



Budget

2026–27

PORTFOLIO BUDGET STATEMENTS 2026–27
BUDGET RELATED PAPER NO. 1.15

TREASURY PORTFOLIO

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

2026–27 BUDGET PAPERS

Budget Speech

No. 1 Budget Strategy and Outlook 2026–27

Contains information on the economic and fiscal outlook, together with information on the fiscal strategy.

No. 2 Budget Measures 2026–27

Provides a comprehensive statement on the budget payment and receipt measures in the 2026–27 Budget.

No. 3 Federal Financial Relations 2026–27

Provides information on the Australian Government's financial relations with the states, territories and local government.

No. 4 Agency Resourcing 2026–27

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

2026–27 BUDGET RELATED PAPERS

No. 1 Portfolio Budget Statements

Detailed information on the resources available and the planned performance of each Australian Government entity for 2026–27.



Treasury acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

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

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THE HON JIM CHALMERS MP

**TREASURER
PARLIAMENT HOUSE
CANBERRA 2600**

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 Portfolio Budget Statements in support of the 2026–27 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 'Jim Chalmers', with a long horizontal flourish extending to the right.

The Hon Jim Chalmers MP

Abbreviations and conventions

The following notations 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 Felicity McGinnes, Chief Finance Officer, Department of the Treasury on (02) 6263 4029.

Links to Portfolio Budget Statements (including Portfolio Additional Estimates Statements and Portfolio Supplementary Additional Estimates 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 *2026–27 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) 2026–2027 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2026–2027 for the parliamentary departments) and related Supply Bills where they exist applicable to the 2026–27 Budget. In this sense, the PB Statements are Budget related papers and are declared by the Appropriation Acts to be ‘relevant documents’ to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

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

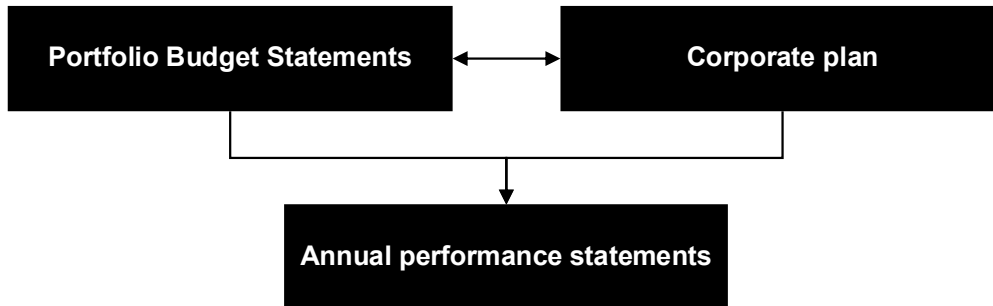
As required under section 12 of the *Charter of Budget Honesty Act 1998*, only entities within the general government sector are included as part of the Commonwealth general government sector fiscal estimates and produce PB Statements where they receive funding (either directly or via portfolio departments)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

The Commonwealth performance framework

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

Commonwealth performance framework

Key components of relevant publications



Portfolio Budget Statements

(typically in May) Portfolio based

Supports Annual Appropriations. Informs senators and members of parliament of the proposed allocations of other resources to government outcomes and programs.

Provides links to relevant programs undertaken by other Commonwealth entities.

Provides high-level performance information for current, ongoing programs.

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

Links to the corporate plan through reporting key activities.

Corporate plan

(by 31 August) Entity based

Primary planning document of a Commonwealth entity.

Sets out the purposes of the entity and the key activities it will undertake to achieve its purposes, over a minimum 4-year period.

Describes the environment in which the entity operates, the capability it requires to undertake its key activities, its risk oversight and management systems including key risks and how those are managed, and how it will cooperate with others, including any subsidiaries, to achieve its purposes.

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

Annual performance statements

(October in the following year) Entity based

Included in the Commonwealth entity's annual report.

Reports on the actual performance results for the reporting year as set out in the corporate plan and Portfolio Budget Statements.

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

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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 providing advice to portfolio Ministers as well as the effective implementation and administration of policies that fall within portfolio Ministers' responsibilities.

The Treasury portfolio comprises 16 entities in the general government sector.

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

The **Australian Bureau of Statistics (ABS)** is Australia's national statistical agency. The ABS' purpose is to inform Australia's important decisions by delivering relevant, trusted and objective data, statistics and insights. 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, promoting competition, fair trading, consumer protection and regulating national infrastructure for the benefit of all Australians.

The Australian Energy Regulator will separate from the Australian Competition and Consumer Commission on 1 July 2026 to be established as a non-corporate Commonwealth entity within the Climate Change, Energy, the Environment and Water portfolio.

The **Australian Financial Security Authority** administers and regulates Australia's personal insolvency and personal property securities systems, and manages confiscated criminal assets.

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, and fair and efficient markets.

The **Australian Taxation Office (ATO)** entity comprises the ATO, the Tax Practitioners Board (TPB), the Australian Charities and Not for profits Commission (ACNC) and the ACNC Advisory Board. The ATO is the Australian Government's principal revenue collection agency, administering Australia's tax system and significant aspects of Australia's superannuation system to support the delivery of government services to the community. The TPB is the national body responsible for the registration and regulation of tax practitioners. The ACNC is the independent national regulator of charities, with the ACNC Advisory Board supporting and advising the ACNC Commissioner.

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

Housing Australia's purpose is to improve housing outcomes by increasing housing supply, encouraging investment in social and affordable housing, providing finance and grants that complement Commonwealth, state and territory housing initiatives, strengthening the community housing sector and facilitating access to home ownership for eligible Australians.

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** makes recommendations under the National Access Regime and recommendations and decisions in relation to natural gas pipelines. It also supports the effective implementation and advancement of National Competition Policy through independent research, advice and public education.

The **Office of the Auditing and Assurance Standards Board** develops, issues and maintains principle-based, independent auditing and assurance standards for all sectors of the Australian economy that meet user needs and assist in maintaining confidence in the Australian economy.

The **Office of the Australian Accounting Standards Board** develops, issues and maintains principle-based independent financial reporting standards and develops sustainability reporting standards.

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 Budget Paper No. 4, *Agency Resourcing 2026–27*.

Figure 1: Treasury portfolio structure and outcomes



Figure 1: Treasury portfolio structure and outcomes (continued)

<p style="text-align: center;">Australian Office of Financial Management Chief Executive Officer: Ms Anna Hughes</p> <p>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.</p>
<p style="text-align: center;">Australian Prudential Regulation Authority Chair: Mr John Lonsdale</p> <p>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.</p>
<p style="text-align: center;">Australian Reinsurance Pool Corporation Chief Executive Officer: Dr Christopher Wallace</p> <p>Purpose: To provide public reinsurance to improve the accessibility and affordability of insurance for the Australian community for terrorism and cyclone risks.</p>
<p style="text-align: center;">Australian Securities and Investments Commission Chair: Mr Joseph Longo</p> <p>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 Rob Heferen</p> <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 style="text-align: center;">Commonwealth Grants Commission Secretary: Mr Nathan Williamson</p> <p>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;">Housing Australia Acting Chair: Mr Damien Tangey</p> <p>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;">Inspector-General of Taxation Inspector-General of Taxation and Taxation Ombudsman: Ms Ruth Owen CBE</p> <p>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>

Figure 1: Treasury portfolio structure and outcomes (continued)

<p style="text-align: center;">National Competition Council President: Mr Marcus Bezzi</p> <p>Outcome 1: Promote competition and support effective implementation and advancement of National Competition Policy including through independent research, advice and public education, and promote the efficient operation of, use of, and investment in, infrastructure through recommendations and decisions under the National Access Regime in Part IIIA of the <i>Competition and Consumer Act 2010</i>.</p>
<p style="text-align: center;">Office of the Auditing and Assurance Standards Board Chair: Mr Douglas Niven</p> <p>Outcome 1: Formulating and making auditing, review and assurance standards for Australian entity financial reports and sustainability reports as well as for other auditing and assurance engagements.</p>
<p style="text-align: center;">Office of the Australian Accounting Standards Board Chair: Dr Keith Kendall</p> <p>Outcome 1: Formulating and making accounting standards, 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 or sustainability-related information.</p>
<p style="text-align: center;">Productivity Commission Chair: Ms Danielle Wood</p> <p>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.</p>
<p style="text-align: center;">Reserve Bank of Australia Governor: Ms Michele Bullock</p> <p>Purpose: To promote the economic prosperity and welfare of the Australian people, now and into the future.</p>
<p style="text-align: center;">Royal Australian Mint Chief Executive Officer: Ms Emily Martin</p> <p>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.</p>

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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 provides advice to the government and implements policies and programs to achieve strong, sustainable, and inclusive economic, social, environmental and fiscal outcomes for Australians.

Our work includes promoting a sound economic environment, effective government spending arrangements, regulatory arrangements that support productivity and competition, well-functioning markets to serve consumers and investors, sustainable taxation and revenue arrangements, and policies that support access to affordable, safe and well-located housing.

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. We work closely with other Commonwealth agencies, states and territories, and our stakeholders to build partnerships and tackle shared challenges.

Over 2026–27, Treasury will focus on:

- analysing, assessing and advising on the economic impacts of the Middle East crisis, including the impacts of elevated prices on supply chains and cost-of-living
- continuing to develop and deliver evidence-based modelling to respond to domestic and international shocks and structural challenges, including climate change
- engaging internationally and leading on international economic policy
- ensuring payments to international financial institutions and the states and territories are timely and accurate
- advising on the distribution of GST to the states and territories and horizontal fiscal equalisation related to the Productivity Commission review of these topics
- delivering the economic and fiscal updates required by the *Charter of Budget Honesty Act 1998*, including the 2027–28 Budget and 2026 Intergenerational Report
- advising on and reforming the tax system to improve efficiency, equity, simplicity and sustainability
- effective regulation of Australia's foreign investment framework and payment times reporting

- designing and delivering policies and programs to support the government’s housing agenda, including boosting housing supply, supporting first home buyers and delivering new social and affordable housing
- improving Australia’s financial, corporate and superannuation systems, progressing better regulation reforms while strengthening consumer and investor protections
- continuing to support delivery of National Competition Policy across the federation, reviewing competition policy settings and implementing non competes reforms
- responding to digital economy developments, including on payments and scams, identity and data, digital platforms and artificial intelligence
- continuing to collaborate and promote reforms to support First Nations economic empowerment and self-determination, through the First Nations Economic Partnership and the Housing Policy Partnership
- supporting whole-of-government efforts to increase the volume, quality and use of policy and program evaluations
- providing advice and developing policies on supporting small to medium businesses.

1.2 Entity Resource Statement

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

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

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

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, while the ‘Budgeted expenses by Outcome 1’ tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis. Amounts presented below are consistent with amounts presented in the Appropriation Bills themselves.

