmental expenses					
Departmental appropriation	1,683	1,727	1,764	1,788	1,824
Expenses not requiring appropriation in the Budget year (a)	34	34	34	34	34
Departmental total	1,717	1,761	1,798	1,822	1,858
Total expenses for program 1.1	1,717	1,761	1,798	1,822	1,858
Total expenses for Outcome 1	1,717	1,761	1,798	1,822	1,858
	2022-23	2023-24			
Average staffing level (number)	1	1			

a) Expenses not requiring appropriation in the Budget year represent audit services received free of charge from the Australian National Audit Office (ANAO).

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: Performance measure for Outcome 1

Table 2.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current Corporate Plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of the 2023–24 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – Competition in markets that are dependent on access to nationally significant monopoly infrastructure, through recommendations and decisions promoting the efficient operation of, use of and investment in infrastructure.		
Program 1.1- National Competition Council		
The NCC’s objective is to provide advice to Governments and make decisions on infrastructure access issues that accord with statutory requirements (including time limits) and good regulatory practice and ensuring that advice meets requirements of decision-making ministers, such that Australia achieves a consistent approach to access regulation that promotes the efficient operation of, use of and investment in infrastructure thereby promoting effective competition.		
Key Activities	The NCC makes recommendations under the National Access Regime in Part IIIA of the <i>Competition and Consumer Act 2010</i> . The National Access Regime provides for access to the services of monopoly infrastructure facilities on appropriate terms, through the declaration of services. The NCC’s role is to make recommendations to relevant ministers in relation to applications for declaration of services and the certification of state or territory access regimes. The National Access Regime seeks to promote the efficient operation of, use of, and investment in significant bottleneck infrastructure, and to promote competition, efficiency and productivity in markets that depend on the use of services provided by significant bottleneck infrastructure facilities.	
Year	Performance measures	Expected performance results
Current year 2022–23	Recommendations on declaration applications are made within statutory time limits (consideration period of 180 days, subject to ‘clock stopping’ provisions) and meet advice requirements of Ministers.	The Council did not consider any declaration applications in 2022–23 and therefore was not required to make any recommendations.
	Recommendations on certification applications are made within statutory time limits (consideration period of 180 days, subject to ‘clock stopping’ provisions) and meet advice requirements of Ministers.	The Council did not consider any certification applications and therefore was not required to make any recommendations.
	Recommendations and decisions under the National Gas Law made within specified time limits and recommendations under the NGL meet the advice requirements of Ministers.	The Council did not consider any matters under the National Gas Law during 2022–23 and was therefore not required to make any recommendations or decisions.
	Accessible information on all access regulation matters for which the NCC is responsible is provided on the NCC website.	The Council website is up to date and contains accessible information on all access regulation matters for which the Council is responsible.

Table 2.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected performance results
Current year 2022–23	Up to date and informative guidelines on all the NCC's areas of responsibility are maintained on the NCC website.	Guides to declaration and certification under the National Access Regime are up to date. Information on the NCC's areas of responsibility are currently being updated to reflect changes to the National Gas Law in March 2023.
	Case law developments, legislative amendments and developments in the NCC's processes or policies are reflected in the NCC's information resources within 30 days.	There were no case law developments, legislative amendments or changes in the Council's processes or policies during the reporting year.
	The NCC's annual report to the Parliament includes a comprehensive report that meets the requirements of s29O of the CCA and is provided within the timeframe required by the PGPA Act 2013 (for example, by the 15th day of the fourth month after the end of the reporting period).	The Council's 2021–22 Annual Report was provided to the Treasurer within the timeframe required by the PGPA Act 2013. The Annual Report met the requirements of s29O of the CCA.
Budget Year 2023–24	Recommendations on declaration applications are made within statutory time limits (consideration period of 180 days, subject to 'clock stopping' provisions) and meet advice requirements of Ministers.	All recommendations are forecast to be made within the statutory time limits.
	Recommendations on certification applications are made within statutory time limits (consideration period of 180 days, subject to 'clock stopping' provisions) and meet advice requirements of Ministers.	All recommendations are forecast to be made within the statutory time limits.
	Accessible information on all access regulation matters for which the NCC is responsible is provided on the NCC website.	The Council website is forecast to be up to date and contain accessible information on all access regulation matters for which the Council is responsible.
	Up to date and informative guidelines on all the NCC's areas of responsibility are maintained on the NCC website.	Guidelines are forecast to be updated within 30 days of relevant decisions or developments in case law.
	Case law developments, legislative amendments and developments in the NCC's processes or policies are reflected in the NCC's information resources within 30 days.	Case law developments, legislative amendments and developments in Council processes or policies are forecast to be reflected in Council information resources within 30 days.
	The NCC's annual report to the Parliament includes a comprehensive report that meets the requirements of s29O of the CCA and is provided within the timeframe required by the PGPA Act 2013 (for example, by the 15th day of the fourth month after the end of the reporting period).	The Council's annual report provides comprehensive information on the National Access Regime, addresses all matters required under section 29O of the CCA and is forecast to be provided within the required timeframe.
Forward Estimates 2024–27	As per 2023–24.	As per 2023–24.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2023–24 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

There are no material differences between agency resourcing and financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The NCC is budgeting for a break–even operating result for 2023–24 and the forward years. The financial statements have been prepared on an Australian Accounting Standards basis.

The NCC's assets are mainly financial assets consisting of appropriation receivables and cash.

Council members do not receive leave entitlements. Councillor remuneration is established through *Remuneration Tribunal (Remuneration and Allowances for Holders of Part time Public Office) Determination 2022 Compilation No.7*, which is set by the Remuneration Tribunal, an independent statutory authority established under *the Remuneration Tribunal Act 1973*.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EXPENSES					
Employee benefits	104	106	108	130	130
Suppliers	1,613	1,655	1,690	1,692	1,728
Total expenses	1,717	1,761	1,798	1,822	1,858
LESS:					
OWN-SOURCE INCOME					
Gains					
Other	34	34	34	34	34
Total gains	34	34	34	34	34
Total own-source income	34	34	34	34	34
Net (cost of)/contribution by services	(1,683)	(1,727)	(1,764)	(1,788)	(1,824)
Revenue from Government	1,683	1,727	1,764	1,788	1,824
Surplus/(deficit) attributable to the Australian Government	-	-	-	-	-
Total comprehensive income/(loss)	-	-	-	-	-
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)

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	50	50	50	50	50
Trade and other receivables	3,382	3,382	3,382	3,382	3,382
Total financial assets	3,432	3,432	3,432	3,432	3,432
Non-financial assets					
Other non-financial assets	213	213	213	213	213
Total non-financial assets	213	213	213	213	213
Total assets	3,645	3,645	3,645	3,645	3,645
LIABILITIES					
Payables					
Suppliers	2	2	2	2	2
Other payables	2	2	2	2	2
Total payables	4	4	4	4	4
Total liabilities	4	4	4	4	4
Net assets	3,641	3,641	3,641	3,641	3,641
EQUITY*					
Parent entity interest					
Contributed equity	81	81	81	81	81
Retained surplus (accumulated deficit)	3,560	3,560	3,560	3,560	3,560
Total parent entity interest	3,641	3,641	3,641	3,641	3,641
Total equity	3,641	3,641	3,641	3,641	3,641

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 2023–24)

	Retained earnings \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2023			
Balance carried forward from previous period	3,560	81	3,641
Adjusted opening balance	3,560	81	3,641
Comprehensive income			
Other comprehensive income	-	-	-
Surplus/(deficit) for the period	-	-	-
Total comprehensive income	-	-	-
Estimated closing balance as at 30 June 2024	3,560	81	3,641
Closing balance attributable to the Australian Government	3,560	81	3,641

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	1,683	1,727	1,764	1,788	1,824
Net GST received	165	162	166	166	169
Total cash received	1,848	1,889	1,930	1,954	1,993
Cash used					
Employees	104	106	108	130	130
Suppliers	1,579	1,621	1,656	1,658	1,694
Net GST paid	165	162	166	166	169
Total cash used	1,848	1,889	1,930	1,954	1,993
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.

**Office of the Auditing and
Assurance Standards Board**

**Entity resources and planned
performance**

Office of the Auditing and Assurance Standards Board

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Office of the Auditing and Assurance Standards Board

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Office of the Auditing and Assurance Standards Boards (AUASB) is an Australian Government entity under the *Australian Securities and Investments Commission Act 2001* (ASIC Act).

The strategic directions of the AUASB are:

- develop and issue Australian Auditing and Assurance Standards that are in the public interest and meet the needs of stakeholders based on International Auditing and Assurance Standards Board (IAASB) equivalents in accordance with AUASB functions and our direction from the Financial Reporting Council (FRC)
- develop and maintain Australian specific Standards and/or Guidance for topics not specifically addressed by IAASB Standards where required
- influence international standards and guidance to achieve public interest outcomes and serve as the most effective base possible for Australian auditing and assurance standards
- in conjunction with the Financial Reporting Council, identify and implement initiatives designed to enhance Audit Quality in Australia
- demonstrate thought leadership through robust evidence-based research to inform strategic projects that address emerging areas of auditing and assurance
- partner with the Australian Accounting Standards Board (AASB) and others to reform the Australian external reporting and assurance frameworks
- monitor the Australian Assurance Environment and build strong stakeholder relationships to inform our AUASB priorities and facilitate consistent implementation of the AUASB's Standards.

The purpose, vision and mission of the AUASB is to contribute to stakeholder confidence and enhance the credibility of external reporting in the Australian economy and capital markets by:

- developing, issuing and maintaining in the public interest, Australian auditing and assurance standards and guidance that aid in reducing the cost of capital and enable Australian entities to compete effectively, domestically and internationally through enhancing audit and assurance consistency and quality
- contributing to the development of a single set of auditing and assurance standards and guidance for worldwide use.

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 the *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: Office of the Auditing and Assurance Standards Board resource statement – Budget estimates for 2023–24 as at Budget May 2023

	2022-23 <i>Estimated actual \$'000</i>	2023-24 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	1,068	909
Departmental appropriation (b)	2,553	2,407
Departmental capital budget (c)	24	25
Total departmental annual appropriations	3,645	3,341
Total departmental resourcing	3,645	3,341
Total resourcing for AUASB	3,645	3,341
	2022-23	2023-24
Average staffing level (number)	8	8

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

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

- a) Appropriation Bill (No. 1) 2023–24.
- b) Excludes Departmental Capital Budget (DCB).
- c) 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’.

1.3 Budget measures

Office of the Auditing and Assurance Standards Board 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 AUASB's outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

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

The most recent Corporate Plan for AUASB can be found at:

https://www.transparency.gov.au/sites/default/files/reports/2022-23_office_of_the_australian_accounting_standards_board_and_office_of_the_auditing_and_assurance_standards_board_corporate_plan_1_0.pdf.

The most recent annual performance statement can be found at:

https://www.auasb.gov.au/media/cvmppdhr/aasb-auasb_annualreport2021-22.pdf.

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: The formulation and making of auditing and assurance standards that are used by auditors of Australian entity financial reports or other auditing and assurance engagements.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Program 1.1: Office of the Auditing and Assurance Standards Board					
Departmental expenses					
Departmental appropriation	2,553	2,407	2,465	2,203	2,271
Expenses not requiring appropriation in the Budget year (a)	134	140	145	138	138
Departmental total	2,687	2,547	2,610	2,341	2,409
Total expenses for program 1.1	2,687	2,547	2,610	2,341	2,409
Total expenses for Outcome 1	2,687	2,547	2,610	2,341	2,409
	2022-23	2023-24			
Average staffing level (number)	8	8			

a) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses, audit fees and services received free of charge.

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

Table 2.1.2: Performance measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current Corporate Plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of the 2023–24 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – The formulation and making of auditing and assurance standards that are used by auditors of Australian entity financial reports or other auditing and assurance engagements.		
Program 1.1 – Office of the Auditing and Assurance Standards Board		
The key strategies to achieve Outcome 1 are:		
<ul style="list-style-type: none"> Developing, issuing and maintaining in the public interest, Australian auditing and assurance standards and guidance that aid in reducing the cost of capital and enable Australian entities to compete effectively domestically and internationally through enhancing audit and assurance consistency and quality. Contributing to the development of a single set of auditing and assurance standards and guidance for world-wide use. 		
Key Activities	Key activities reporting in the current Corporate Plan that relates to the program. <ul style="list-style-type: none"> Develop and issue Australian Auditing and Assurance Standards that are in the public interest and meet the needs of stakeholders based on IAASB equivalents in accordance with AUASB functions and our direction from the Financial Reporting Council. Develop and maintain Australian specific Standards and/or Guidance for topics not specifically addressed by IAASB Standards where required. Influence international standards and guidance to achieve public interest outcomes and serve as the most effective base possible for Australian auditing and assurance standards. In conjunction with the Financial Reporting Council, identify and implement initiatives designed to enhance Audit Quality in Australia. Demonstrate thought leadership through robust evidence-based research to inform strategic projects that address emerging areas of auditing and assurance. Partner with the AASB and others to reform the Australian external reporting and assurance frameworks. Monitor the Australian Assurance Environment and build strong stakeholder relationships to inform our AUASB priorities and facilitate consistent implementation of the AUASB's Standards. 	
Year	Performance measures	Expected performance results
Current Year 2022–23	<ul style="list-style-type: none"> Issue all IAASB-based AUASB standards and guidance in a timely manner with accompanying implementation materials and communications that are tailored for Australian stakeholders. 	<ul style="list-style-type: none"> Issue all Australian IAASB equivalent Standards and Exposure Drafts within 3 months of Public Interest Oversight Board (PIOB) clearance or 1 month of AUASB approval. Release Exposure Drafts/Discussion Papers via the AUASB Website within two weeks of approval by AUASB. AUASB implementation support materials and activities for all new IAASB/AUASB standards in place before effective date.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected performance results
<p>Current Year 2022–23 (Continued)</p>	<ul style="list-style-type: none"> • Seek feedback on relevance, effectiveness and public interest of these standards through stakeholder feedback, outreach programs and post-implementation reviews. • Issue Australian-specific AUASB standards and guidance in a timely manner with accompanying implementation materials and communications that are tailored for Australian stakeholders. • Seek feedback on relevance, effectiveness and public interest of Australian-specific standards and guidance through stakeholder feedback, outreach programs and post-implementation reviews. • Identify gaps in the AUASB Framework where guidance is required and issued Guidance Statements or Bulletins to address these. • Build and maintain strong international relationships with the IAASB and likeminded Global and National Auditing Standard Setters, particularly New Zealand and Canada. 	<ul style="list-style-type: none"> • Communications plan developed and implemented for each new IAASB pronouncement. • Responses to each IAASB Exposure Draft or Discussion Paper developed with appropriate AUASB input and sent to the IAASB by the closing date. • Obtain evidence appropriately evaluating implementation of IAASB equivalent issued AUASB Standards in Australia. • Issue all Australian-specific Pronouncements and Exposure Drafts within one month of AUASB approval. • Complete and publish conforming amendments and compilation standards arising from changes to AUASB standards in accordance with legislative timeframes and in advance of effective dates. • Communications plan developed and implemented for each new AUASB pronouncement. • Conduct post-implementation reviews of Australian specific AUASB Standards, within 2–3 years of their operative date. • Review and update other AUASB Framework Pronouncements, as required. • Collaborate with the IAASB and likeminded National Auditing Standards Setters (“NSS”, particularly New Zealand and Canada) on common global and other projects relevant to the AUASB work program.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected performance results
<p>Current Year 2022–23 (Continued)</p>	<ul style="list-style-type: none"> • Demonstrate the AUASB’s influence on major international auditing and assurance developments by implementing the AUASB’s International Strategy. • Provide input to the international standard setting process through responding to international pronouncements using input from Australian stakeholders. • Maintain harmonisation of auditing and assurance standards in Australia and New Zealand in accordance with relevant agreements and protocols. • With the Financial Reporting Council, devise and complete activities to implement the Financial Reporting Council’s Audit Quality Action Plan and contribute to improved audit quality outcomes in the Australian auditing environment. • Work with ASIC, the AASB, practitioners and other stakeholders to identify and address significant inspection findings associated with accounting and auditing standards. 	<ul style="list-style-type: none"> • Identify and implement initiatives to collaborate on international auditing and assurance focus areas with other key standard-setters. • AUASB Chair and Technical Team member to attend all IAASB meetings and participate in relevant IAASB Task Forces/Working Groups. • IAASB papers reviewed and responded to by AUASB staff ahead of each AUASB and IAASB meeting. • Summary of main IAASB outcomes shared with the AUASB after each IAASB meeting. • Responses to each IAASB Exposure Draft or Discussion Paper developed with appropriate AUASB input and sent to the IAASB by the closing date. • Engagement with Australian Stakeholders on all IAASB Projects. • Attend and contribute to NZAuASB meetings as required. • Identification and prioritisation of joint AUASB/NZAuASB projects, with AUASB and NZAuASB staff to ensure appropriate levels of collaboration in accordance with the AUASB Policy on Harmonisation of Standards. • Contribute to the development of the Financial Reporting Council Audit Quality Plan and deliver all AUASB Audit Quality activities as required. • AUASB staff to develop auditing and assurance related papers for FRC meetings. • Undertake consultation with ASIC and practitioners to identify improvements needed to auditing standards and develop relevant guidance materials addressing common inspection findings in key audit areas. • Monitor and respond to recommendations arising from Parliamentary Inquiries or other external reviews that are relevant to the AUASB.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected performance results
Current Year 2022–23 (Continued)	<ul style="list-style-type: none"> • Develop thought leadership and implement strategic projects to improve auditing and assurance practice in priority areas such as Extended External Reporting (EER), Audit of Less Complex Entities (LCEs) and the use of Technology in the Audit. • Support the development and publishing of relevant and high-quality auditing and assurance evidence-based research in accordance with the AUASB Evidence Informed Standard Setting (EISS) Strategy. • Seek feedback on proposed changes to assurance requirements to ensure they are fit for the intended purpose and support change to the external reporting framework. • Support initiatives that promote consistency and understanding of the nature and extent of assurance required for external reporting requirements in Australia. 	<ul style="list-style-type: none"> • Project plans are developed with key outputs identified for each AUASB strategic priority area including outreach plans with subject matter experts and key stakeholders. • AUASB board members or staff to publish or contribute to articles or publications on selected strategic thought leadership project areas. • Promote research opportunities in strategic priority areas through academic networks and conferences in accordance with the EISS strategy. • Work with AUSAB Research Scholars and other researchers to develop relevant and timely research reports on AUSAB strategic priority areas. • Communicate benefits of EISS Strategy to and encourage broader participation from academic community at conferences and technical forums. • Engage with AASB and relevant stakeholders to determine assurance issues related to changes to the external reporting framework. • Work with the AASB to conduct outreach and develop appropriate guidance materials on any changes to assurance requirements related to changes to the external reporting framework. • Share and collaborate with the AASB on common areas of focus for Reporting and Assurance Frameworks, including relevant research reports and discussion papers. • Issue AUASB publications and guidance that support and promote consistency and understanding of the AUASB's Assurance Framework. • Maintain and update the AUASB Digital Standards Portal.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected performance results
Current Year 2022–23 (Continued)	<ul style="list-style-type: none"> Increase engagement with stakeholders through new and existing AUASB communications activities and events. 	<ul style="list-style-type: none"> Develop various AUASB publications and guidance for stakeholders based on evidence and existing AUASB requirements, including quarterly AUASB Update Newsletters. Promote availability of AUASB guidance through various communication channels, including greater use of online tools to communicate AUASB outputs and activities. Develop and maintain technical content for the AUASB Website. For all AUASB Meetings ensure board papers are available on the AUASB website a week in advance. Highlights are available within two working days after each AUASB meeting, and draft Board Minutes are sent to AUASB members within two weeks of each AUASB meeting.
Year	Performance measures	Planned performance results
Budget Year 2023–24	As per 2022–23	As per 2022–23
Forward Estimates 2024–27	As per 2023–24	As per 2023–24

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2023–24 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

There are no material differences between entity resourcing and financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The AUASB and the Office of the Australian Accounting Standards Board (AASB) have an arrangement where the AASB provides corporate services for both entities. Under the arrangement, AASB charges AUASB a management fee for providing corporate support.