Table 1.1: Department of the Treasury resource statement – Budget estimates for 2026–27 as at Budget May 2026

	2025–26 <i>Estimated actual</i> \$'000	2026–27 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	135,921	146,156
Departmental appropriation	379,939	375,161
s74 external revenue (c)	11,322	11,159
Departmental capital budget (d)	3,560	3,591
Total departmental annual appropriations	<u>530,742</u>	<u>536,067</u>
Special accounts		
Opening balance	-	7,737
Adjustments	9,475	-
Appropriation receipts	1,597	5,320
Non-appropriation receipts	5,412	5,412
Total special accounts	<u>16,484</u>	<u>18,469</u>
<i>less departmental appropriations drawn from annual appropriations and credited to special accounts</i>	<u>1,597</u>	<u>5,320</u>
Total departmental resourcing	<u>545,629</u>	<u>549,216</u>
Administered		
Annual appropriations - ordinary annual services (a)		
Outcome 1 (b)	267,567	208,103
Payments to corporate entities (e)	6,277	6,360
Annual appropriations - other services - non-operating (f)		
Administered assets and liabilities	799,700	4,247,531
Total administered annual appropriations	<u>1,073,544</u>	<u>4,461,994</u>
Total administered special appropriations	<u>140,765,942</u>	<u>153,805,089</u>
Special accounts (g)		
Opening balance	1,410,502	294,700
Adjustments	86,987,556	86,441,317
Appropriation receipts (h)	803,951	4,267,361
Non-appropriated receipts	787,411	1,040,459
Total special accounts receipts	<u>89,989,420</u>	<u>92,043,837</u>
<i>less administered appropriations drawn from annual/special appropriations and credited to special accounts</i>	<u>803,951</u>	<u>4,267,361</u>
<i>less payments to corporate entities from annual/special appropriations and special accounts</i>	<u>6,277</u>	<u>6,360</u>
Total administered resourcing	<u>231,018,678</u>	<u>246,037,199</u>
Total resourcing for the Department of the Treasury	<u>231,564,307</u>	<u>246,586,415</u>
	<u>2025–26</u>	<u>2026–27</u>
Average staffing levels (number)	<u>1,676</u>	<u>1,648</u>

Table 1.1: Department of the Treasury resource statement – Budget estimates for 2026–27 as at Budget May 2026 (continued)

Third party payments from and on behalf of other entities

	2025–26 <i>Estimated actual</i> \$'000	2026–27 Estimate \$'000
Payments made on behalf of another entity (as disclosed in the respective entity's resource statement)	33,210,460	34,816,074
Payments made to corporate entities within the Portfolio Housing Australia (i)	1,356,246	4,866,599

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

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

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

- a) Appropriation Bill (No. 1) 2026–2027.
- b) Excludes \$9.284 million (from 2025–2026 administered annual appropriation) expected to be subject to administrative quarantine by Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).
- 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 Supply Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details on capital budgets. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- e) 'Corporate entities' are corporate Commonwealth entities and Commonwealth companies as defined under the PGPA Act.
- f) Appropriation Bill (No. 2) 2026–2027.
- g) 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. Please also see Table 2.1.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.
- h) Amounts credited to the special account(s) from the Department of the Treasury's annual appropriations.
- i) Inclusive of capital and non-capital payments from all appropriation sources made to Housing Australia. This amount excludes \$1.434 billion in loan payments in 2026–27 to the Affordable Housing Bond Aggregator, which is classified as being outside of the General Government Sector.

1.3 Budget measures

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

Table 1.2: Department of the Treasury 2026–27 Budget measures

Part 1: Measures announced since the 2025–26 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Receipt measures						
Boosting Productivity – Accelerating Approvals (a)						
	Administered receipts	1.3	-	*	*	*
	Total		-	*	*	*
Community Infrastructure (b)						
	Administered receipts	1.4	6,211	-	-	-
	Total		6,211	-	-	-
Productivity – additional measures						
	Departmental receipts	1.3	-	136	542	944
	Total		-	136	542	944
Taking Pressure Off Australians – temporary reduction of fuel excise and heavy vehicle road user charge						
	Administered receipts	1.4	-	400,000	-	-
	Total		-	400,000	-	-
Total receipt measures						
	Administered		6,211	400,000	-	-
	Departmental		-	136	542	944
	Total		6,211	400,136	542	1,343
Payment measures						
2026 National Defence Strategy and Integrated Investment Program (c)						
	Administered payments	1.4	30,000	-	-	-
	Total		30,000	-	-	-

Part 1: Measures announced since the 2025–26 May Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Agriculture, Fisheries and Forestry Portfolio – reprioritisation (d)						
Administered payments	1.4	(15,300)	(18,000)	-	-	-
Total		(15,300)	(18,000)	-	-	-
Boosting Productivity – Accelerating Approvals (a)(e)						
Administered payments	1.4	-	nfp	nfp	nfp	nfp
Departmental payments	1.3	-	nfp	nfp	nfp	nfp
Total		-	nfp	nfp	nfp	nfp
Boosting Productivity – Better Regulation						
Departmental payments	1.3	-	4,285	4,439	-	-
Total		-	4,285	4,439	-	-
Boosting Productivity – better selecting migrants and recognising their skills (f)						
Administered payments	1.4	-	(20,000)	(115,000)	(190,000)	(245,000)
Total		-	(20,000)	(115,000)	(190,000)	(245,000)
Boosting Productivity – Digital ID (g)						
Departmental payments	1.3	-	2,055	2,086	1,940	1,965
Total		-	2,055	2,086	1,940	1,965
Building a Better Future Through Considered Infrastructure Investment (h)						
Administered payments	1.4	-	(1,590,426)	(838,773)	1,264,791	2,045,640
Total		-	(1,590,426)	(838,773)	1,264,791	2,045,640
Climate Change, Energy, the Environment and Water – savings (i)						
Administered payments	1.4	(7,678)	-	(650)	(51,758)	(17,123)
Total		(7,678)	-	(650)	(51,758)	(17,123)
Closing the Gap – further investments (j)						
Administered payments	1.4, 1.5	(2,300)	2,000	2,100	2,200	-
Total		(2,300)	2,000	2,100	2,200	-
Combatting Illicit Tobacco (k)						
Administered payments	1.4	-	14,000	-	-	-
Total		-	14,000	-	-	-

Part 1: Measures announced since the 2025–26 May Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Community Infrastructure (b)						
Administered payments	1.4	(6,789)	-	-	-	-
Total		(6,789)	-	-	-	-
Economic Security						
Departmental payments	1.2	-	4,984	5,057	5,116	5,181
Total		-	4,984	5,057	5,116	5,181
Electric Car Discount – more sustainable fringe benefits tax treatment of electric cars						
Administered payments	1.4	-	-	10,000	40,000	150,000
Total		-	-	10,000	40,000	150,000
Employment and Workplace Relations and Skills – reprioritisation (l)						
Administered payments	1.4	(14,026)	(4,850)	(4,851)	(1,680)	-
Total		(14,026)	(4,850)	(4,851)	(1,680)	-
Ending Gender-Based Violence – continued investment (m)						
Administered payments	1.4	-	55,672	56,096	56,444	56,832
Total		-	55,672	56,096	56,444	56,832
Energy Sovereignty – Fuel Security and Resilience (n)						
Administered payments	1.4	-	10,000	-	-	-
Total		-	10,000	-	-	-
Enhancing Access to STEM Discovery in Western Australia						
Administered payments	1.4	-	-	-	-	-
Total		-	-	-	-	-
Government Response to the Antisemitic Bondi Terrorist Attack (o)(p)						
Administered payments	1.4	nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
Health Protection (q)						
Administered payments	1.4	-	12,500	28,000	28,000	-
Total		-	12,500	28,000	28,000	-

Part 1: Measures announced since the 2025–26 May Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Home Affairs – additional resourcing (r)						
Administered payments	1.4	-	5,400	-	-	-
Total		-	5,400	-	-	-
Home Affairs – savings (s)						
Administered payments	1.4	(1,435)	-	-	-	-
Total		(1,435)	-	-	-	-
Implementing the Government's Environmental Reforms (t)						
Administered payments	1.4	-	12,000	10,500	-	-
Total		-	12,000	10,500	-	-
Improving Access and Uptake of Medicines and Vaccines (u)						
Administered payments	1.4	-	4,560	6,850	2,372	2,439
Total		-	4,560	6,850	2,372	2,439
Improving Insurance Affordability and Consumer Outcomes						
Administered payments	1.3	-	-	-	-	-
Departmental payments	1.3	-	700	-	-	-
Total		-	700	-	-	-
Indirect Tax Concession Scheme – diplomatic and consular concessions						
Administered payments	1.4	(500)
Total		(500)
Investing in Australia's Indigenous Culture and World Heritage (v)						
Administered payments	1.4	-	1,400	-	-	-
Total		-	1,400	-	-	-
Mental Health (w)						
Administered payments	1.4	-	41,334	-	-	-
Total		-	41,334	-	-	-
Migration – uplift of Visa Application Charge for Temporary Graduate visas (x)						
Administered payments	1.4	-	-	-	-	-
Total		-	-	-	-	-

Part 1: Measures announced since the 2025–26 May Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000	
National Health Reform Agreement – hospital funding and Commonwealth investment in the public hospital system (y)							
	Administered payments	1.4	-	3,435,407	3,987,217	4,848,793	5,787,339
	Total		-	3,435,407	3,987,217	4,848,793	5,787,339
National Solar Panel Recycling Pilot (z)							
	Administered payments	1.4	(4,000)	(11,000)	-	-	-
	Total		(4,000)	(11,000)	-	-	-
National Strategy to Prevent and Respond to Child Sexual Abuse – continuation (aa)							
	Administered payments	1.4	-	1,355	-	-	-
	Total		-	1,355	-	-	-
Preventive Health (bb)							
	Administered payments	1.4	-	107,760	107,760	107,760	107,760
	Total		-	107,760	107,760	107,760	107,760
Productivity – additional measures							
	Administered payments	1.3	-	10,300	10,547	10,811	11,081
	Departmental payments	1.3	-	3,205	2,678	(1,162)	(1,177)
	Total		-	13,505	13,225	9,649	9,904
Protecting Australia's Native Species – continuing funding (cc)							
	Administered payments	1.4	-	3,000	3,000	-	-
	Total		-	3,000	3,000	-	-
Protecting Consumers and Increasing Competition							
	Departmental payments	1.3	-	1,889	230	207	-
	Total		-	1,889	230	207	-
Protecting Investors and Strengthening the Superannuation System							
	Departmental payments	1.1, 1.3	-	25	25	-	-
	Total		-	25	25	-	-

Part 1: Measures announced since the 2025–26 May Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Protecting the tax system against fraud						
Administered payments	1.4	-	1,800	2,400	300	100
Total		-	1,800	2,400	300	100
Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension (dd)						
Departmental payments	1.1 - 1.5	-	-	-	-	(12,337)
Total		-	-	-	-	(12,337)
Residential Aged Care Supply and Equity of Access (ee)						
Administered payments	1.4	-	-	15,882	16,830	17,217
Total		-	-	15,882	16,830	17,217
Strengthening Medicare (ff)						
Administered payments	1.4	-	20,872	21,331	24,801	25,397
Total		-	20,872	21,331	24,801	25,397
Strengthening the Integrity of the Migration System (gg)						
Administered payments	1.4	-	869	1,041	1,063	927
Total		-	869	1,041	1,063	927
Supporting Australian Industry (hh)(ii)						
Administered payments	1.4	nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
Supporting Border Security (jj)						
Administered payments	1.4	-	300	-	-	-
Total		-	300	-	-	-
Supporting Defence Industry and the Strategic Policy Sector (kk)						
Administered payments	1.4	-	1,377	1,415	1,447	1,482
Total		-	1,377	1,415	1,447	1,482
Supporting Families Who Experience Stillbirth (ll)						
Administered payments	1.4	-	4,781	4,894	-	-
Total		-	4,781	4,894	-	-

Part 1: Measures announced since the 2025–26 May Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Supporting Youth into Community Housing						
Administered payments	1.4, 1.5	-	5,566	11,513	18,731	21,369
Departmental payments	1.5	-	430	437	442	914
Total		-	5,996	11,950	19,173	22,283
Taking Pressure Off Australians – temporary reduction of fuel excise and heavy vehicle road user charge						
Administered payments	1.4	(100,000)	(50,000)	-	-	-
Total		(100,000)	(50,000)	-	-	-
Tax Reform – Boosting Home Ownership – Reforming negative gearing and capital gains tax						
Departmental payments	1.1	-	4,044	4,103	-	-
Total		-	4,044	4,103	-	-
Thriving Kids (mm)						
Administered payments	1.4	-	288,381	310,728	313,521	313,521
Total		-	288,381	310,728	313,521	313,521
Total payment measures						
Administered		(122,028)	2,346,358	3,632,000	6,494,426	8,278,981
Departmental		-	21,617	19,055	6,543	(5,454)
Total		(122,028)	2,367,975	3,651,055	6,500,969	8,273,527

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. Figures displayed as an asterisk (*) represent unquantifiable amounts.

- The lead entity for the measure titled Boosting Productivity – Accelerating Approvals is the Department of Climate Change, Energy, the Environment and Water. The full measure description and package details appear in the Budget Paper No. 2 under Cross Portfolio measures.
- The lead entity for the measure titled Community Infrastructure is the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts. The full measure description and package details appear in the Budget Paper No. 2 under the Infrastructure, Transport, Regional Development, Communications, Sport and the Arts portfolio.
- The lead entity for the measure titled 2026 National Defence Strategy and Integrated Investment Program is the Department of Defence. The full measure description and package details appear in the Budget Paper No. 2 under the Defence portfolio.
- The lead entity for the measure titled Agriculture, Fisheries and Forestry Portfolio – reprioritisation is the Department of Agriculture, Fisheries and Forestry. The full measure description and package details appear in the Budget Paper No. 2 under the Agriculture, Fisheries and Forestry portfolio.
- The financial implications from 2026–27 to 2029–30 of the measure titled Boosting Productivity – Accelerating Approvals are not for publication (nfp) because they would prejudice the Commonwealth's negotiations with states and territories on funding levels.

- f) The lead entity for the measure titled Boosting Productivity – better selecting migrants and recognising their skills is the Department of Home Affairs. The full measure description and package details appear in the Budget Paper No. 2 under the Home Affairs portfolio.
- g) The lead entity for the measure titled Boosting Productivity – Digital ID is the Department of Finance. The full measure description and package details appear in the Budget Paper No. 2 under the Finance portfolio.
- h) The lead entity for the measure titled Building a Better Future Through Considered Infrastructure Investment is the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts. The full measure description and package details appear in the Budget Paper No. 2 under the Infrastructure, Transport, Regional Development, Communications, Sport and the Arts portfolio.
- i) The lead entity for the measure titled Climate Change, Energy, the Environment and Water – savings is the Department of Climate Change, Energy, the Environment and Water. The full measure description and package details appear in the Budget Paper No. 2 under the Climate Change, Energy, the Environment and Water portfolio.
- j) The lead entity for the measure titled Closing the Gap – further investments is the Department of Social Services. The full measure description and package details appear in the Budget Paper No. 2 under Cross Portfolio measures.
- k) The lead entity for the measure titled Combatting Illicit Tobacco is the Department of Home Affairs. The full measure description and package details appear in the Budget Paper No. 2 under the Home Affairs portfolio.
- l) The lead entity for the measure titled Employment and Workplace Relations and Skills – reprioritisation is the Department of Employment and Workplace Relations. The full measure description and package details appear in the Budget Paper No. 2 under the Employment and Workplace Relations portfolio.
- m) The lead entity for the measure titled Ending Gender-Based Violence – continued investment is the Department of Social Services. The full measure description and package details appear in the Budget Paper No. 2 under Cross Portfolio measures.
- n) The lead entity for the measure titled Energy Sovereignty – Fuel Security and Resilience is the Department of Climate Change, Energy, the Environment and Water. The full measure description and package details appear in the Budget Paper No. 2 under Cross Portfolio measures.
- o) The lead entity for the measure titled Government Response to the Antisemitic Bondi Terrorist Attack is the Department of Education. The full measure description and package details appear in the Budget Paper No. 2 under Cross Portfolio measures.
- p) The financial implications from 2025–26 to 2029–30 of the measure titled Government Response to the Antisemitic Bondi Terrorist Attack are not for publication (nfp) as disclosure would prejudice the Commonwealth’s negotiations with jurisdictions on funding levels.
- q) The lead entity for the measure titled Health Protection is the Australian Centre for Disease Control. The full measure description and package details appear in the Budget Paper No. 2 under the Health, Disability and Ageing portfolio.
- r) The lead entity for the measure titled Home Affairs – additional resourcing is the Australian Transaction Reports and Analysis Centre. The full measure description and package details appear in the Budget Paper No. 2 under the Home Affairs portfolio.
- s) The lead entity for the measure titled Home Affairs – savings is the National Emergency Management Agency. The full measure description and package details appear in the Budget Paper No. 2 under the Home Affairs portfolio.
- t) The lead entity for the measure titled Implementing the Government’s Environmental Reforms is the National Environmental Protection Agency. The full measure description and package details appear in the Budget Paper No. 2 under the Climate Change, Energy, the Environment and Water portfolio.
- u) The lead entity for the measure titled Improving Access and Uptake of Medicines and Vaccines is the Department of Health, Disability and Ageing. The full measure description and package details appear in the Budget Paper No. 2 under the Health, Disability and Ageing portfolio.
- v) The lead entity for the measure titled Investing in Australia’s Indigenous Culture and World Heritage is the Department of Climate Change, Energy, the Environment and Water. The full measure description and package details appear in the Budget Paper No. 2 under the Climate Change, Energy, the Environment and Water portfolio.
- w) The lead entity for the measure titled Mental Health is the Department of Health, Disability and Ageing. The full measure description and package details appear in the Budget Paper No. 2 under the Health, Disability and Ageing portfolio.

- x) The lead entity for the measure titled Migration – uplift of Visa Application Charge for Temporary Graduate visas is the Department of Home Affairs. The full measure description and package details appear in the Budget Paper No. 2 under the Home Affairs portfolio.
 - y) The lead entity for the measure titled National Health Reform Agreement – hospital funding and Commonwealth investment in the public hospital system is the Department of Health, Disability and Ageing. The full measure description and package details appear in the Budget Paper No. 2 under the Health, Disability and Ageing portfolio.
 - z) The lead entity for the measure titled National Solar Panel Recycling Pilot is the Department of Climate Change, Energy, the Environment and Water. The full measure description and package details appear in the Budget Paper No. 2 under the Climate Change, Energy, the Environment and Water portfolio.
 - aa) The lead entity for the measure titled National Strategy to Prevent and Respond to Child Sexual Abuse – continuation is the Attorney-General's Department. The full measure description and package details appear in the Budget Paper No. 2 under the Attorney-General's portfolio.
 - bb) The lead entity for the measure titled Preventive Health is the Department of Health, Disability and Ageing. The full measure description and package details appear in the Budget Paper No. 2 under the Health, Disability and Ageing portfolio.
 - cc) The lead entity for the measure titled Protecting Australia's Native Species – continuing funding is the Department of Climate Change, Energy, the Environment and Water. The full measure description and package details appear in the Budget Paper No. 2 under the Climate Change, Energy, the Environment and Water portfolio.
 - dd) The lead entity for the measure titled Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension is the Department of Finance. The full measure description and package details appear in the Budget Paper No. 2 under Cross Portfolio measures.
 - ee) The lead entity for the measure titled Residential Aged Care Supply and Equity of Access is the Department of Health, Disability and Ageing. The full measure description and package details appear in the Budget Paper No. 2 under the Health, Disability and Ageing portfolio.
 - ff) The lead entity for the measure titled Strengthening Medicare is the Department of Health, Disability and Ageing. The full measure description and package details appear in the Budget Paper No. 2 under the Health, Disability and Ageing portfolio.
 - gg) The lead entity for the measure titled Strengthening the Integrity of the Migration System is the Department of Home Affairs. The full measure description and package details appear in the Budget Paper No. 2 under the Home Affairs portfolio.
 - hh) The lead entity for the measure titled Supporting Australian Industry is the Department of Industry, Science and Resources. The full measure description and package details appear in the Budget Paper No. 2 under the Industry, Science and Resources portfolio.
 - ii) The financial implications from 2025–26 to 2029–30 of the measure titled Supporting Australian Industry are not for publication (nfp) because they would impair the Commonwealth's position in negotiating contracts with industry.
 - jj) The lead entity for the measure titled Supporting Border Security is the Department of Home Affairs. The full measure description and package details appear in the Budget Paper No. 2 under the Home Affairs portfolio.
 - kk) The lead entity for the measure titled Supporting Defence Industry and the Strategic Policy Sector is the Department of Defence. The full measure description and package details appear in the Budget Paper No. 2 under the Defence portfolio.
 - ll) The lead entity for the measure titled Supporting Families Who Experience Stillbirth is the Department of Health, Disability and Ageing. The full measure description and package details appear in the Budget Paper No. 2 under the Health, Disability and Ageing portfolio.
 - mm) The lead entity for the measure titled Thriving Kids is the Department of Health, Disability and Ageing. The full measure description and package details appear in the Budget Paper No. 2 under the Health, Disability and Ageing portfolio.
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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 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 efficient administration of Treasury's functions.

Linked programs

Attorney-General's Department
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Attorney-General's Department • Program 1.4 – Justice Services
Australian Centre for Disease Control
<p>Program</p> <ul style="list-style-type: none"> • Program 1.1 – Analyse, understand and advise to support health protection planning and preparedness
Australian Trade and Investment Commission
<p>Program</p> <ul style="list-style-type: none"> • Program 1.2 – Programs to support Australian exporters to expand internationally, attract productive international investment, and grow the visitor economy
Department of Agriculture, Fisheries and Forestry
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.2 – Sustainable Management – Natural Resources • Program 1.3 – Forestry Industry • Program 1.4 – Fishing Industry • Program 1.9 – Meat and Livestock Industry • Program 1.11 – Drought Programs • Program 2.1 – Biosecurity and Export Services • Program 2.2 – Plant and Animal Health

Linked programs (continued)

<p>Department of Climate Change, Energy, the Environment and Water</p> <p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Reduce Australia’s greenhouse gas emissions • Program 1.2 – Support reliable, secure and affordable energy • Program 2.1 – Conserve, protect and sustainably manage Australia's natural environment through a nature positive approach • Program 2.2 – Protect Australia's cultural, historic and First Nations heritage • Program 2.3 – Accelerate the transition to a circular economy, while safely managing pollutants and hazardous substances • Program 3.1 – Contribute to Australia's national Antarctic interests through science, environmental management and international engagement, including delivering Australia's scientific research and operations in Antarctica and the Southern Ocean • Program 4.1 – Protect, restore and sustainably manage Australia's water resources
<p>Department of Defence</p> <p>Programs</p> <ul style="list-style-type: none"> • Program 2.2 – Defence Executive Support • Program 2.9 – Capability Acquisition and Sustainment
<p>Department of Education</p> <p>Programs</p> <ul style="list-style-type: none"> • Program 1.3 – Government Schools National Support • Program 1.4 – Non-Government Schools National Support • Program 1.5 – Early Learning and Schools Support
<p>Department of Employment and Workplace Relations</p> <p>Program</p> <ul style="list-style-type: none"> • Program 2.1 – Building Skills and Capability
<p>Department of Finance</p> <p>Program</p> <ul style="list-style-type: none"> • Program 2.4 – Insurance and Risk Management

Linked programs (continued)

<p>Department of Health and Aged Care</p> <hr/> <p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Health Research, Coordination and Access • Program 1.2 – Mental Health and Suicide Prevention • Program 1.3 – First Nations 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 4.2 – National Disability Insurance Scheme
<p>Department of Home Affairs</p> <hr/> <p>Programs</p> <ul style="list-style-type: none"> • Program 1.2 – National Security and Resilience • Program 1.4 – Counter-Terrorism • Program 2.5 – Multicultural Affairs and Citizenship • Program 3.5 – Onshore Compliance and Detention
<p>Department of Industry, Science and Resources</p> <hr/> <p>Program</p> <ul style="list-style-type: none"> • Program 1.3 – Supporting a strong resources sector
<p>Department of Infrastructure, Transport, Regional Development, Communications and the Arts</p> <hr/> <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 • Program 7.1 – Sport and Physical Activity

Linked programs (continued)

<p>Department of Social Services</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.6 – Working Age Payments • Program 2.1 – Families and Communities
<p>Housing Australia</p>
<p>Program</p> <ul style="list-style-type: none"> • Program 1.1 – Housing Australia
<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>Net Zero Economy Authority</p>
<p>Program</p> <ul style="list-style-type: none"> • Program 1.1 – Net Zero Economy Authority
<p>Contribution to Outcome 1 made by linked programs</p> <p>Housing Australia contributes to the outcome through engagement with the Minister for Housing and Treasury, maintaining strong governance structures, and fulfilling formal and statutory reporting requirements on program performance. Additionally, it supports public awareness with participation in events and conferences, reinforcing industry partnerships to help facilitate housing solutions.</p> <p>Treasury Outcome 1 contributes to all other above 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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Program 1.1: Economic Management					
Administered expenses					
Ordinary annual services (Appropriation Bill (No. 1) and Supply Bill (No. 1))	3,766	-	-	-	-
Special accounts					
Medicare Guarantee Fund Special Account	56,032,323	59,515,854	61,412,169	62,851,591	63,875,310
Administered total	56,036,089	59,515,854	61,412,169	62,851,591	63,875,310
Total expenses for Program 1.1	56,036,089	59,515,854	61,412,169	62,851,591	63,875,310
Program 1.2: International Financial Relations					
Administered expenses					
Special appropriations					
<i>International Monetary Agreements Act 1947</i>	558,444	609,437	645,677	667,443	698,867
Expenses not requiring appropriation in the Budget year (a)	830,697	407,681	1,165	1,242	1,470
Administered total	1,389,141	1,017,118	646,842	668,685	700,337
Total expenses for Program 1.2	1,389,141	1,017,118	646,842	668,685	700,337