The comprehensive income statement is comprised mainly of employee expenses relating to technical staff and supplier expenses relating to AASB management fee. These items are projected to be steady over the budget and forward years.

The balance sheet is predominantly comprised of receivables and provisions relating to the accounting of unspent appropriation and employees.

Other financial items are immaterial in movements.

3.2 Budgeted financial statements tables

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EXPENSES					
Employee benefits	1,781	1,682	1,729	1,572	1,653
Suppliers	882	840	856	744	731
Depreciation and amortisation (a)	24	25	25	25	25
Total expenses	2,687	2,547	2,610	2,341	2,409
Gains					
Other	110	115	120	113	113
Total gains	110	115	120	113	113
Total own-source income	110	115	120	113	113
Net (cost of)/contribution by services	(2,577)	(2,432)	(2,490)	(2,228)	(2,296)
Revenue from Government	2,553	2,407	2,465	2,203	2,271
Surplus/(deficit) attributable to the Australian Government	(24)	(25)	(25)	(25)	(25)
Total comprehensive income/(loss)	(24)	(25)	(25)	(25)	(25)
Total comprehensive income/(loss) attributable to the Australian Government	(24)	(25)	(25)	(25)	(25)

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**

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Total comprehensive income/(loss) – as per statement of Comprehensive Income	(24)	(25)	(25)	(25)	(25)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	24	25	25	25	25
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 (the Departmental Capital Budget (DCB)) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	51	51	51	51	51
Trade and other receivables	1,068	1,068	1,068	1,068	1,068
Total financial assets	1,119	1,119	1,119	1,119	1,119
Non-financial assets					
Property, plant and equipment	-	-	24	24	24
Intangibles	105	105	81	81	81
Other non-financial assets	43	43	43	43	43
Total non-financial assets	148	148	148	148	148
Total assets	1,267	1,267	1,267	1,267	1,267
LIABILITIES					
Payables					
Suppliers	341	341	341	341	341
Total payables	341	341	341	341	341
Provisions					
Employee provisions	282	282	282	282	282
Total provisions	282	282	282	282	282
Total liabilities	623	623	623	623	623
Net assets	644	644	644	644	644
EQUITY*					
Parent entity interest					
Contributed equity	350	375	400	425	450
Retained surplus (accumulated deficit)	294	269	244	219	194
Total parent entity interest	644	644	644	644	644
Total equity	644	644	644	644	644

Prepared on Australian Accounting Standards basis.

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

**Table 3.3: Departmental statement of changes in equity – summary of movement
(Budget year 2023–24)**

	Retained earnings \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2023			
Balance carried forward from previous period	294	350	644
Adjusted opening balance	294	350	644
Comprehensive income			
Surplus/(deficit) for the period	(25)	-	(25)
Total comprehensive income	(25)	-	(25)
Transactions with owners			
Contributions by owners			
Departmental Capital Budget (DCB)	-	25	25
Sub-total transactions with owners	-	25	25
Estimated closing balance as at 30 June 2024	269	375	644
Closing balance attributable to the Australian Government	269	375	644

Prepared on Australian Accounting Standards basis

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	2,553	2,407	2,465	2,203	2,271
Total cash received	2,553	2,407	2,465	2,203	2,271
Cash used					
Employees	1,781	1,682	1,729	1,572	1,653
Suppliers	772	725	736	631	618
Total cash used	2,553	2,407	2,465	2,203	2,271
Net cash from/(used by) operating activities	-	-	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	24	25	25	25	25
Total cash used	24	25	25	25	25
Net cash from/(used by) investing activities	(24)	(25)	(25)	(25)	(25)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	24	25	25	25	25
Total cash received	24	25	25	25	25
Net cash from/(used by) financing activities	24	25	25	25	25
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	51	51	51	51	51
Cash and cash equivalents at the end of the reporting period	51	51	51	51	51

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget – Bill 1 (DCB)	24	25	25	25	25
Total new capital appropriations	24	25	25	25	25
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	24	25	25	25	25
Total items	24	25	25	25	25
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB (a)	24	25	25	25	25
TOTAL	24	25	25	25	25
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	24	25	25	25	25
Total cash used to acquire assets	24	25	25	25	25

Prepared on Australian Accounting Standards basis.

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

Table 3.6: Statement of departmental asset movements (Budget year 2023–24)

	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2023		
Gross book value	188	188
Accumulated depreciation/ amortisation and impairment	(83)	(83)
Opening net book balance	105	105
Capital asset additions		
Estimated expenditure on new or replacement assets		
By purchase – appropriation equity (a)	25	25
Total additions	25	25
Other movements		
Depreciation/amortisation expense	(25)	(25)
Total other movements	(25)	(25)
As at 30 June 2024		
Gross book value	213	213
Accumulated depreciation/ amortisation and impairment	(108)	(108)
Closing net book balance	105	105

Prepared on Australian Accounting Standards basis.

a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2023–24.

**Office of the Australian
Accounting Standards Board**

**Entity resources and
planned performance**

Office of the Australian Accounting Standards Board

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Office of the Australian Accounting Standards Board

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Office of the Australian Accounting Standards Boards (AASB) is an Australian Government entity under the *Australian Securities and Investments Commission Act 2001* (ASIC Act).

The strategic directions of the AASB are to:

- develop, issue and maintain principles-based Australian accounting and reporting standards and guidance that meet the needs of external report users (including financial reports) and are capable of being assured and enforced. For ‘publicly accountable¹’ entities maintain International Financial Reporting Standards (IFRS) compliance; for others, use IFRS Standards (where they exist), and transaction neutrality (modified as necessary), or develop Australian-specific standards and guidance
- with the Auditing and Assurance Standards Board (AUASB), play a leading role in reshaping the Australian external reporting framework by working with the regulators to develop objective criteria on who prepares external reports (including financial reports) and the nature and extent of assurance required on these external reports
- actively influence International Accounting Standards Board (IASB), International Public Sector Accounting Standards Board (IPSASB) standards and other international accounting and external reporting standards and guidance, by demonstrating thought leadership and enhancing key international relationships
- attain significant levels of key stakeholder engagement, through collaboration, partnerships and outreach
- influence initiatives to develop standards and guidance that meet user needs for external reporting integral to financial reporting
- monitor and respond to, or lead on, emerging issues impacting the development of accounting and external reporting standards, including changing technologies

1 Publicly accountable entities include those: a) with debt or equity instruments traded in a public market b) holding assets in a fiduciary capacity (AASB 1053 Application of Tiers of Australian Accounting Standards).

- develop guidance and education initiatives, or promote development by others, to enhance the consistent application of accounting and external reporting standards and guidance.

The purpose, vision and mission of the AASB is to contribute to stakeholder confidence and enhance the credibility of external reporting in the Australian economy and capital markets by:

- developing, issuing and maintaining principles-based Australian accounting and external reporting standards and guidance that meet user needs and enhance external reporting consistency and quality
- contributing to the development of a single set of accounting and external reporting standards for worldwide use.

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 the 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: Office of the Australian Accounting Standards Board resource statement – Budget estimates for 2023–24 as at Budget May 2023

	2022-23 <i>Estimated actual</i> \$'000	2023-24 Estimate \$'000
Departmental		
Annual appropriations – ordinary annual services (a)		
Prior year appropriations available (b)	2,313	2,075
Departmental appropriation (c)	4,512	3,631
s74 External Revenue (d)	1,153	1,050
Departmental capital budget (e)	51	53
Total departmental annual appropriations	8,029	6,809
Total departmental resourcing	8,029	6,809
Total resourcing for AASB	8,029	6,809
	2022-23	2023-24
Average staffing level (number)	25	22

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

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

- a) Appropriation Bill (No. 1) 2023–24.
- b) Estimated adjusted balance carried forward from previous year.
- c) Excludes Departmental Capital Budget (DCB).
- d) Estimated External Revenue receipts under section 74 of the PGPA Act.
- e) Departmental Capital Budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

1.3 Budget measures

Office of the Australian Accounting Standards Board 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 AASB outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

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

The most recent Corporate Plan for AASB can be found at:

https://www.transparency.gov.au/sites/default/files/reports/2022-23_office_of_the_australian_accounting_standards_board_and_office_of_the_auditing_and_assurance_standards_board_corporate_plan_1_0.pdf.

The most recent annual performance statement can be found at:

https://www.auasb.gov.au/media/cvmpdhr/aasb-auasb_annualreport2021-22.pdf.

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Developing, issuing and maintaining accounting standards, and developing sustainability standards, and related reporting requirements that apply to Australian entities subject to a statutory or other obligation to prepare financial reports and other external reports that are integral to understanding the entities' financial and sustainability-related information.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Program 1.1: Office of the Australian Accounting Standards Board					
Departmental expenses					
Departmental appropriation	4,351	3,470	3,559	3,610	3,707
s74 External Revenue (a)	1,153	1,050	1,050	1,050	1,100
Expenses not requiring appropriation in the Budget year (b)	335	337	339	329	366
Departmental total	5,839	4,857	4,948	4,989	5,173
Total expenses for program 1.1	5,839	4,857	4,948	4,989	5,173
Total expenses for Outcome 1	5,839	4,857	4,948	4,989	5,173

	2022-23	2023-24
Average staffing level (number)	25	22

- 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, make good expenses and resources received free of charge.

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

Table 2.1.2: Performance measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current Corporate Plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of the 2023–24 Budget measures that have created new programs or materially changed existing programs are provided.

<p>Outcome 1 – Developing, issuing and maintaining accounting standards, and developing sustainability standards, and related reporting requirements that apply to Australian entities subject to a statutory or other obligation to prepare financial reports and other external reports that are integral to understanding the entities’ financial and sustainability-related information.</p>	
<p>Program 1.1 – Office of the Australian Accounting Standards Board</p> <p>The key strategies to achieve Outcome 1 are:</p> <ul style="list-style-type: none"> • Developing, issuing and maintaining principles-based Australian accounting and external reporting standards and guidance that meet user needs and enhance external reporting consistency and quality. • Contributing to the development of a single set of accounting and external reporting standards for world-wide use. 	
<p>Key Activities</p>	<p>Key activities reported in the current Corporate Plan that relates to the program.</p> <ul style="list-style-type: none"> • Develop, issue and maintain principles-based, Australian accounting and reporting standards and guidance that meet the needs of external report users (including financial reports) and are capable of being assured and enforced. For ‘publicly accountable’ entities maintain International Financial Reporting Standards (IFRS) compliance; for others, use IFRS Standards (where they exist), and transaction neutrality (modified as necessary), or develop Australian-specific standards and guidance. • With the Auditing and Assurance Standards Board (AUASB), play a leading role in reshaping the Australian external reporting framework by working with the regulators to develop objective criteria on: <ul style="list-style-type: none"> – who prepares external reports (including financial reports) – the nature and extent of assurance required on these external reports. • Actively influence International Accounting Standards Board (IASB) International Public Sector Accounting Standards Board (IPSASB) standards and other international accounting and external reporting standards and guidance, by demonstrating thought leadership and enhancing key international relationships. • Attain significant levels of key stakeholder engagement, through collaboration, partnerships and outreach. • Influence initiatives to develop standards and guidance that meet user needs for external reporting integral to financial reporting. • Monitor and respond to, or lead on, emerging issues impacting the development of accounting and external reporting standards, including changing technologies. • Develop guidance and education initiatives, or promote development by others, to enhance the consistent application of accounting and external reporting standards and guidance.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected performance results
<p>Current Year 2022–23</p>	<ul style="list-style-type: none"> • Develop appropriate reporting frameworks for each of the 3 sectors – for-profit (e.g. listed and large proprietary companies), not-for-profit (e.g. charities) and public sector. • Agree on 3-year program of work and deliver: <ul style="list-style-type: none"> – Maintain IFRS and New Zealand compliance for for-profit Private sector ‘publicly accountable’ entities. – Tailor IFRS appropriately for other sectors, including developing Australian specific guidance. – Develop guidance on external reporting integral to financial reporting. – Develop guidance on emerging issues related to financial reporting. • Enhance profile domestically and internationally. • Maintain and enhance key international relationships with IASB, IPSASB, NZASB, AOSSG, ISSB, International Financial Reportings for NPOs. • Due process followed to ensure that quality of standard-setting: <ul style="list-style-type: none"> – Evidence-informed approach to standard setting activities supports need for regulation and proposed solution. – Appropriate consultation in accordance with the due process framework. – Preparation of regulatory impact statement assessing costs and benefits. • Post-implementation reviews conducted (PIR) for all significant projects to assess quality of standard-setting. 	<ul style="list-style-type: none"> • Develop appropriate frameworks for not-for-profit, private and public sector. • Annual program of standards issued, delivered to plan agreed with the Board. • IASB equivalent Standards issued within 2 months of the release of the IFRS for for-profit entities. • IFRS and NZ compliance maintained for the for-profit private sector ‘publicly accountable’ entities. • Feedback from NFP sector positive regarding the appropriateness of the IFRS tailoring. • Be viewed as experts as measured by stakeholder, IASB and IPSASB feedback. • Two thought leadership pieces completed per annum and presented internationally. • Due process followed for all significant projects. • Positive feedback from the FRC and the stakeholders. • No significant changes needed. • PIR feedback is acted upon. • No evidence not contributing to the confidence in the economy. • Feedback from ASIC, APRA, ACNC surveillance reviews does not indicate loss of confidence due to accounting standard issues. • No significant decline in relevance of financial statements in the capital market.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected performance results
<p>Current year 2022–23 (continued)</p>	<ul style="list-style-type: none"> • Improve consistency of implementation: <ul style="list-style-type: none"> – Educate stakeholders on the AASB standards, support materials available, including why standards introduced. – Support and encourage high quality teaching of the Australian financial reporting framework and standards at Australian educational institutions. • Enhance stakeholder engagement. • Conduct Agenda consultations to determine projects and priorities. • Develop and implement People and Culture strategy. • New starter processes improved to support flexible subject matter expert involvement. • Understand current capability (talent mapping). • Resource planning to develop skills and allocate them appropriately. 	<ul style="list-style-type: none"> • Education initiatives, such as webinars, providing appropriate educational materials to key stakeholders for all significant projects. • FAQs, illustrative examples, staff publications developed on significant interpretive issues. • Feedback from ASIC, APRA, ACNC surveillance reviews indicates no significant interpretive issues impacting the consistency of implementation. • Positive stakeholder feedback on education initiatives. • Maintain relationships with key stakeholders and planned program of engagement executed as planned. • Positive stakeholder feedback on the consultation process. • Increase in engagement results (newsletter, website, LinkedIn, Twitter, webinar, outreach numbers). • Agenda consultation conducted at least every 5 years. • Employee survey, employee engagement. • Building towards high-performance team as measured by Board and stakeholder feedback on delivery of program and all other measures of success. • New team members embedded successfully within 6 months of starting as measured by internal and external stakeholders' feedback (as appropriate). • Continuous review of external talent pool to timely identify when/where to buy or borrow capability. • KPIs for all employees. • Leveraging diversity of skills and people as measured by employee and Board feedback and delivering an agreed program of work.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Expected performance results
Current year 2022–23 (continued)	<ul style="list-style-type: none"> • Develop and implement an IT strategy that enables flexible, seamless working via cloud. • Continuous digital communications improvements to enhance stakeholder experience and engagement. • Refresh strategy supporting operational excellence and regulatory compliance. • Knowledge and information sharing support flexible subject matter expert involvement. • Continuous improvement of operational processes to achieve planned outcomes. • Develop, implement and improve program and project management. • Identify and establish frameworks and processes to allocate resources appropriately, establish and monitor accountabilities. • Allocate resources efficiently and effectively. 	<ul style="list-style-type: none"> • Retain core group of technical experts and leaders. • Fair allocation of workload measured by employee and Board feedback. • Independent of on premises hardware by 30 June 2023. • IT supports flexible work including remote locations. • Plan to be monitored for additional improvement over coming financial years. • Development of new standards portal to improve user access by 30 June 2023. • Regularly revisit current strategy to determine impact of implementation. • Comply with regulatory obligations. • Key knowledge imparted across teams within 6 months of joining. • Review of operational processes on an ongoing basis. • Continuous review and improvement of program and project management. • Review processes and frameworks so team members are clear and deliver on expectations. • Further enhancements implemented based on regular program and project management meetings. • Deliver agreed program of work as planned.
Year	Performance measures	Planned performance results
Budget Year 2023–24	As per 2022–23	As per 2022–23
Forward Estimates 2024–27	As per 2023–24	As per 2023–24

¹ Publicly accountable entities include those: a) with debt or equity instruments traded in a public market b) holding assets in a fiduciary capacity (AASB 1053 Application of Tiers of Australian Accounting Standards).

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2023–24 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

There are no material differences between entity resourcing and financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The AASB and the Office of the Auditing and Assurance Standards Board (AUASB) have an arrangement where the AASB provides corporate services for both entities. Under the arrangement, AASB charges AUASB a management fee for providing corporate support.

The comprehensive income statement is comprised mainly of employee expenses relating to technical staff and supplier expenses relating to AASB management fee. These items are projected to be steady over the budget and forward years.

The balance sheet is predominantly comprised of receivables and provisions relating to the accounting of unspent appropriation and employees.

Other financial items are immaterial in movements.

3.2 Budgeted financial statements tables

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EXPENSES					
Employee benefits	3,806	3,547	3,642	3,671	3,894
Suppliers	1,803	1,082	1,083	1,097	1,059
Depreciation and amortisation (a)	212	214	214	216	217
Finance costs	18	14	9	5	3
Total expenses	5,839	4,857	4,948	4,989	5,173
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	653	550	550	550	550
Other	500	500	500	500	550
Total own-source revenue	1,153	1,050	1,050	1,050	1,100
Gains					
Other	123	123	125	113	149
Total gains	123	123	125	113	149
Total own-source income	1,276	1,173	1,175	1,163	1,249
Net (cost of)/contribution by services	(4,563)	(3,684)	(3,773)	(3,826)	(3,924)
Revenue from Government	4,512	3,631	3,720	3,771	3,868
Surplus/(deficit) attributable to the Australian Government	(51)	(53)	(53)	(55)	(56)
Total comprehensive income/(loss)	(51)	(53)	(53)	(55)	(56)
Total comprehensive income/(loss) attributable to the Australian Government	(51)	(53)	(53)	(55)	(56)

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(51)	(53)	(53)	(55)	(56)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	51	53	53	55	56
plus: depreciation/amortisation expenses for ROU assets (b)	161	161	161	161	161
less: lease principal repayments (b)	253	266	281	296	201
Net Cash Operating Surplus/ (Deficit)	(92)	(105)	(120)	(135)	(40)

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 (the Departmental 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 leases under AASB 16 Leases.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	67	67	67	67	67
Trade and other receivables	2,677	2,677	2,677	2,677	2,677
Total financial assets	2,744	2,744	2,744	2,744	2,744
Non-financial assets					
Land and buildings	1,126	965	804	643	482
Property, plant and equipment	130	146	166	186	150
Intangibles	99	83	63	43	79
Other non-financial assets	68	68	78	78	34
Total non-financial assets	1,423	1,262	1,111	950	745
Total assets	4,167	4,006	3,855	3,694	3,489
LIABILITIES					
Payables					
Suppliers	154	154	154	154	154
Other payables	91	196	326	461	457
Total payables	245	350	480	615	611
Interest bearing liabilities					
Leases	1,044	778	497	201	-
Total interest bearing liabilities	1,044	778	497	201	-
Provisions					
Employee provisions	480	480	480	480	480
Total provisions	480	480	480	480	480
Total liabilities	1,769	1,608	1,457	1,296	1,091
Net assets	2,398	2,398	2,398	2,398	2,398
EQUITY*					
Parent entity interest					
Contributed equity	804	857	910	965	1,021
Retained surplus (accumulated deficit)	1,594	1,541	1,488	1,433	1,377
Total parent entity interest	2,398	2,398	2,398	2,398	2,398
Total equity	2,398	2,398	2,398	2,398	2,398

Prepared on Australian Accounting Standards basis.