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Program 1.3: Support for Markets and Business					
Administered expenses					
Ordinary annual services (Appropriation Bill (No. 1) and Supply Bill (No. 1))	36,764	25,278	20,238	18,752	19,022
Special appropriations					
<i>Corporations Act 2001</i>	105,797	30,644	30,644	30,644	30,643
Expenses not requiring appropriation in the Budget year (a)	2,992	15,466	12,304	9,776	9,035
Administered total	145,553	71,388	63,186	59,172	58,700
Total expenses for Program 1.3	145,553	71,388	63,186	59,172	58,700
Program 1.4: Commonwealth-State Financial Relations					
Administered expenses					
Special appropriations					
<i>Federal Financial Relations Act 2009</i>	138,602,610	151,392,077	159,503,895	168,456,320	177,410,216
Special accounts					
Federation Reform Fund Special Account	24,789,499	19,754,290	17,979,966	16,872,144	15,755,102
Expenses not requiring appropriation in the Budget year (a)	1,776,128	593,991	347,183	229,154	148,894
Administered total	165,168,237	171,740,358	177,831,044	185,557,618	193,314,212
Total expenses for Program 1.4	165,168,237	171,740,358	177,831,044	185,557,618	193,314,212

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Program 1.5: Support for Housing Supply and Affordability					
Administered expenses					
Ordinary annual services (Appropriation Bill (No. 1) and Supply Bill (No. 1))	207,288	154,999	161,540	227,623	232,346
Special accounts					
Housing Australia Future Fund Payments Special Account	73,844	35,195	7,649	1,022	-
Housing Australia Special Account	500,000	399,363	500,000	500,000	512,500
Payment to corporate entities					
Housing Australia	6,277	6,360	6,492	6,586	5,997
Expenses not requiring appropriation in the Budget year (a)	611,722	2,110,263	514,185	161,949	32,043
Administered total	1,399,131	2,706,180	1,189,866	897,180	782,886
Total expenses for Program 1.5	1,399,131	2,706,180	1,189,866	897,180	782,886
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill (No. 1) and Supply Bill (No. 1))	247,818	180,277	181,778	246,375	251,368
Special appropriations	139,266,851	152,032,158	160,180,216	169,154,407	178,139,726
Special accounts	81,395,666	79,704,702	79,899,784	80,224,757	80,142,912
Payment to corporate entities	6,277	6,360	6,492	6,586	5,997
Expenses not requiring appropriation in the Budget year (a)	3,221,539	3,127,401	874,837	402,121	191,442
Administered total	224,138,151	235,050,898	241,143,107	250,034,246	258,731,445
Departmental expenses					
Departmental appropriation	365,000	358,455	340,326	316,139	308,596
s74 External Revenue (b)	11,322	11,159	11,565	11,967	12,366
ABCB Special Account	8,747	10,732	10,522	10,499	10,499
Expenses not requiring appropriation in the Budget year (a)	26,071	23,367	23,033	22,204	21,395
Departmental total	411,140	403,713	385,446	360,809	352,856
Total expenses for Outcome 1	224,549,291	235,454,611	241,528,553	250,395,055	259,084,301

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Movement of administered funds between years (c)					
Outcome 1:					
Program 1.3	(867)	867	-	-	-
Program 1.4	(520,067)	919,960	1,769,844	618,321	(3,317,494)
Program 1.5	(6,261)	12,895	-	-	-
Total movement of administered funds	(527,195)	933,722	1,769,844	618,321	(3,317,494)
Average staffing level (number)					
	2025–26 1,676	2026–27 1,648			

a) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses and amortisation expenses, resources received free of charges, foreign exchange losses, guarantee claims expenses and grants provision expenses.

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

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.

Performance measures for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It is used by entities to describe the results they plan to achieve and the related key activities, as detailed in the current Corporate Plan (i.e 2025–26), the context in which these activities are delivered, and how the performance of these activities will be measured. Where relevant, details of the 2026–27 Budget measures that have created new programs or materially changed existing programs are to be provided.

Table 2.1.2: Performance measure 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.		
Program 1.1 – Economic Management		
<p>The objective of this program is to support Ministers to effectively manage the Australian economy by:</p> <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	<ul style="list-style-type: none"> • Key activity 1: Treasury’s policy advice and analysis is impactful, informed and influential • Key activity 2: Treasury’s implementation of policies and regulation supports Australia’s economy and national interest • Key activity 3: Treasury’s external engagements enable implementation of the government’s economic and fiscal agenda 	
Year	Performance measures	Expected performance results (a)
Current Year 2025–26	Proportion of Treasury ministers, key government entities and stakeholders that rate Treasury advice highly.	<p>Ministerial feedback questionnaire: Target: 87%</p> <p>Stakeholder survey: Target: 80%</p> <p>This performance measure will be assessed through structured interviews conducted with Treasury ministers or their representatives and the end of cycle stakeholder feedback survey for reporting in the Annual Performance Statements 2025–26. Expected to be achieved.</p>
	Variance between actual real Gross Domestic Product (GDP) and forecast real GDP.	<p>Target: Real GDP falls within 70% confidence interval of forecast real GDP.</p> <p>This performance measure will be assessed at the end of cycle based on the Australian Bureau of Statistics Australian National Accounts: National Income, Expenditure and Product. Expected to be achieved.</p>
	Variance between actual Total Tax Receipts (excluding Company Tax) and forecast.	<p>Target: Total Tax Receipts (excluding company tax) for 2025–26 falls within 70% confidence interval of forecast at the 2025–26 Budget.</p> <p>This performance measure will be assessed at the end of cycle based on the 2025–26 Final Budget Outcome. Expected to be achieved.</p>

Table 2.1.2: Performance measure for Outcome 1 (continued)

Program 1.1 – Economic Management (continued)		
<p>The objective of this program is to support Ministers to effectively manage the Australian economy by:</p> <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. 		
Year	Performance measures	Expected performance results (a)
Current Year 2025–26 (continued)	Delivered in line with the requirements of the <i>Charter of Budget Honesty Act 1998</i> (Charter).	<p>Target: 100%</p> <p>The Charter requires the 2024–25 Final Budget Outcome to be publicly released by 30 September 2025. The 2024–25 Final Budget Outcome was publicly released on 29 September 2025 and has met the requirements and timeframe.</p> <p>The Charter requires the 2025–26 Mid-Year Economic and Fiscal Outlook to be published and tabled by 31 January 2026. The 2025–26 Mid-Year Economic and Fiscal Outlook papers were publicly released on 17 December 2025 and tabled on 23 January 2026.</p> <p>Expected to be achieved.</p>
	No disorderly failures of institutions prudentially regulated in Australia.	<p>Target: No disorderly failures of prudentially regulated institutions.</p> <p>There were no disorderly failures in the July to December 2025 period.</p> <p>Expected to be achieved.</p>
	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.	<p>Target: 94%</p> <p>92% of legislative measures were delivered as committed in the Winter and Spring 2025 sitting period.</p> <p>Expected to be substantially achieved.</p>
	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) 	<p>Target: 65%</p> <p>This performance measure will be assessed through the end of cycle stakeholder feedback survey for reporting in the Annual Performance Statements 2025–26.</p> <p>Expected to be achieved.</p>
	Proportion of commercial foreign investment proposals decided within the target 30-day decision period.	<p>Target: 50%</p> <p>41% of commercial foreign investment proposals were processed within the 30-day statutory decision period in the July to December 2025 period.</p> <p>Expected to be partially achieved.</p>

Table 2.1.2: Performance measure for Outcome 1 (continued)

Program 1.1 – Economic Management (continued)		
<p>The objective of this program is to support Ministers to effectively manage the Australian economy by:</p> <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. 		
Year	Performance measures	Expected performance results (a)
Current Year 2025–26 (continued)	Proportion of Treasury ministers, Treasury portfolio agencies and regulators, and key stakeholders that highly rate working with the Treasury.	<p>Ministerial feedback questionnaire: Target: 87%</p> <p>Stakeholder survey: Target: 80%</p> <p>This performance measure will be assessed through structured interviews conducted with Treasury ministers or their representatives and the end of cycle stakeholder feedback survey for reporting in the Annual Performance Statements 2025–26.</p> <p>Expected to be achieved.</p>
Year	Performance measures	Planned performance results
Budget Year 2026–27	Proportion of Treasury ministers, key government entities and stakeholders that rate Treasury advice highly.	<p>Ministerial feedback questionnaire: Target: 87%</p> <p>Stakeholder survey: Target: 81%</p>
	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 2026–27 falls within 70% confidence interval of forecast at the 2026–27 Budget.
	Delivered in line with the requirements of the <i>Charter of Budget Honesty Act 1998</i> (Charter).	Target: 100%
	No disorderly failures of institutions prudentially regulated in Australia.	Target: No disorderly failures of prudentially regulated institutions.
	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: This performance measure will not continue in 2026–27 and the forward years.
	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%
	Proportion of commercial foreign investment proposals decided within the target 30-day decision period.	Target: 50%

Table 2.1.2: Performance measure for Outcome 1 (continued)

Program 1.1 – Economic Management (continued)		
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. 		
Year	Performance measures	Planned performance results
Budget Year 2026–27 (continued)	Proportion of Treasury ministers, Treasury portfolio agencies and regulators, and key stakeholders that highly rate working with the Treasury.	Ministerial feedback questionnaire: Target: 87% Stakeholder survey: Target: 81%
Forward Estimates 2027–30	Proportion of Treasury ministers, key government entities and stakeholders that rate Treasury advice highly.	Ministerial feedback questionnaire: Target: 100% Stakeholder survey: Target: 82%
	Variance between actual real Gross Domestic Product (GDP) and forecast real GDP.	As per 2026–27
	Variance between actual Total Tax Receipts (excluding Company Tax) and forecast.	As per 2026–27
	Delivered in line with the requirements of the <i>Charter of Budget Honesty Act 1998</i> (Charter).	As per 2026–27
	No disorderly failures of institutions prudentially regulated in Australia.	As per 2026–27
	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 2026–27
	Proportion of commercial foreign investment proposals decided within the target 30-day decision period.	As per 2026–27
	Proportion of Treasury ministers, Treasury portfolio agencies and regulators, and key stakeholders that highly rate working with the Treasury.	Ministerial feedback questionnaire: Target: 100% Stakeholder survey: Target: 82%
Material changes to Program 1.1 resulting from 2026–27 Budget Measures: Nil		

a) The details of Treasury's performance results for 2025–26 will be reported in the Annual Performance Statements in the 2025–26 Annual Report.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Program 1.2 – International Financial Relations		
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	Key activity 3: Treasury's external engagements enable implementation of the government's economic and fiscal agenda	
Year	Performance measures	Expected performance results (a)
Current Year 2025–26	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 2025 period. Expected to be achieved.
Year	Performance measures	Planned performance results
Budget Year 2026–27	Proportion of payments to international financial institutions are transferred within legislated requirements and agreements.	Target: 100%
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.2 resulting from 2026–27 Budget Measures: Nil		

a) The details of Treasury's performance results for 2025–26 will be reported in the Annual Performance Statements in the 2025–26 Annual Report.