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

**Table 3.3: Departmental statement of changes in equity – summary of movement
(Budget year 2023–24)**

	Retained earnings	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000
Opening balance as at 1 July 2023			
Balance carried forward from previous period	1,594	804	2,398
Adjusted opening balance	1,594	804	2,398
Comprehensive income			
Surplus/(deficit) for the period	(53)	-	(53)
Total comprehensive income	(53)	-	(53)
Transactions with owners			
Contributions by owners			
Departmental Capital Budget (DCB)	-	53	53
Sub-total transactions with owners	-	53	53
Estimated closing balance as at 30 June 2024	1,541	857	2,398
Closing balance attributable to the Australian Government	1,541	857	2,398

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	4,512	3,631	3,720	3,771	3,868
Sale of goods and rendering of services	653	550	550	550	550
Other	500	500	500	500	550
Total cash received	5,665	4,681	4,770	4,821	4,968
Cash used					
Employees	3,806	3,547	3,642	3,671	3,894
Suppliers	1,588	959	968	984	866
Interest payments on lease liability	18	14	9	5	3
Other	-	(105)	(130)	(135)	4
Total cash used	5,412	4,415	4,489	4,525	4,767
Net cash from/(used by) operating activities	253	266	281	296	201
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	51	53	53	55	56
Total cash used	51	53	53	55	56
Net cash from/(used by) investing activities	(51)	(53)	(53)	(55)	(56)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	51	53	53	55	56
Total cash received	51	53	53	55	56
Cash used					
Principal payments on lease liability	253	266	281	296	201
Total cash used	253	266	281	296	201
Net cash from/(used by) financing activities	(202)	(213)	(228)	(241)	(145)
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	67	67	67	67	67
Cash and cash equivalents at the end of the reporting period	67	67	67	67	67

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	51	53	53	55	56
Total new capital appropriations	51	53	53	55	56
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	51	53	53	55	56
Total items	51	53	53	55	56
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB (a)	51	53	53	55	56
Funded Internally from departmental resources	68	-	-	-	-
TOTAL	119	53	53	55	56
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	51	53	53	55	56
Total cash used to acquire assets	51	53	53	55	56

Prepared on Australian Accounting Standards basis.

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

Table 3.6: Statement of departmental asset movements (Budget year 2023–24)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2023				
Gross book value	-	307	129	436
Gross book value - ROU assets	1,414	-	-	1,414
Accumulated depreciation/ amortisation and impairment	-	(177)	(30)	(207)
Accumulated depreciation/amortisation and impairment - ROU assets	(288)	-	-	(288)
Opening net book balance	1,126	130	99	1,355
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	-	48	5	53
Total additions	-	48	5	53
Other movements				
Depreciation/amortisation expense	-	(32)	(21)	(53)
Depreciation/amortisation on ROU assets	(161)	-	-	(161)
Total other movements	(161)	(32)	(21)	(214)
As at 30 June 2024				
Gross book value	-	355	134	489
Gross book value - ROU assets	1,414	-	-	1,414
Accumulated depreciation/ amortisation and impairment	-	(209)	(51)	(260)
Accumulated depreciation/amortisation and impairment - ROU assets	(449)	-	-	(449)
Closing net book balance	965	146	83	1,194

Prepared on Australian Accounting Standards basis.

a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No 2) 2023-24, including CDABs.

Productivity Commission

Entity resources and planned performance

Productivity Commission

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Productivity Commission

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Productivity Commission (the Commission) is the Australian Government's independent research and advisory body on a range of economic, social and environmental issues affecting the welfare of Australians. The Commission's work encompasses all sectors of the economy as well as social and environmental issues. Its activities cover all levels of government responsibility – Federal, State and Territory and Local.

As a review and advisory body, the Commission does not have responsibility for implementing government programs. It carries out inquiry, research, advising and incidental functions prescribed under the *Productivity Commission Act 1998*.

The Commission contributes to well informed policy decision making and public understanding on matters relating to Australia's economic performance and community wellbeing, based on independent and transparent analysis that takes a broad view encompassing the interests of the community as a whole, rather than just particular industries or groups. The Commission has 4 broad components of work:

- government commissioned projects
- performance reporting and other services to government bodies
- competitive neutrality complaints activities
- self-initiated research and statutory annual reporting.

In 2023–24 and the forward years, the Commission will continue to examine a variety of economic, social and environmental issues through its public inquiry and commissioned research. Commissioned projects underway include public inquiries into *Early Childhood Education and Care*, *Carer's Leave*, *Philanthropy*, and *the Future Drought Fund*.

The Commission will also operate the Performance Reporting Dashboard and undertake further reviews of nationally significant sector – wide Commonwealth-State agreements. In addition, the Commission will fulfil the legislated role to report on water plans and initiatives nationally and in the Murray-Darling Basin.

The Commission will continue to provide cross jurisdictional reporting on the performance of government services; indicators of disadvantage experienced by Aboriginal and Torres Strait Islander people; and expenditure on services to Aboriginal and Torres Strait Islander people.

As part of its functions under the *National Agreement on Closing the Gap*, the Commission has developed and maintains a publicly accessible dashboard and annual data compilation report, underpinned by an information repository to inform reporting on progress on Closing the Gap. The Commission has also commenced the first independent review of progress, which will be complementary to an Aboriginal and Torres Strait Islander led review. Both reviews happen every 3 years.

The Australian Government Competitive Neutrality Complaints Office (AGCNCO) is an autonomous office located within the Commission. It receives and investigates complaints and advises the Treasurer on the application of competitive neutrality arrangements. AGCNCO also provides informal advice on, and assists agencies in, implementing competitive neutrality requirements.

The Commission has a mandate to undertake research to complement its other activities. A full list of the Commission's research reports and supporting research is provided on the Commission's website.

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 the *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: Productivity Commission resource statement – Budget estimates for 2023–24 as at Budget May 2023

	<i>2022-23 Estimated actual \$'000</i>	2023-24 Estimate \$'000
Departmental		
Annual appropriations – ordinary annual services (a)		
Prior year appropriations available (b)	38,952	38,952
Departmental appropriation (c)	37,104	37,023
s74 External Revenue (d)	10	10
Departmental capital budget (e)	834	851
Total departmental annual appropriations	76,900	76,836
Total departmental resourcing	76,900	76,836
Total resourcing for Productivity Commission	76,900	76,836
	<i>2022-23</i>	2023-24
Average staffing level (number)	<i>173</i>	187

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

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

- a) Appropriation Bill (No. 1) 2023–24.
- b) Estimated adjusted balance carried forward from previous year.
- c) Excludes Departmental Capital Budget (DCB).
- d) Estimated External Revenue receipts under section 74 of the PGPA Act.
- e) Departmental Capital Budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

1.3 Budget measures

The Productivity Commission 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.

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

Note:

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

The most recent Corporate Plan for the Commission can be found at:
(<https://www.pc.gov.au/about/governance/corporate-plan>).

The most recent annual performance statement can be found at:
(<https://www.pc.gov.au/about/governance/annual-reports>).

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Well informed policy decision making and public understanding on matters relating to Australia’s productivity and living standards, based on independent and transparent analysis from a community wide perspective.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Program 1.1: Productivity Commission					
Departmental expenses					
Departmental appropriation	37,344	37,151	37,787	38,299	38,525
s74 External Revenue (a)	10	10	10	10	10
Expenses not requiring appropriation in the Budget year (b)	1,100	1,100	1,100	1,100	1,070
Departmental total	38,454	38,261	38,897	39,409	39,605
Total expenses for program 1.1	38,454	38,261	38,897	39,409	39,605
Total expenses for Outcome 1	38,454	38,261	38,897	39,409	39,605
<hr/>					
	2022-23	2023-24			
Average staffing level (number)	173	187			

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

b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, audit fees and resources received free of charge.

Table 2.1.2: Performance measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current Corporate Plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of the 2023–24 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – Well informed policy decision making and public understanding on matters relating to Australia's productivity and living standards, based on independent and transparent analysis from a community wide perspective.		
Program 1.1- Productivity Commission The Commission provides governments and the Australian community with information and advice that better informs policy decisions to improve Australians' wellbeing.		
Key Activities	The Commission undertakes inquiries, research, and performance reporting and analysis. It provides robust analysis and advice on a range of economic, social and environmental issues, taking a community wide perspective. The Commission engages widely, including through hearings, release of draft reports, roundtables, seminars and submissions, to seek informed input to its reports.	
Year	Performance measures	Expected performance results
Current Year 2022–23	<p>Providing a valuable source of robust evidence-based analysis.</p> <p>Generating effective public debate.</p> <p>Being recognised as valuable by other governments.</p> <p>Engaging effectively with the community.</p> <p>Having open and transparent processes.</p> <p>Delivering timely reports.</p>	<p>The demand for the Commission to undertake work on complex policy issues has continued and increased significantly and its work has proved highly relevant to government policy deliberations.</p> <p>Contributions to parliamentary debate and the extent of media coverage indicate a high level of public interest in the Commission's work and its potential influence.</p> <p>The Commission engaged and exchanged research ideas with officials from multiple international organisations and countries.</p> <p>The Commission's processes provided opportunities for extensive public input and feedback through visits, hearings, workshops and other consultative forums, and the release of draft reports and preliminary findings.</p> <p>The Commission's advice to Government, and the information and analysis on which it is based, continued to be open to public scrutiny.</p> <p>All the major projects that were completed in 2022–23 are finished within the timeframes originally established by the Government.</p>

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Planned performance results
Budget Year 2023–24	As per 2022–23	In 2023–24, the Commission expects to continue to deliver robust policy advice to contribute to public debate and inform government decisions.
Forward Estimates 2024–27	As per 2023–24	As per 2023–24
Material changes to Program 1.1 resulting from 2023–24 Budget Measures: Nil		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2023–24 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

There are no material differences between entity resourcing and financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The Commission is budgeting for a break-even result in 2023–24 and the forward years.

3.2 Budgeted financial statements tables

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EXPENSES					
Employee benefits	30,103	30,122	30,816	31,767	32,584
Suppliers	4,904	4,732	4,718	4,339	3,782
Depreciation and amortisation (a)	3,179	3,179	3,179	3,244	3,214
Finance costs					
Write-down and impairment of assets	268	228	184	59	25
Total expenses	38,454	38,261	38,897	39,409	39,605
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	10	10	10	10	10
Other	50	50	50	50	50
Total own-source revenue	60	60	60	60	60
Total own-source income	60	60	60	60	60
Net (cost of)/contribution by services	(38,394)	(38,201)	(38,837)	(39,349)	(39,545)
Revenue from Government	37,104	37,023	37,817	38,329	38,853
Surplus/(deficit) attributable to the Australian Government	(1,290)	(1,178)	(1,020)	(1,020)	(692)
Total comprehensive income/(loss)	(1,290)	(1,178)	(1,020)	(1,020)	(692)
Total comprehensive income/(loss) attributable to the Australian Government	(1,290)	(1,178)	(1,020)	(1,020)	(692)

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**

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(1,290)	(1,178)	(1,020)	(1,020)	(692)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	1,050	1,050	1,050	1,050	1,020
plus: depreciation/amortisation expenses for ROU assets (b)	2,129	2,129	2,129	2,194	2,194
less: lease principal repayments (b)	1,889	2,001	2,159	2,224	2,522
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 (the Departmental 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 leases under AASB 16 Leases.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	389	389	389	389	389
Trade and other receivables	39,427	39,906	40,091	40,276	40,341
Total financial assets	39,816	40,295	40,480	40,665	40,730
Non-financial assets					
Buildings ROU	15,834	13,055	10,276	7,432	4,588
Property, plant and equipment	640	732	1,129	1,534	1,929
Intangibles	1	1	1	2	50
Other non-financial assets	798	798	798	798	798
Total non-financial assets	17,273	14,586	12,204	9,766	7,365
Total assets	57,089	54,881	52,684	50,431	48,095
LIABILITIES					
Payables					
Suppliers	580	580	580	580	580
Other payables	629	629	629	629	629
Total payables	1,209	1,209	1,209	1,209	1,209
Interest bearing liabilities					
Leases	13,877	11,876	9,717	7,493	4,971
Total interest bearing liabilities	13,877	11,876	9,717	7,493	4,971
Provisions					
Employee provisions	9,324	9,444	9,564	9,684	9,684
Total provisions	9,324	9,444	9,564	9,684	9,684
Total liabilities	24,410	22,529	20,490	18,386	15,864
Net assets	32,679	32,352	32,194	32,045	32,231
EQUITY*					
Parent entity interest					
Contributed equity	12,974	13,825	14,687	15,558	16,436
Reserves	1,827	1,827	1,827	1,827	1,827
Retained surplus (accumulated deficit)	17,878	16,700	15,680	14,660	13,968
Total parent entity interest	32,679	32,352	32,194	32,045	32,231
Total equity	32,679	32,352	32,194	32,045	32,231

Prepared on Australian Accounting Standards basis.

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

Table 3.3: Departmental statement of changes in equity – summary of movement (Budget year 2023–24)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2023				
Balance carried forward from previous period	17,878	1,827	12,974	32,679
Adjusted opening balance	17,878	1,827	12,974	32,679
Comprehensive income				
Surplus/(deficit) for the period	(1,178)	-	-	(1,178)
Total comprehensive income	(1,178)	-	-	(1,178)
Transactions with owners				
Contributions by owners				
Departmental Capital Budget (DCB)	-	-	851	851
Sub-total transactions with owners	-	-	851	851
Estimated closing balance as at 30 June 2024	16,700	1,827	13,825	32,352
Closing balance attributable to the Australian Government	16,700	1,827	13,825	32,352

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	36,984	36,903	37,697	38,209	38,853
Sale of goods and rendering of services	10	10	10	10	10
Total cash received	36,994	36,913	37,707	38,219	38,863
Cash used					
Employees	29,983	30,002	30,696	31,647	32,584
Suppliers	4,854	4,682	4,668	4,289	3,732
Interest payments on lease liability	268	228	184	59	25
Total cash used	35,105	34,912	35,548	35,995	36,341
Net cash from/(used by) operating activities	1,889	2,001	2,159	2,224	2,522
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	192	492	797	806	813
Total cash used	192	492	797	806	813
Net cash from/(used by) investing activities	(192)	(492)	(797)	(806)	(813)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	192	492	797	806	813
Total cash received	192	492	797	806	813
Cash used					
Principal payments on lease liability	1,889	2,001	2,159	2,224	2,522
Total cash used	1,889	2,001	2,159	2,224	2,522
Net cash from/(used by) financing activities	(1,697)	(1,509)	(1,362)	(1,418)	(1,709)
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	389	389	389	389	389
Cash and cash equivalents at the end of the reporting period	389	389	389	389	389

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget – Bill 1 (DCB)	834	851	862	871	878
Total new capital appropriations	834	851	862	871	878
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	192	492	797	806	813
<i>Other Items</i>	642	359	65	65	65
Total items	834	851	862	871	878
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB (a)	192	492	797	806	813
TOTAL	192	492	797	806	813
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	192	492	797	806	813
Total cash used to acquire assets	192	492	797	806	813

Prepared on Australian Accounting Standards basis.

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

Table 3.6: Statement of departmental asset movements (Budget year 2023–24)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2023				
Gross book value	4,456	1,373	811	6,640
Gross book value - ROU assets	19,839	-	-	19,839
Accumulated depreciation/ amortisation and impairment	(1,209)	(733)	(810)	(2,752)
Accumulated depreciation/amortisation and impairment - ROU assets	(7,252)	-	-	(7,252)
Opening net book balance	15,834	640	1	16,475
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	-	472	20	492
Total additions	-	472	20	492
Other movements				
Depreciation/amortisation expense	(650)	(380)	(20)	(1,050)
Depreciation/amortisation on ROU assets	(2,129)	-	-	(2,129)
Total other movements	(2,779)	(380)	(20)	(3,179)
As at 30 June 2024				
Gross book value	4,456	1,845	831	7,132
Gross book value - ROU assets	19,839	-	-	19,839
Accumulated depreciation/ amortisation and impairment	(1,859)	(1,113)	(830)	(3,802)
Accumulated depreciation/amortisation and impairment - ROU assets	(9,381)	-	-	(9,381)
Closing net book balance	13,055	732	1	13,788

Prepared on Australian Accounting Standards basis.

a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2023–24.

Royal Australian Mint

Entity resources and planned performance

Royal Australian Mint

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Royal Australian Mint

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Royal Australian Mint (the Mint) is a listed entity operating under the *Public Governance, Performance and Accountability Act 2013*. The Mint's vision is to flexibly adapt to a changing world. As a National Institution, the Mint's goal is to create public value through meeting the circulating coin and collector coin needs of Australia and selected international markets, maintaining Australia's National Coin Collection, and providing educational and cultural experiences to local and overseas visitors.

In 2023–24 the Mint will continue a strategic direction that acknowledges the long-term decline in the demand for circulating coin, the opportunities for growth in the collectible business, and the public interest in the Mint as a National Institution that helps tell the stories of Australia. The following key themes form the basis of the strategic direction:

- optimisation of the return on core business
- profitable growth of the collector and investment business
- enhancement of the visitor experience as a National Institution
- establishment as a custodian of value in future financial systems.

As the sole supplier of Australia's circulating coin requirements, the Mint is responsible for the continuous review of Australian coinage and for providing advice to the Treasury and the Government on coin related issues.

Across the forward estimates, the Mint will be focused on effectively managing its return to Commonwealth generated through seigniorage returns from circulating coin sales, surpluses from the collectible business and the provision of cultural and education services to the public.

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 the *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: Royal Australian Mint resource statement – Budget estimates for 2023–24 as at Budget May 2023

	<i>2022-23 Estimated actual \$'000</i>	<i>2023-24 Estimate \$'000</i>
Departmental		
Special accounts (a)		
Opening balance	111,900	117,451
Non-appropriation receipts	91,723	104,914
Total special accounts	203,623	222,365
Total departmental resourcing	203,623	222,365
Total resourcing for the Royal Australian Mint	203,623	222,365
	<i>2022-23</i>	<i>2023-24</i>
Average staffing level (number)	239	239

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

Note:

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

The most recent Corporate Plan for Royal Australian Mint can be found at:
(<https://www.ramint.gov.au/corporate-plan>).

The most recent annual performance statement for Royal Australian Mint can be found at:
(<https://www.ramint.gov.au/annual-reports>).