Table 2.1.2: Performance measure for Outcome 1 (continued)

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.		
Key activities	Key activity 2: Treasury's implementation of policies and regulation supports Australia's economy and national interest	
Year	Performance measures	Expected performance results (a)
Current Year 2025–26	Australia maintains or improves its 2022 score on markets related inputs to the World Competitiveness Ranking produced by the Institute for Management Development.	Target: Competitiveness score ≥ 105 This performance measure will be assessed through the end of cycle when the World Competitiveness Ranking produced by the Institute for Management Development data becomes available in June 2026. 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 2025–26. Expected to be achieved.
	Proportion of regulated entities that complied with their obligation to report under the <i>Payment Times Reporting Act 2020</i> .	Target: 85% 60% of regulated entities registered as a reporting entity in the July to December 2025 period. Expected to be partially achieved.
Year	Performance measures	Planned performance results
Budget Year 2026–27	Australia maintains or improves its 2022 score on markets related inputs to the World Competitiveness Ranking produced by the Institute for Management Development.	Target: Competitiveness score ≥ 105
	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%
	Proportion of regulated entities that complied with their obligation to report under the <i>Payment Times Reporting Act 2020</i> .	Target: 85%

Table 2.1.2: Performance measure for Outcome 1 (continued)

Program 1.3 – Support for Markets and Business (continued)		
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.		
Year	Performance measures	Planned performance results
Forward Estimates 2027–30	Australia maintains or improves its 2022 score on markets related inputs to the World Competitiveness Ranking produced by the Institute for Management Development.	As per 2026–27
	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 2026–27
	Proportion of regulated entities that complied with their obligation to report under the <i>Payment Times Reporting Act 2020</i> .	2027–28 Target: 90% 2028–29 Target: 95% 2029–30 Target: 95%
Material changes to Program 1.3 resulting from 2026–27 Budget Measures: Nil		

- a) The details of Treasury’s performance results for 2025–26 will be reported in the Annual Performance Statements in the 2025–26 Annual Report.

Table 2.1.2: Performance measure for Outcome 1 (continued)

<p>Program 1.4 – Commonwealth-State Financial Relations</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 Intergovernmental Agreement on Federal Financial Relations (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 Housing, Homelessness and Affordable Housing. The Treasury, on behalf of the government, provides financial support to the States and Territories to be spent in the delivery of social and affordable housing services.</p> <p>f) Assistance to States for Energy Bill Relief. The Treasury, on behalf of the government, provides financial support to the States and Territories to be spent in the delivery of temporary energy bill relief.</p> <p>g) 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> <ul style="list-style-type: none"> – Australian Centre for Disease Control – Attorney-General’s Department – Australian Trade and Investment Commission – 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, Disability and Ageing – Department of Home Affairs – Department of Industry, Science, and Resources – Department of Infrastructure, Transport, Regional Development, Communications, Sports and the Arts – Department of Social Services – National Emergency Management Agency – National Indigenous Australians Agency – Net Zero Economy Authority 	
Key activities	Key activity 3: Treasury’s external engagements enable implementation of the government’s economic and fiscal agenda

Table 2.1.2: Performance measure for Outcome 1 (continued)

Program 1.4 – Commonwealth-State Financial Relations (continued)		
Year	Performance measures	Expected performance results (a)
Current Year 2025–26	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 has achieved the target with 100% of payments delivered 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 2025 period. Expected to be achieved.
Year	Performance measures	Planned performance results
Budget Year 2026–27	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 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.4 resulting from 2026–27 Budget Measures: Nil		

a) The details of Treasury's performance results for 2025–26 will be reported in the Annual Performance Statements in the 2025–26 Annual Report.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Program 1.5 – Support for Housing Supply and Affordability		
The objective of this program is to provide advice on a range of housing related issues that impact housing supply and affordability, home ownership, the rental market, homelessness, cities and construction to support the Government’s housing agenda.		
Key activities	Key activity 2: Treasury’s implementation of policies and regulation supports Australia’s economy and national interest	
Year	Performance measures (a)	Expected performance results (b)
Current Year 2025–26	<i>Proportion of social and affordable dwellings that have become ready for tenants, compared to the contracted delivery schedule.</i>	<i>Target: 90% 46% of social and affordable dwellings that have become ready for tenants, compared to the contracted delivery schedule in the July to December 2025 period. Expected to be partially achieved.</i>
Year	Performance measures	Planned performance results
Budget Year 2026–27	<i>Proportion of social and affordable dwellings that have become ready for tenants, compared to the contracted delivery schedule.</i>	<i>Target: 90%</i>
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.5 resulting from 2026–27 Budget Measures: Nil		

- a) Program delivery by Housing Australia has matured to allow Treasury to compare the expected and actual delivery of dwellings that have become ready for tenants. This performance measure has been revised from assessing dwellings contracted to dwellings that have become ready for tenants.
- b) The details of Treasury’s performance results for 2025–26 will be reported in the Annual Performance Statements in the 2025–26 Annual Report.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026–27 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 / appropriation resources available to Treasury while the financial statements are prepared on an accrual basis.

Treasury's financial statements tables for the 2026–27 Budget include funding to be received through the 2025–26 Annual Appropriation Bill No. 5, which is not included in the entity resource statement due to the timing of the 2026–27 Budget.

Treasury's administered financial statements include payments and receipts with Housing Australia's Affordable Housing Bond Aggregator, which is classified as being outside of the General Government Sector. These are excluded from the payments made to corporate entities disclosure in the entity resource statement.

3.1.2 Explanatory notes and analysis of budgeted financial statements

Treasury is budgeting for an operating loss result in 2025–26 and then break-even results over the forward estimates, after non-appropriated expenses such as depreciation are removed. The operating loss relates to the timing of the transfer of the Australian Building Codes Board special account from the Department of Industry, Science and Resources.

Treasury has a sound financial position and has sufficient cash reserves to fund provisions, 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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
EXPENSES					
Employee benefits	300,009	286,203	275,334	271,279	280,742
Suppliers	86,969	96,552	89,483	69,730	53,136
Grants	500	-	-	-	-
Depreciation and amortisation (a)	21,938	19,234	18,900	18,071	17,262
Finance costs	1,724	1,724	1,729	1,729	1,716
Total expenses	411,140	403,713	385,446	360,809	352,856
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	10,251	10,387	10,793	12,282	12,681
Other	10,317	10,317	10,317	10,317	10,317
Total own-source revenue	20,568	20,704	21,110	22,599	22,998
Total own-source income	20,568	20,704	21,110	22,599	22,998
Net (cost of)/contribution by services	(390,572)	(383,009)	(364,336)	(338,210)	(329,858)
Revenue from Government	379,939	375,161	357,201	332,234	324,773
Surplus/(deficit) attributable to the Australian Government	(10,633)	(7,848)	(7,135)	(5,976)	(5,085)
Total comprehensive income/(loss) attributable to the Australian Government	(10,633)	(7,848)	(7,135)	(5,976)	(5,085)

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**

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(10,633)	(7,848)	(7,135)	(5,976)	(5,085)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	5,621	6,650	6,482	5,896	5,896
plus: depreciation/amortisation expenses for ROU assets (b)	16,317	12,584	12,418	12,175	11,366
less: lease principal repayments (b)	12,651	11,386	11,765	12,095	12,177
Net Cash Operating Surplus/(Deficit)	(1,346)	-	-	-	-

Prepared on Australian Accounting Standards basis.

- a) From 2010–11, the Government introduced net cash appropriation arrangements that provided non-corporate Commonwealth entities with a separate Departmental Capital Budget (DCB) under Appropriation Bill (No. 1) and Supply Bill (No. 1). This replaced revenue appropriations provided under Appropriation Bill (No. 1) used for the depreciation/amortisation expenses. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
- b) Applies to leases under AASB 16 *Leases*.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	8,237	8,237	8,237	8,237	8,237
Trade and other receivables	142,352	134,870	132,545	132,000	135,281
Total financial assets	150,589	143,107	140,782	140,237	143,518
Non-financial assets					
Land and buildings	111,022	96,087	81,515	67,471	54,379
Property, plant and equipment	7,056	6,260	5,558	5,241	4,869
Intangibles	586	674	692	669	605
Other non-financial assets	6,286	5,278	4,600	3,967	4,142
Total non-financial assets	124,950	108,299	92,365	77,348	63,995
Total assets	275,539	251,406	233,147	217,585	207,513
LIABILITIES					
Payables					
Suppliers	8,382	7,038	6,133	5,290	5,523
Other payables	6,049	6,049	6,049	6,049	6,049
Total payables	14,431	13,087	12,182	11,339	11,572
Interest bearing liabilities					
Leases	109,339	97,953	86,188	74,093	61,916
Total interest bearing liabilities	109,339	97,953	86,188	74,093	61,916
Provisions					
Employee provisions	99,280	92,134	90,036	89,701	92,924
Other provisions	6,540	6,540	6,540	6,540	6,540
Total provisions	105,820	98,674	96,576	96,241	99,464
Total liabilities	229,590	209,714	194,946	181,673	172,952
Net assets	45,949	41,692	38,201	35,912	34,561
EQUITY*					
Parent entity interest					
Contributed equity	134,715	138,306	141,950	145,637	149,371
Reserves	18,335	18,335	18,335	18,335	18,335
Retained surplus (accumulated deficit)	(107,101)	(114,949)	(122,084)	(128,060)	(133,145)
Total parent entity interest	45,949	41,692	38,201	35,912	34,561
Total equity	45,949	41,692	38,201	35,912	34,561

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 2026–27)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity / capital \$'000	Total equity \$'000
Opening balance as at 1 July 2026				
Balance carried forward from previous period	(107,101)	18,335	134,715	45,949
Adjusted opening balance	(107,101)	18,335	134,715	45,949
Comprehensive income				
Surplus/(deficit) for the period	(7,848)	-	-	(7,848)
Total comprehensive income	(7,848)	-	-	(7,848)
of which:				
Attributable to the Australian Government	(7,848)	-	-	(7,848)
Transactions with owners				
Contributions by owners				
Departmental Capital Budget (DCB)	-	-	3,591	3,591
Subtotal transactions with owners	-	-	3,591	3,591
Estimated closing balance as at 30 June 2027	(114,949)	18,335	138,306	41,692
Closing balance attributable to the Australian Government	(114,949)	18,335	138,306	41,692

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	380,703	382,643	359,526	333,105	321,492
Sale of goods and rendering of services	10,550	10,387	10,793	11,956	12,681
Other	6,184	6,184	6,184	6,184	6,184
Total cash received	397,437	399,214	376,503	351,245	340,357
Cash used					
Employees	300,624	293,349	277,432	271,614	277,519
Suppliers	83,925	92,755	85,577	65,807	48,945
Other	500	-	-	-	-
Interest payments on lease liability	1,724	1,724	1,729	1,729	1,716
Total cash used	386,773	387,828	364,738	339,150	328,180
Net cash from/(used by) operating activities	10,664	11,386	11,765	12,095	12,177
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant, equipment and intangibles	3,560	3,591	3,644	3,687	3,734
Total cash used	3,560	3,591	3,644	3,687	3,734
Net cash from/(used by) investing activities	(3,560)	(3,591)	(3,644)	(3,687)	(3,734)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	3,560	3,591	3,644	3,687	3,734
Restructure	9,475	-	-	-	-
Total cash received	13,035	3,591	3,644	3,687	3,734
Cash used					
Principal payments on lease liability	12,651	11,386	11,765	12,095	12,177
Total cash used	12,651	11,386	11,765	12,095	12,177
Net cash from/(used by) financing activities	384	(7,795)	(8,121)	(8,408)	(8,443)
Net increase/(decrease) in cash held	7,488	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	749	8,237	8,237	8,237	8,237
Cash and cash equivalents at the end of the reporting period	8,237	8,237	8,237	8,237	8,237

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	3,560	3,591	3,644	3,687	3,734
Total new capital appropriations	3,560	3,591	3,644	3,687	3,734
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	3,560	3,591	3,644	3,687	3,734
Total Items	3,560	3,591	3,644	3,687	3,734
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations – DCB (a)	3,560	3,591	3,644	3,687	3,734
TOTAL	3,560	3,591	3,644	3,687	3,734
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	3,560	3,591	3,644	3,687	3,734
Total cash used to acquire assets	3,560	3,591	3,644	3,687	3,734

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 2026–27)

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2026				
Gross book value	25,224	12,694	20,146	58,064
Gross book value - ROU assets	174,316	73	-	174,389
Accumulated depreciation/amortisation and impairment	(5,880)	(5,665)	(19,560)	(31,105)
Accumulated depreciation/amortisation and impairment - ROU assets	(82,638)	(46)	-	(82,684)
Opening net book balance	111,022	7,056	586	118,664
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services (a)	1,538	1,538	515	3,591
Total additions	1,538	1,538	515	3,591
Other movements				
Depreciation/amortisation expense	(3,889)	(2,334)	(427)	(6,650)
Depreciation/amortisation on ROU assets	(12,584)	-	-	(12,584)
Total other movements	(16,473)	(2,334)	(427)	(19,234)
As at 30 June 2027				
Gross book value	26,762	14,232	20,661	61,655
Gross book value - ROU assets	174,316	73	-	174,389
Accumulated depreciation/amortisation and impairment	(9,769)	(7,999)	(19,987)	(37,755)
Accumulated depreciation/amortisation and impairment - ROU assets	(95,222)	(46)	-	(95,268)
Closing net book balance	96,087	6,260	674	103,021

Prepared on Australian Accounting Standards basis.