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: The coinage needs of the Australian economy, collectors and foreign countries are met through the manufacture and sale of circulating coins, collector coins and other minted like products.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Program 1.1: Royal Australian Mint					
Administered expenses					
Special accounts					
Royal Australian Mint Special account	34,568	45,936	41,002	40,711	40,711
Administered total	34,568	45,936	41,002	40,711	40,711
Departmental expenses					
Special accounts					
Royal Australian Mint Special account	133,541	144,933	145,984	148,684	151,459
Departmental total	133,541	144,933	145,984	148,684	151,459
Total expenses for program 1.1	168,109	190,869	186,986	189,395	192,170
Total expenses for Outcome 1	168,109	190,869	186,986	189,395	192,170
<hr/>					
	2022-23	2023-24			
Average staffing level (number)	239	239			

Table 2.1.2: Performance measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current Corporate Plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of the 2023–24 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – The coinage needs of the Australian economy, collectors and foreign countries are met through the manufacture and sale of circulating coins, collector coins and other minted like products.			
Program 1.1- Royal Australian Mint			
To produce and distribute circulating coins and minted products to meet the demands of the Australian economy, collectors and foreign countries.			
Key Activities	<ul style="list-style-type: none"> • Production, maintenance and sales to meet demand for: <ul style="list-style-type: none"> – Australian circulating coins – foreign country circulating coins – numismatic products – other custom minted products. • Maintenance of Australia’s National Coin Collection. • Cultural and education services to the public and school groups: <ul style="list-style-type: none"> – maintenance of the Mint’s visitor gallery, including building and surrounds – educational programs to school students who visit the Mint – promote public understanding about the cultural and historical significance of coins. 		
Performance criteria	2022-23	2023-24	2024-27 and the forward estimates
Produce and deliver Australian circulating coins in a cost effective and timely manner.	Seigniorage returned to Commonwealth: \$39.2m Volume: 123 million pieces	Seigniorage returned to Commonwealth: \$14.1m Volume: 128 million pieces	Seigniorage returned to Commonwealth: \$12.7m Volume: 122 million pieces
Optimum return on investment.	Return on Net Assets: 30%	Return on Net Assets: 30%	Return on Net Assets: 30%
Collectibles orders placed are produced and delivered within agreed delivery time.	Product delivered in full and on time: 90%	Product delivered in full and on time: 90%	Product delivered in full and on time: 90%
Visitor satisfaction rating of Mint experience.	Survey result: 95%	Survey result: 95%	Survey result: 95%
Visitor numbers.	Visitors: 240,000	Visitors: 240,000	Visitors: 240,000
Provide a safe, secure and sustainable operational environment.	Certification Retained: Yes Major injuries: Nil Security breaches: Nil	Certification Retained: Yes Major injuries: Nil Security breaches: Nil	Certification Retained: Yes Major injuries: Nil Security breaches: Nil
Build on brand awareness.	Net Promoter Score: 70%	Net Promoter Score: 70%	Net Promoter Score: 70%
Have engaged, motivated and committed staff.	Staff satisfaction survey result: 79%	Staff satisfaction survey result: 80%	Staff satisfaction survey result: 80%

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2023–24 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

There are no material differences between entity resourcing and financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The Mint has 2 streams of revenue. One stream comes from production and subsequent sale of Australian circulating coins at face value to commercial banks. The second stream comes from sale of collectible products (numismatic, foreign circulating coins and other minted products).

The Mint's Departmental projected results for the 2023–24 and forward years reflect the Mint's focus on identifying opportunities in its collectible business (refer to Table 3.1), and implementation of technology and process improvements to enable the Mint to manufacture its products in a more efficient manner which is expected to deliver a reduction in cost and improved throughput.

An after-tax surplus is budgeted on the sale of collectible products of \$32.4 million which will contribute to the total return to the Commonwealth.

3.2 Budgeted financial statements tables

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EXPENSES					
Employee benefits	25,111	30,781	31,704	32,655	33,700
Suppliers	98,654	101,427	101,135	100,601	100,601
Depreciation and amortisation	7,488	5,305	5,585	6,649	8,379
Finance costs	999	950	950	950	950
Other expenses	1,289	6,470	6,520	7,829	7,829
Total expenses	133,541	144,933	145,894	148,684	151,459
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	162,164	181,121	182,863	182,573	182,573
Rental income	582	300	300	300	300
Royalties	100	-	-	-	-
Other	630	290	290	290	690
Total own-source revenue	163,476	181,711	183,453	183,163	183,563
Total own-source income	163,476	181,711	183,453	183,163	183,563
Net (cost of)/contribution by services	29,935	36,778	37,559	34,479	32,104
Notional income tax expense	8,980	4,363	3,741	7,287	10,151
Surplus/(deficit) attributable to the Australian Government	20,955	32,415	33,818	27,193	21,953
Total comprehensive income/(loss)	20,955	32,415	33,818	27,193	21,953
Total comprehensive income/(loss) attributable to the Australian Government	20,955	32,415	33,818	27,193	21,953

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	117,451	104,357	124,744	145,827	157,297
Trade and other receivables	1,639	428	428	428	428
Total financial assets	119,090	104,785	125,172	146,255	157,725
Non-financial assets					
Land and buildings	48,172	52,591	54,257	53,200	51,797
Property, plant and equipment	10,834	14,799	18,905	27,610	28,330
Intangibles	1,403	1,929	2,035	2,962	2,962
Heritage and cultural	24,755	24,755	24,755	24,755	24,755
Inventories	68,924	71,264	70,949	65,049	66,249
Tax assets	2,765	1,532	1,532	1,532	1,532
Other non-financial assets	2,002	2,002	2,002	2,002	2,002
Total non-financial assets	158,855	168,873	174,435	177,110	177,627
Total assets	277,945	273,658	299,607	323,365	335,352
LIABILITIES					
Payables					
Suppliers	3,598	3,598	3,598	3,598	3,598
Other payables	45,520	20,808	25,003	29,404	28,043
Total payables	49,118	24,406	28,601	33,002	31,641
Interest bearing liabilities					
Leases	36,183	35,964	35,677	33,667	31,536
Total interest bearing liabilities	36,183	35,964	35,677	33,667	31,536
Provisions					
Employee provisions	7,245	7,462	7,686	7,917	8,154
Other provisions	2,078	2,089	2,089	2,089	2,089
Total provisions	9,323	9,551	9,775	10,006	10,243
Total liabilities	94,624	69,921	74,053	76,675	73,420
Net assets	183,321	203,736	225,554	246,690	261,932
EQUITY*					
Parent entity interest					
Contributed equity	77,903	77,903	77,903	77,903	77,903
Reserves	44,856	44,856	44,856	44,856	44,856
Retained surplus (accumulated deficit)	60,562	80,977	102,795	123,931	139,173
Total parent entity interest	183,321	203,736	225,554	246,690	261,932
Total equity	183,321	203,736	225,554	246,690	261,932

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 2023–24)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2023					
Balance carried forward from previous period	60,562	24,856	20,000	77,903	183,321
Adjusted Opening balance	60,562	24,856	20,000	77,903	183,321
Comprehensive income					
Surplus/(deficit) for the period	32,415	-	-	-	32,415
Total comprehensive income	32,415	-	-	-	32,415
Transactions with owners					
Distributions to owners					
Dividends	(12,000)	-	-	-	(12,000)
Sub-total transactions with owners	(12,000)	-	-	-	(12,000)
Estimated closing balance as at 30 June 2024	80,977	24,856	20,000	77,903	203,736
Closing balance attributable to the Australian Government	80,977	24,856	20,000	77,903	203,736

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sale of goods and rendering of services	188,246	175,432	183,163	182,873	182,873
Net GST received	9,450	-	-	-	-
Other	550	558	110	110	510
Total cash received	198,246	175,990	183,273	182,983	183,383
Cash used					
Employees	24,882	31,261	31,480	32,424	33,463
Suppliers	102,328	103,587	100,640	94,521	101,621
Net GST paid	9,450	1,949	3,524	2,998	3,531
Interest payments on lease liability	988	950	950	950	950
Other	22,884	15,790	(1,821)	3,976	4,298
Total cash used	160,532	153,537	134,773	134,869	143,863
Net cash from/(used by) operating activities	37,714	22,453	48,500	48,114	39,520
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	2,955	12,634	9,853	15,224	7,696
Total cash used	2,955	12,634	9,853	15,224	7,696
Net cash from/(used by) investing activities	(2,955)	(12,634)	(9,853)	(15,224)	(7,696)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	1,688	1,789	1,897	2,010	2,131
Dividends paid	27,520	21,124	16,363	9,797	18,223
Total cash used	29,208	22,913	18,260	11,807	20,354
Net cash from/(used by) financing activities	(29,208)	(22,913)	(18,260)	(11,807)	(20,354)
Net increase/(decrease) in cash held	5,551	(13,094)	20,387	21,083	11,470
Cash and cash equivalents at the beginning of the reporting period	111,900	117,451	104,357	124,744	145,827
Cash and cash equivalents at the end of the reporting period	117,451	104,357	124,744	145,827	157,297

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources	8,500	12,645	12,645	12,645	5,500
TOTAL	8,500	12,645	12,645	12,645	5,500
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	8,500	12,645	12,645	12,645	5,500
Total cash used to acquire assets	8,500	12,645	12,645	12,645	5,500

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of departmental asset movements (Budget year 2023–24)

	Buildings \$'000	Other property, plant and equipment \$'000	Heritage and cultural \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2023					
Gross book value	14,757	15,894	24,755	6,038	61,444
Gross book value - ROU assets	41,735	-	-	-	41,735
Accumulated depreciation/ amortisation and impairment	12	(5,060)	-	(4,635)	(9,683)
Accumulated depreciation/amortisation and impairment - ROU assets	(8,332)	-	-	-	(8,332)
Opening net book balance	48,172	10,834	24,755	1,403	85,164
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase - other	4,932	6,733	-	980	12,645
Total additions	4,932	6,733	-	980	12,645
Other movements					
Depreciation/amortisation expense	-	(2,768)	-	(454)	(3,222)
Depreciation/amortisation on ROU assets	(2,083)	-	-	-	(2,083)
Other - ROU assets	1,570	-	-	-	1,570
Total other movements	(513)	(2,768)	-	(454)	(3,735)
As at 30 June 2024					
Gross book value	19,689	22,627	24,755	7,018	74,089
Gross book value - ROU assets	43,305	-	-	-	43,305
Accumulated depreciation/ amortisation and impairment	12	(7,828)	-	(5,089)	(12,905)
Accumulated depreciation/amortisation and impairment - ROU assets	(10,415)	-	-	-	(10,415)
Closing net book balance	52,591	14,799	24,755	1,929	94,074