- a) 'Appropriation ordinary annual services' refers to funding provided through Annual Appropriation Bill (No. 1) 2025–2026 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)

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
EXPENSES					
Suppliers	32,599	1,103	663	663	1,163
Grants	164,931,157	171,328,399	177,589,430	185,418,891	193,250,131
Medicare Guarantee Fund transfers	56,032,323	59,515,854	61,412,169	62,851,591	63,875,310
Payments to corporate entities (a)	556,546	468,704	620,331	693,537	714,532
Finance costs	1,104,211	1,032,644	836,748	731,136	713,945
Concessional loan discount	601,089	2,255,113	644,564	300,818	137,928
Foreign exchange losses	819,475	406,617	-	-	172
Other expenses	60,751	42,464	39,202	37,610	38,264
Total expenses administered on behalf of Government	224,138,151	235,050,898	241,143,107	250,034,246	258,731,445
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Taxation revenue					
Other taxes	113,593	117,353	120,169	123,173	126,252
Total taxation revenue	113,593	117,353	120,169	123,173	126,252
Non-taxation revenue					
Sale of goods and services	718,508	680,735	458,348	463,738	475,757
Fees and fines	1,800	1,018	1,018	1,018	1,018
Interest	733,228	883,062	1,014,405	1,089,501	1,117,614
Transfers from other government agencies	747,141	537,438	535,188	534,750	512,500
Other revenue	104,959	499,672	99,808	99,944	99,978
Total non-taxation revenue	2,305,636	2,601,925	2,108,767	2,188,951	2,206,867
Total own-source revenue administered on behalf of Government	2,419,229	2,719,278	2,228,936	2,312,124	2,333,119

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Gains					
Foreign exchange gains	903,186	255,986	-	-	172
Other gains	6,735	44,767	97,759	169,119	239,246
Total gains administered on behalf of government	909,921	300,753	97,759	169,119	239,418
Total own-sourced income administered on behalf of Government	3,329,150	3,020,031	2,326,695	2,481,243	2,572,537
Net (cost of)/contribution by services	(220,809,001)	(232,030,867)	(238,816,412)	(247,553,003)	(256,158,908)
Total comprehensive income/(loss)	(220,809,001)	(232,030,867)	(238,816,412)	(247,553,003)	(256,158,908)

Prepared on Australian Accounting Standards basis.

a) Inclusive of non-capital transfers from all appropriation sources made to Housing Australia.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	294,700	13,844	6,195	15,662	78,967
Trade and other receivables	5,468,913	9,953,295	13,859,902	16,357,378	17,550,350
Other investments	31,869,064	31,606,372	31,737,070	31,877,112	31,987,992
Total financial assets	37,632,677	41,573,511	45,603,167	48,250,152	49,617,309
Total assets administered on behalf of Government	37,632,677	41,573,511	45,603,167	48,250,152	49,617,309
LIABILITIES					
Payables					
Suppliers	42,219	27,801	13,900	-	-
Subsidies	20,129	-	-	-	-
Grants	113,198	26,943	25,625	20,673	15,976
Other payables	522,923	512,597	455,187	440,561	432,067
Total payables	698,469	567,341	494,712	461,234	448,043
Interest bearing liabilities					
Promissory notes	9,726,572	9,725,381	9,725,381	9,725,381	9,725,381
Other interest bearing liabilities	19,140,189	18,885,911	18,885,911	18,885,911	18,885,911
Total interest bearing liabilities	28,866,761	28,611,292	28,611,292	28,611,292	28,611,292
Provisions					
Grants provisions	12,713,239	5,847,496	2,265,809	344,069	165,025
Total provisions	12,713,239	5,847,496	2,265,809	344,069	165,025
Total liabilities administered on behalf of Government	42,278,469	35,026,129	31,371,813	29,416,595	29,224,360
Net assets/(liabilities)	(4,645,792)	6,547,382	14,231,354	18,833,557	20,392,949

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Interest received	562,115	667,039	765,602	809,305	824,898
GST received	2,057,065	2,143,749	2,241,127	2,344,852	2,454,365
Transfer receipts from government agencies	747,141	537,438	535,188	534,750	512,500
Pass-through receipts from government agencies (a)	33,210,460	35,216,074	36,157,084	37,568,016	39,276,939
Taxes	113,593	117,353	120,169	123,173	126,252
Other operating receipts	107,074	100,690	100,826	100,962	100,996
Total cash received	36,797,448	38,782,343	39,919,996	41,481,058	43,295,950
Cash used					
Grants paid	205,718,013	214,981,628	219,302,204	226,857,164	234,703,199
Medicare Guarantee Fund transfers	56,032,323	59,515,854	61,412,169	62,851,591	63,875,310
Subsidies paid	39,130	20,129	-	-	-
Borrowing costs	556,912	602,254	643,249	662,166	699,999
Suppliers	32,599	1,103	663	663	1,163
Payments to corporate entities within the Portfolio	557,046	468,704	620,331	693,537	714,532
Other operating payments	134,713	61,036	100,205	58,755	46,924
Total cash used	263,070,736	275,650,708	282,078,821	291,123,876	300,041,127
Net cash from/(used by) operating activities	(226,273,288)	(236,868,365)	(242,158,825)	(249,642,818)	(256,745,177)
INVESTING ACTIVITIES					
Cash received					
Repayments of loans and advances	310,486	858,041	1,773,741	3,150,850	2,679,313
Interest	407,327	-	-	-	-
Total cash received	717,813	858,041	1,773,741	3,150,850	2,679,313
Cash used					
Advances and loans made	2,528,181	7,349,973	5,978,350	5,499,829	3,478,251
Investments	160,089	144,599	144,599	153,942	110,880
Total cash used	2,688,270	7,494,572	6,122,949	5,653,771	3,589,131
Net cash from/(used by) investing activities	(1,970,457)	(6,636,531)	(4,349,208)	(2,502,921)	(909,818)

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Net increase/(decrease) in cash held	(228,243,745)	(243,504,896)	(246,508,033)	(252,145,739)	(257,654,995)
Cash and cash equivalents at beginning of reporting period	1,410,502	294,700	13,844	6,195	15,662
Cash from Official Public Account for:					
- Appropriations	141,909,427	158,475,494	164,690,196	171,843,190	179,351,798
- Special Accounts	86,987,556	86,441,317	83,102,258	81,650,528	79,827,933
Total cash from Official Public Account	228,896,983	244,916,811	247,792,454	253,493,718	259,179,731
Cash to Official Public Account for:					
- Appropriations	(1,769,040)	(1,692,771)	(1,292,070)	(1,338,512)	(1,461,431)
Total cash to Official Public Account	(1,769,040)	(1,692,771)	(1,292,070)	(1,338,512)	(1,461,431)
Cash and cash equivalents at end of reporting period	294,700	13,844	6,195	15,662	78,967

Prepared on Australian Accounting Standards basis.

a) Receipts for items where Treasury nets off expense and revenue administered on behalf of Government. Payments are recognised within 'grants paid'.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward Estimate \$'000	2029–30 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Administered Assets and Liabilities – Bill 2	799,700	4,247,531	2,190,821	213,848	3,800
Total new capital appropriations	799,700	4,247,531	2,190,821	213,848	3,800
Provided for:					
<i>Loans from the Affordable Housing Bond Aggregator</i>	-	1,434,431	1,532,821	32,748	-
<i>Housing Australia Future Fund - Concessional loans</i>	649,700	1,819,100	658,000	181,100	3,800
<i>National Housing Accord - Concessional loans</i>	150,000	994,000	-	-	-
Total Items	799,700	4,247,531	2,190,821	213,848	3,800

Prepared on Australian Accounting Standards basis.

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) is Australia's national statistical agency. The ABS' purpose is to inform Australia's important decisions by delivering relevant, trusted and objective data, statistics and insights. It provides trusted official statistics on a wide range of economic, social, population, and environmental matters of importance to Australia.

The ABS leads the use of public data for statistical purposes and works to improve the Australian Government's data and statistical capabilities. It works in partnership with other organisations to expand the range and quality of statistical data and information available to governments and the community.

The ABS advises official bodies on producing and using data, statistics and insights, formulates standards, works with state and territory governments, and liaises internationally with other national statistical organisations.

The ABS also leads the Australian Public Service (APS) Data Profession, building the data capabilities of the APS workforce.

Over 2026–27 and beyond, the ABS will focus on:

- delivering a high quality, secure and trusted 2026 Census of Population and Housing
- continuing to produce high-quality data, statistics and insights that meet the needs of the Government and our users
- continuing to deliver the Big Data, Timely Insights: Phase 2 program to provide more timely, reliable information for decision-makers and the community, maximising the value of ABS data
- continuing to modernise ABS' data acquisition systems to address long-term declines in survey response rates and enable a digital-first approach to data collection from Australians
- strengthening Australia's data capabilities through building data integration infrastructure and capability, linking public and private datasets for policy relevant research and analysis
- continuing the delivery of the Life Course Data Initiative, working with partners and experts to refine research priorities and generate further insights that support long-term policy responses to entrenched disadvantage

- collaborating and establishing partnerships with other data providers and custodians to improve the availability and usability of alternative data sources for statistics and new insights
- commencing a program of work for adopting updated international standards enabling better measurement of the contemporary Australian economy in an internationally comparable way.

The ABS will continue to adapt its infrastructure, practices and statistical products in response to the conditions in which we operate, including the needs of our partners and the expectations of the Government and our clients. The ABS is responding to increasing demand for quality data by strengthening partnerships with state and territory governments and with businesses to explore emergent alternate data sources, while embracing new technologies, maintaining a strong focus on data security, and enhancing the value of data.

Each year, in setting its priorities, the ABS 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 resourcing 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. Amounts presented below are consistent with amounts presented in the Appropriation Bills themselves.

Table 1.1: Australian Bureau of Statistics resource statement – Budget Estimates for 2026–27 as at Budget May 2026

	<i>2025–26 Estimated actual \$'000</i>	2026–27 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	65,395	25,249
Departmental appropriation (c)	622,860	729,123
s74 External Revenue (d)	49,306	50,304
Departmental capital budget (e)	14,396	12,140
Annual appropriations - other services - non-operating (f)		
Prior year appropriations available	2,390	2,173
Equity injection	11,234	1,168
Total departmental annual appropriations	765,581	820,157
Total departmental resourcing	765,581	820,157
Total resourcing for the Australian Bureau of Statistics	765,581	820,157
<hr/>		
Average staffing level (number)	3,482	3,409

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

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

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

- a) Appropriation Bill (No. 1) 2026–2027.
- b) Excludes \$20.0 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). The 2025–26 figure includes \$9.4 million subject to administrative quarantine by Finance.
- 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 Supply 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'. The 2025–26 figure includes \$8.6 million subject to administrative quarantine by Finance.
- f) Appropriation Bill (No. 2) 2026–2027.

1.3 Budget measures

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

Table 1.2: Australian Bureau of Statistics 2026–27 Budget measures

Part 1: Measures announced since the 2025–26 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Payment measures						
Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension (a)						
	Departmental payments	1.1	-	-	-	(12,448)
	Total		-	-	-	(12,448)
Royal Commission into Defence and Veteran Suicide – continued implementation (b)						
	Departmental payments	1.1	-	4,115	3,259	2,737
	Total		-	4,115	3,259	2,737
Total payment measures						
	Departmental		-	4,115	3,259	2,737
	Total		-	4,115	3,259	2,737

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

- The lead entity for the measure titled Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension is the Department of Finance. The full measure description and package details appear in the Budget Paper No. 2 under Cross Portfolio measures.
- The lead entity for the measure titled Royal Commission into Defence and Veteran Suicide – continued implementation is the Department of Defence. The full measure description and package details appear in the Budget Paper No. 2 under the Defence 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.