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)

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EXPENSES					
Suppliers	32,446	42,661	37,661	37,304	37,304
Other expenses	2,122	3,275	3,341	3,407	3,407
Total expenses administered on behalf of Government	34,568	45,936	41,002	40,711	40,711
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Sale of goods and rendering of services	59,506	60,081	53,687	52,090	52,090
Total non-taxation revenue	59,506	60,081	53,687	52,090	52,090
Total own-source revenue administered on behalf of Government	59,506	60,081	53,687	52,090	52,090
Total own-sourced income administered on behalf of Government	59,506	60,081	53,687	52,090	52,090
Net (cost of)/contribution by services	(24,938)	(14,145)	(12,685)	(11,379)	(11,379)
Surplus/(deficit) before income tax	24,938	14,145	12,685	11,379	11,379
Prepared on Australian Accounting Standards basis					

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
ASSETS					
Financial assets					
Trade and other receivables	11,515	17,420	16,026	16,026	16,026
Total financial assets	11,515	17,420	16,026	16,026	16,026
Non-financial assets					
Inventories	2,459	2,620	2,620	2,620	2,620
Total non-financial assets	2,459	2,620	2,620	2,620	2,620
Total assets administered on behalf of Government	13,974	20,040	18,646	18,646	18,646
Net assets/(liabilities)	13,974	20,040	18,646	18,646	18,646

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Other	36,708	8,079	14,079	11,378	11,378
Total cash received	36,708	8,079	14,079	11,378	11,378
Net cash from/(used by) operating activities	36,708	8,079	14,079	11,378	11,378
Net increase/(decrease) in cash held	36,708	8,079	14,079	11,378	11,378
Cash to Official Public Account for:					
- Special accounts	(36,708)	(8,079)	(14,079)	(11,378)	(11,378)
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

Portfolio glossary

Term	Meaning
Accumulated depreciation	The aggregate depreciation recorded for a particular depreciating asset.
Administered item	Appropriation consisting of funding managed on behalf of the Commonwealth. This funding is not at the discretion of the entity and any unspent appropriation is returned to the Consolidated Revenue Fund (CRF) at the end of the financial year. An administered item is a component of an administered program. It may be a measure but will not constitute a program in its own right.
Appropriation	A law of the Australian Parliament providing authority for Commonwealth entities to spend money from the CRF for a particular purpose. Entities may not spend money without an appropriation authorising the expenditure and, where necessary, other legislation authorising the specified purpose.
Appropriation Bill (No. 1)	This Bill proposes spending from the CRF for the ordinary annual services of government. Bills proposing appropriations for ordinary annual services cannot be amended by the Senate under Section 53 of the Australian Constitution. Once the Bill is passed by the Parliament and given Royal Assent, it becomes Appropriation Act (No. 1).
Appropriation Bill (No. 2)	This Bill proposes spending from the CRF for purposes other than the ordinary annual services of government. Under existing arrangements between the 2 Houses of Parliament, this Bill includes appropriation funding of administered expenses for new outcomes, for payments to the states and territories, and for departmental or administered capital. Funding for extensions to existing programs can be included in Appropriation Bill (No. 2). Once the Bill is passed by the Parliament and given Royal Assent, it becomes Appropriation Act (No. 2).
Appropriation Bills (Nos. 3 and 4)	If an amount provided in Appropriation Acts (Nos. 1 or 2) is not enough to meet approved expenditure in a financial year, supplementary appropriation may be sought in Appropriation Bills (Nos. 3 or 4). Once these Bills are passed by the Parliament and given Royal Assent, they become the Appropriation Acts (Nos. 3 and 4). They are also commonly referred to as the Additional Estimates Bills.
Assets	Future economic benefits controlled by an entity as a result of past transactions or other past events.
Average staffing level	The average number of employees receiving salary/wages (or compensation in lieu of salary/wages) over a financial year, with adjustments for casual and part-time employees to show the full-time equivalent.
Budget Paper 1 (BP1)	Budget Strategy and Outlook - Provide information and analysis on whole-of-government expenditure and revenue.
Budget Paper 2 (BP2)	Budget Measures - Provide a description of each budget measure by portfolio.
Budget Paper 3 (BP3)	Australia's Federal Relations - Provide information and analysis on federal funding provided to the states and territories.
Budget Paper 4 (BP4)	Entity Resourcing. Details total resourcing available to agencies.
Capital expenditure	Expenditure by an entity on capital projects; for example, purchasing a building.

Term	Meaning
Consolidated Revenue Fund (CRF)	The principal operating fund from which money is drawn to pay for the activities of the Government. Section 81 of the Australian Constitution provides that all revenue raised or monies received by the Executive Government forms one consolidated revenue fund from which appropriations are made for the purposes of the Australian Government.
Departmental Capital Budget (DCB)	Net cash appropriation arrangements involve the cessation of funding for depreciation, amortisation and make good expenses. Funding for these expenses has been replaced with a collection development and acquisition budget (CDAB) for designated collection institutions (DCIs), and departmental capital budgets (DCBs).
Departmental item	Resources (assets, liabilities, revenues and expenses) the entity accountable authorities control directly. This includes outsourced activities funded and controlled by the entity. Examples of departmental items include entity running costs, accrued employee entitlements and net appropriations. A departmental item is a component of a departmental program.
Depreciation	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.
Entity	A department, agency, company or authority under the <i>Public Governance, Performance and Accountability Act 2013</i> (PGPA Act) or any other Commonwealth statutory authority.
Estimated actual expenses	Details of the current year's estimated final figures as included in the Budget documentation.
Expenditure	Spending money from the Consolidated Revenue Fund or a notional payment to a PGPA entity.
Expense	Decreases in economic benefits in the form of outflows or depletions of assets or incurrence of liabilities results in decreases in equity, other than those relating to distributions to equity participants.
Expenses not requiring appropriation in the Budget year	Expenses not involving a cash flow impact are not included within the calculation of an appropriation. An example of such an event is goods or services received free of charge that are then expensed; for example, Australian National Audit Office (ANAO) audit services. The ANAO does not charge for audit services; however, the expense must be recognised. Similarly, bad debts are recognised as an expense but are not recognised for the purpose of calculating appropriation amounts to be sought from the Parliament.
Forward estimates period	The 3 years following the Budget year. For example if 2023–24 is the Budget year, 2024–25 is forward year 1, 2025–26 is forward year 2 and 2026–27 is forward year 3.
Funds	Money appropriated but not drawn from the Consolidated Revenue Fund.
Income	Total value of resources earned or received to cover the production of goods and services.
Make good	Make good is the cost of dismantling and removing an item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period. A common example of make good in the public sector is the restoration of office premises at the end of a lease period.

Term	Meaning
Mid-Year Economic and Fiscal Outlook (MYEFO)	The MYEFO provides an update of the government's budget estimates by examining expenses and revenues in the year to date, as well as provisions for new decisions taken since the Budget. The report provides updated information to allow the assessment of the government's fiscal performance against the fiscal strategy set out in its current fiscal strategy statement.
'Movement of Funds' between years	A 'movement of funds' process is carried out twice each year in relation to un-expensed administered operating appropriations. This involves portfolio ministers submitting requests to the Finance Minister advising of timing changes to funding requirements. If agreed by the Finance Minister, there will be an increase in the amount appropriated in later year(s).
Net cash appropriation arrangements	The net cash framework, implemented from the 2010–11 Budget, replaces funding for depreciation and amortisation expenses with a departmental capital budget (DCB) and the funding of make good expenses will cease to be paid in advance. The net cash framework applies to general government sector entities receiving funding from annual appropriations directly or via a special account, with the exception of the Department of Defence.
Non-operating Official Public Account (OPA)	Sometimes called 'capital' costs. The OPA is the Australian Government's central bank account held within the Reserve Bank of Australia. The OPA reflects the operations of the CRF.
Operating	Normally related to ongoing, or recurring expenses, such as paying salaries or making program payments.
Operating result	Equals income less expenses.
Outcome	An outcome is the intended result, consequence or impact of government actions on the Australian community.
<i>Public Governance, Performance and Accountability Act 2013</i> (PGPA Act)	The PGPA Act is the principal legislation concerning the governance, performance and accountability of, and the use and management of public resources by the Commonwealth.
Portfolio Budget Statements	Budget related paper detailing budget initiatives and explanations of appropriations specified by outcome and program by each entity within a portfolio.
Program	Activity that delivers benefits, services or transfer payments to individuals, industry and/or the community as a whole, with the aim of achieving the intended result specified in an outcome statement.
Program support	The entity running costs allocated to a program. This is funded as part of the entity's departmental appropriations.
Special account	Balances existing within the CRF supported by standing appropriations (PGPA Act s. 78, s. 79 and s. 80). Special accounts allow money in the CRF to be acknowledged as set-aside (hypothecated) for a particular purpose. Amounts credited to a special account can only be spent for the purposes of the special account. Special accounts can only be established by a written determination of the Finance Minister (s. 78 of the PGPA Act) or through an Act of Parliament (referred to in s. 80 of the PGPA Act).
Special appropriations (including standing appropriations)	An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For special appropriations, the authority to withdraw funds from the CRF does not generally cease at the end of the financial year. Standing appropriations are a subcategory consisting of ongoing special appropriations – the amount appropriated will depend on circumstances specified in the legislation.