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 ABS can be found at:

<https://www.abs.gov.au/about/our-organisation/corporate-reporting/abs-corporate-plan/2025-26>.

The most recent annual performance statement can be found at:

<https://www.transparency.gov.au/publications/treasury/australian-bureau-of-statistics/australian-bureau-of-statistics-annual-report-2024-25>.

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
Program
• Program 1.3 – Australian Business Registry Services
Contribution to Outcome 1 made by linked programs
Program 1.3 – Australian Business Register provides essential infrastructure to the operation of ABS business surveys.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Program 1.1: Australian Bureau of Statistics					
Departmental expenses					
Departmental appropriation	629,333	729,581	418,204	417,003	438,681
s74 External Revenue (b)	50,717	50,731	50,550	50,548	50,548
Expenses not requiring appropriation in the Budget year (a)	22,298	17,592	16,180	18,480	18,480
Departmental total	702,348	797,904	484,934	486,031	507,709
Total expenses for program 1.1	702,348	797,904	484,934	486,031	507,709
Total expenses for Outcome 1	702,348	797,904	484,934	486,031	507,709

	2025–26	2026–27
Average staffing level (number)	3,482	3,409

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

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

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

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

Performance measures for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It is used by entities to describe the results they plan to achieve and the related key activities, as detailed in the current corporate plan (i.e. 2025–26), the context in which these activities are delivered, and how the performance of these activities will be measured. Where relevant, details of the 2026–27 Budget measures that have created new programs or materially changed existing programs are to be provided.

Table 2.1.2: Performance measures 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.		
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 (a)	<ul style="list-style-type: none"> • Produce high-quality statistics and insights. • Exercise leadership in strengthening Australia’s data capabilities. • Strengthen relationships and reduce load on data providers. 	
Year	Performance measures	Expected performance results
Current Year 2025–26	High-quality statistics are produced to inform decision making by governments, business and the community.	Target: 100% compliant with the Special Data Dissemination Standard for in scope collections, assessed by the International Monetary Fund (IMF). (b) On track.
Year	Performance measures (c)	Planned performance results
Budget Year 2026–27	High-quality statistics and insights are produced to inform decision making by governments, business and the community.	Target: 100% compliant with the Special Data Dissemination Standard for in scope collections, assessed by the International Monetary Fund (IMF).
Forward Estimates 2027–30	As per 2026–27.	As per 2026–27.
Material changes to Program 1.1 resulting from 2026–27 Budget Measures: Nil		

- a) Refers to updated key activities that will be reflected in the 2026–27 corporate plan.
- b) The IMF monitors and reports on how well countries comply with SDDS requirements for the range of statistics produced and published. The statistics required by the SDDS include national accounts, labour force, unemployment, consumer price index and estimates of resident population. Australia’s assessments are available on the IMF website: <https://dsbb.imf.org/sdds/country/AUS/summary-of-observance>.
- c) The performance measure has been revised in 2026–27 to incorporate ‘insights’ for improved alignment with ABS key activities.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026–27 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/appropriation resources available to the ABS while the financial statements are prepared on an accrual basis.

Additionally, the entity resource statement (Table 1.1) includes amounts subject to administrative quarantine that are not included in the financial statements tables.

3.1.2 Explanatory notes and analysis of budgeted financial statements

Comprehensive income statement

The ABS is budgeting for an approved operating loss in 2025–26 and a break-even result in 2026–27 and over the forward estimates, after removing non-appropriated expenses such as depreciation and amortisation, and the reporting impact of AASB 16 *Leases*.

Total expenses are forecast to be \$797.9 million in 2026–27, an increase from the \$776.1 million in the 2025–26 Portfolio Additional Estimates Statements. This is primarily due to an estimates variation to release funding for the Census program from the Contingency Reserve, 2026–27 Budget measures (refer to Table 1.2 for details) and a reclassification from DCB to departmental operating support the ongoing transition to a cloud operating environment and ICT service-based arrangements.

Revenue from government is forecast to be \$729.1 million in 2026–27, an increase from the \$707.0 million in the 2025–26 Portfolio Additional Estimates Statements. This is primarily due to an estimates variation to release funding for the Census program from the Contingency Reserve, 2026–27 Budget measures (refer to Table 1.2 for details) and a reclassification from the DCB to departmental operating support the ongoing transition to a cloud operating environment and ICT service-based arrangements.

Balance sheet

The ABS' net asset position is expected to decrease over the forward estimates. This is primarily due to the transition of the agency's ICT systems to cloud-based services which are operating in nature.

3.2 Budgeted financial statements tables

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
EXPENSES					
Employee benefits	441,690	517,362	340,269	357,626	377,358
Suppliers	218,517	243,677	112,361	93,344	95,290
Depreciation and amortisation (a)	40,767	35,649	31,281	34,137	34,137
Finance costs	1,374	1,216	1,023	924	924
Total expenses	702,348	797,904	484,934	486,031	507,709
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	50,000	50,000	50,000	50,000	50,000
Sublease income	491	505	324	322	322
Other	226	226	226	226	226
Total own-source revenue	50,717	50,731	50,550	50,548	50,548
Total own-source income	50,717	50,731	50,550	50,548	50,548
Net (cost of)/contribution by services	(651,631)	(747,173)	(434,384)	(435,483)	(457,161)
Revenue from Government	613,469	729,123	418,721	417,665	439,343
Surplus/(deficit) attributable to the Australian Government	(38,162)	(18,050)	(15,663)	(17,818)	(17,818)
Total comprehensive income/(loss)	(38,162)	(18,050)	(15,663)	(17,818)	(17,818)
Total comprehensive income/(loss) attributable to the Australian Government	(38,162)	(18,050)	(15,663)	(17,818)	(17,818)

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**

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(38,162)	(18,050)	(15,663)	(17,818)	(17,818)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	22,298	17,592	16,180	18,480	18,480
plus: depreciation/amortisation expenses for ROU assets (b)	18,469	18,057	15,101	15,657	15,657
less: lease principal repayments (b)	17,605	17,599	15,618	16,319	16,319
Net Cash Operating Surplus/ (Deficit)	(15,000)	-	-	-	-

Prepared on Australian Accounting Standards basis.

- a) From 2010–11, the Government introduced net cash appropriation arrangements that provided non-corporate Commonwealth entities with a separate Departmental Capital Budget (DCB) under Appropriation Bill (No. 1). This replaced revenue appropriations provided under Appropriation Bill (No. 1) used for the depreciation/amortisation expenses. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
- b) Applies to leases under AASB 16 *Leases*.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	3,500	3,500	3,500	3,500	3,500
Trade and other receivables	58,885	59,186	54,447	54,886	54,886
Total financial assets	62,385	62,686	57,947	58,386	58,386
Non-financial assets					
Land and buildings	88,028	76,278	66,273	60,146	44,489
Property, plant and equipment	42,305	46,101	50,384	50,389	50,608
Intangibles	48,972	40,892	32,581	26,443	20,305
Other non-financial assets	25,937	16,737	14,677	14,677	14,677
Total non-financial assets	205,242	180,008	163,915	151,655	130,079
Total assets	267,627	242,694	221,862	210,041	188,465
LIABILITIES					
Payables					
Suppliers	16,855	18,175	16,031	16,031	16,031
Other payables	48,446	36,228	36,787	36,882	36,882
Total payables	65,301	54,403	52,818	52,913	52,913
Interest bearing liabilities					
Leases	99,877	88,585	78,063	71,274	54,955
Total interest bearing liabilities	99,877	88,585	78,063	71,274	54,955
Provisions					
Employee provisions	119,520	121,751	117,208	117,552	117,552
Other provisions	3,039	2,807	2,136	2,136	2,136
Total provisions	122,559	124,558	119,344	119,688	119,688
Total liabilities	287,737	267,546	250,225	243,875	227,556
Net assets	(20,110)	(24,852)	(28,363)	(33,834)	(39,091)
EQUITY*					
Parent entity interest					
Contributed equity	494,936	508,244	520,396	532,743	545,304
Reserves	38,222	38,222	38,222	38,222	38,222
Retained surplus (accumulated deficit)	(553,268)	(571,318)	(586,981)	(604,799)	(622,617)
Total parent entity interest	(20,110)	(24,852)	(28,363)	(33,834)	(39,091)
Total equity	(20,110)	(24,852)	(28,363)	(33,834)	(39,091)

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 2026–27)

	Retained earnings	Asset revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2026				
Balance carried forward from previous period	(553,268)	38,222	494,936	(20,110)
Adjusted opening balance	(553,268)	38,222	494,936	(20,110)
Comprehensive income				
Surplus/(deficit) for the period	(18,050)	-	-	(18,050)
Total comprehensive income	(18,050)	-	-	(18,050)
Contributions by owners				
Equity injection - Appropriation	-	-	1,168	1,168
Departmental Capital Budget (DCB)	-	-	12,140	12,140
Sub-total transactions with owners	-	-	13,308	13,308
Estimated closing balance as at 30 June 2027	(571,318)	38,222	508,244	(24,852)
Closing balance attributable to the Australian Government	(571,318)	38,222	508,244	(24,852)

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	627,162	729,123	418,721	417,665	439,343
Sale of goods and rendering of services	49,606	50,604	55,463	50,283	50,722
Net GST received	22,739	24,821	13,119	10,954	11,594
Other	100	100	100	100	100
Total cash received	699,607	804,648	487,403	479,002	501,759
Cash used					
Employees	439,957	527,349	344,253	357,187	377,358
Suppliers	241,978	258,484	126,509	104,572	107,158
Interest payments on lease liability	1,374	1,216	1,023	924	924
Total cash used	683,309	787,049	471,785	462,683	485,440
Net cash from/(used by) operating activities	16,298	17,599	15,618	16,319	16,319
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	23,595	13,308	12,152	12,347	12,561
Total cash used	23,595	13,308	12,152	12,347	12,561
Net cash from/(used by) investing activities	(23,595)	(13,308)	(12,152)	(12,347)	(12,561)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	23,595	13,308	12,152	12,347	12,561
Total cash received	23,595	13,308	12,152	12,347	12,561
Cash used					
Principal payments on lease liability	17,605	17,599	15,618	16,319	16,319
Total cash used	17,605	17,599	15,618	16,319	16,319
Net cash from/(used by) financing activities	5,990	(4,291)	(3,466)	(3,972)	(3,758)
Net increase/(decrease) in cash held	(1,307)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	4,807	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 30 June)

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	5,739	12,140	12,152	12,347	12,561
Equity injections - Bill 2	11,234	1,168	-	-	-
Total new capital appropriations	16,973	13,308	12,152	12,347	12,561
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	16,973	13,308	12,152	12,347	12,561
Total items	16,973	13,308	12,152	12,347	12,561
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	11,560	1,168	-	-	-
Funded by capital appropriation - DCB (b)	12,035	12,140	12,152	12,347	12,561
TOTAL	23,595	13,308	12,152	12,347	12,561
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	23,595	13,308	12,152	12,347	12,561
Total cash used to acquire assets	23,595	13,308	12,152	12,347	12,561

Prepared on Australian Accounting Standards basis.

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

a) Includes both current Appropriation Bill (No. 2) and prior Appropriation Act (No. 2/4/6).

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

Table 3.6: Statement of departmental asset movements (Budget year 2026–27)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2026				
Gross book value	-	54,562	272,904	327,466
Gross book value - ROU assets	177,278	64	-	177,342
Accumulated depreciation/ amortisation and impairment	-	(12,285)	(223,932)	(236,217)
Accumulated depreciation/amortisation and impairment - ROU assets	(89,250)	(36)	-	(89,286)
Opening net book balance	88,028	42,305	48,972	179,305
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	-	-	1,168	1,168
By purchase - appropriation ordinary annual services (b)	-	12,140	-	12,140
By purchase - appropriation ordinary annual services - ROU assets	6,307	-	-	6,307
Total additions	6,307	12,140	1,168	19,615
Other movements				
Depreciation/amortisation expense	-	(8,344)	(9,248)	(17,592)
Depreciation/amortisation on ROU assets	(18,057)	-	-	(18,057)
Total other movements	(18,057)	(8,344)	(9,248)	(35,649)
As at 30 June 2027				
Gross book value	-	66,702	274,072	340,774
Gross book value - ROU assets	183,585	64	-	183,649
Accumulated depreciation/ amortisation and impairment	-	(20,629)	(233,180)	(253,809)
Accumulated depreciation/amortisation and impairment - ROU assets	(107,307)	(36)	-	(107,343)
Closing net book balance	76,278	46,101	40,892	163,271

Prepared on Australian Accounting Standards basis.

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

- a) 'Appropriation equity' refers to equity injection appropriations provided through Appropriation Bill (No. 2) 2026–2027.
- b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2026–2027 for depreciation/amortisation expenses, DCBs or other operational expenses.

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 that enforces the *Competition and Consumer Act 2010* and other legislation, promoting competition, fair trading, consumer protection, and regulating national infrastructure for all Australians.

The ACCC operates on the principle that competition drives efficiency and innovation, benefiting consumers, economic growth and productivity. In conjunction with competition, risk-proportionate regulation can support positive outcomes for businesses and consumers.

The ACCC determines which matters it investigates. The ACCC focuses on matters likely to harm the competitive process or cause widespread consumer detriment. It also undertakes market studies, inquiries and monitoring, and responds to designated complaints from designated complainants.

The ACCC prioritises resources for matters that provide the greatest overall benefit for competition and consumers. Each year the ACCC reviews its compliance and enforcement priorities, as well as product safety priorities, targeting serious risks to competition, fair trading and consumer protection from unsafe consumer products. Through engaged, effective and risk-proportionate regulation, including regulatory interventions that use the full extent of the ACCC's compliance and enforcement tools, the ACCC delivers lasting benefits to consumers and businesses nationwide.

The ACCC's role has expanded alongside changes in markets and the economy, particularly those driven by new digital and data technologies. In response, the ACCC Strategy 2026–29 takes a holistic view of its broader role and powers to ensure alignment of our purpose and priorities across the ACCC, and to guide decision making and improvements in how we work.

The [ACCC Strategy 2026–29](#) will affect our strategic objectives, key activities and performance measures, which are detailed and updated annually within the ACCC's Corporate Plan. In doing so, the ACCC takes into consideration the Government's policy priorities to ensure effective delivery of its statutory mandate and its Statement of Intent, responding to the Australian Government's Statement of Expectations for the ACCC.

The ACCC will continue to assess mergers that are notified under the new compulsory merger regime, to protect the competitiveness of Australian markets. The ACCC will also continue to assess non-merger conduct and agreements that may breach relevant competition laws for which exemption applications are made because there is expected to be a net public benefit.

The ACCC will continue to focus on its role in relation to administering and enforcing the Consumer Data Right and Digital ID systems. These programs provide consumers with more access to and control of their personal data, and promote competition across the economy.

The ACCC administers and enforces eight industry-specific Codes which address significant bargaining power imbalances between small businesses and larger businesses and aim to promote greater transparency and fair trading in significant sectors of the economy. The enforcement of these codes remains an enduring priority of the ACCC. The ACCC also administers four more general codes covering electricity retailing, gas markets, cash acceptance and unit pricing.

The ACCC operates the National Anti-Scam Centre, which works collaboratively with industry and the community sector, government and law enforcement to issue public warnings and guidance, detect and disrupt scams before they reach Australians and report on outcomes. The Scams Prevention Framework empowers the ACCC to investigate potential breaches and take enforcement action where entities do not take reasonable steps to fulfill their obligations to prevent, detect, disrupt, respond to and report scams.

The ACCC is the national regulator of certain natural monopoly infrastructure services, and also has a role in enforcing industry specific competition and market rules in some concentrated infrastructure-based markets. This work supports markets that, by their structure or nature, cannot deliver efficiently or effectively for consumers on their own. Our work promotes greater productivity in these sectors, which provide essential services to other businesses and consumers, and promotes the productivity of the economy as a whole.

The ACCC monitors other sectors with limited competition, high consumer concerns and/or which are essential services, providing information to governments and the public. It will continue inquiries, industry analysis and reporting, in markets with low transparency or insufficient competition.

The Australian Energy Regulator (AER) will legally separate from the ACCC on 1 July 2026. The AER's performance information for 2025–26 is included in the ACCC Portfolio Budget Statement. The AER's performance information for 2026–27 is included in the Climate Change, Energy, the Environment and Water Portfolio.

1.2 Entity resource statement

Table 1.1 shows the total resourcing 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. Amounts presented below are consistent with amounts presented in the Appropriation Bills themselves.

Table 1.1: Australian Competition and Consumer Commission resource statement – Budget estimates for 2026–27 as at Budget May 2026

	<i>2025–26 Estimated actual \$'000</i>	2026–27 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	139,025	118,888
Departmental appropriation (b)	409,352	332,563
s74 External Revenue (c)	10,672	14,757
Departmental capital budget (d)	22,048	9,831
Annual appropriations - other services - non-operating (e)		
Equity injection	14,900	1,100
Total departmental annual appropriations	595,997	477,139
Total departmental resourcing	595,997	477,139
Administered		
Total administered special appropriations (f)	20	20
Total administered resourcing	20	20
Total resourcing for entity ACCC	596,017	477,159

	<i>2025–26</i>	2026–27
Average staffing level (number)	<i>1,766</i>	1,468

Third party payments from and on behalf of the National Competition Council (NCC)

	<i>2025–26 Estimated actual \$'000</i>	2026–27 Estimate \$'000
Payments made on behalf of another entity (as disclosed in the respective entity's resource statement)	1,684	3,254
Receipts received from other entities for the provision of services (disclosed above in s74 External Revenue section above)	925	925

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

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

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

- a) Appropriation Bill (No. 1) 2026–2027.
- b) Excludes departmental capital budget (DCB).
- c) Estimated External Revenue receipts under section 74 of the PGPA Act.
- d) Departmental Capital budgets and Administered payments to other jurisdictions 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, capital budget appropriations have been designated as a 'contribution by owner'.
- e) Appropriation Bill (No. 2) 2026–2027.
- f) Relates to repayments not provided for under other appropriations through section 77 of the PGPA Act.

1.3 Budget measures

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

Table 1.2: Australian Competition and Consumer Commission 2026–27 Budget measures

Part 1: Measures announced since the 2025–26 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Receipt measures						
Protecting Consumers and Increasing Competition						
Administered receipts	1.1	-	-	-	58,520	105,726
Departmental receipts	1.1	-	-	-	-	-
Total		-	-	-	58,520	105,726
Total receipt measures						
Administered		-	-	-	58,520	105,726
Departmental		-	-	-	-	-
Total		-	-	-	58,520	105,726
Payment measures						
Boosting Productivity – Better Regulation						
Departmental payments	1.1	-	28,282	23,623	-	-
Total		-	28,282	23,623	-	-
Boosting Productivity – Digital ID (a)						
Departmental payments	1.1	-	21,506	25,427	25,537	25,498
Total		-	21,506	25,427	25,537	25,498
Energy Sovereignty – Fuel Security and Resilience (b)						
Departmental payments	1.1	-	-	-	-	-
Total		-	-	-	-	-
Protecting Consumers and Increasing Competition						
Departmental payments	1.1	-	40,133	17,597	19,421	19,911
Total		-	40,133	17,597	19,421	19,911
Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension (c)						
Departmental payments	1.1	-	-	-	-	(15,832)
Total		-	-	-	-	(15,832)
Supporting Aviation Priorities (d)						
Departmental payments	1.1	-	918	1,400	1,417	715
Total		-	918	1,400	1,417	715

Part 1: Measures announced since the 2025–26 Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Water Reform – continuing funding (e)						
Departmental payments	1.1	-	2,603	-	-	-
Total		-	2,603	-	-	-
Total payment measures						
Departmental		-	93,442	68,047	46,375	30,292
Total		-	93,442	68,047	46,375	30,292

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 Boosting Productivity – Digital ID is the Department of Finance. The full measure description and package details appear in the Budget Paper No. 2 under the Finance portfolio.
- b) The lead entity for the measure titled Energy Sovereignty – Fuel Security and Resilience is the Department of Climate Change, Energy, the Environment and Water. The full measure description and package details appear in the Budget Paper No. 2 under Cross Portfolio measures.
- c) The lead entity for the measure titled Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension is the Department of Finance. The full measure description and package details appear in the Budget Paper No. 2 under Cross Portfolio measures.
- d) The lead entity for the measure titled Supporting Aviation Priorities is the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts. The full measure description and package details appear in the Budget Paper No. 2 under the Infrastructure, Transport, Regional Development, Communications, Sport and the Arts portfolio.
- e) The lead entity for the measure titled Water Reform – continuing funding is the Department of Climate Change, Energy, the Environment and Water. The full measure description and package details appear in the Budget Paper No. 2 under the Climate Change, Energy, the Environment and Water 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.

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.

Effective from 1 July 2026, the AER will legally separate from the ACCC and operate as a standalone non-corporate Commonwealth entity under the Climate Change, Energy, the Environment and Water Portfolio.

Prior to 2026–27, the AER was reported as Program 1.2 – Australian Energy Regulator within the ACCC’s Entity resources and planned performance statement in the Treasury Portfolio Budget Statements.

From 2026–27, functions previously delivered under Program 1.2 have been transferred to the AER, resulting in a reduction in the scope of Outcome 1 and associated programs for the ACCC. Accordingly, Outcome 1 and program structures have been revised to reflect the ACCC’s ongoing responsibilities following the separation.

This change results in the transfer of associated departmental resources to the AER and impacts the comparability of the ACCC’s financial and non-financial information across years.

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/about-us/publications/serial-publications/corporate-plan-and-priorities>.

The most recent annual performance statement can be found at:

<https://www.accc.gov.au/about-us/publications/accc-and-aer-annual-reports>.

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, and determining the terms of access to infrastructure services.

Table 2.1: Changes to the outcome and program structures since the last portfolio statement

Outcome changes

New Outcome 1	<i>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, and determining the terms of access to infrastructure services.</i>
Description of change:	New outcome created for Budget 2026–27, supersedes the old Outcome 1. From 2026–27, the outcome statement for the ACCC has been updated to reflect that the Australian Energy Regulator (AER) will separate from the ACCC on 1 July 2026.
Old Statement:	<i>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.</i>

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Program 1.1: Australian Competition and Consumer Commission					
Departmental expenses					
Departmental appropriation	308,882	332,563	302,181	273,873	272,300
s74 External Revenue (a)	5,192	14,757	14,195	13,611	13,611
Expenses not requiring appropriation in the Budget year (b)	24,797	24,491	17,758	14,694	12,022
Departmental total	338,871	371,811	334,134	302,178	297,933
Total expenses for program 1.1	338,871	371,811	334,134	302,178	297,933

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Program 1.2: Australian Energy Regulator					
Departmental expenses					
Departmental appropriation	100,470	-	-	-	-
s74 External Revenue (a)	5,480	-	-	-	-
Expenses not requiring appropriation in the Budget year (b)	5,608	-	-	-	-
Departmental total	111,558	-	-	-	-
Total expenses for program 1.2	111,558	-	-	-	-
Outcome 1 Totals by appropriation type					
Departmental expenses					
Departmental appropriation	409,352	332,563	302,181	273,873	272,300
s74 External Revenue (a)	10,672	14,757	14,195	13,611	13,611
Expenses not requiring appropriation in the Budget year (b)	30,405	24,491	17,758	14,694	12,022
Departmental total	450,429	371,811	334,134	302,178	297,933
Total expenses for Outcome 1	450,429	371,811	334,134	302,178	297,933

	2025–26	2026–27
Average staffing level (number)	1,766	1,468

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

- 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, operating loss 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.

Performance measures for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It is used by entities to describe the results they plan to achieve and the related key activities, as detailed in the current corporate plan (i.e. 2025–26), the context in which these activities are delivered, and how the performance of these activities will be measured. Where relevant, details of the 2026–27 Budget measures that have created new programs or materially changed existing programs are to be provided.

Table 2.1.2: Performance measures 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, and determining the terms of access to infrastructure services.	
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.	
Key activities	The ACCC achieves Outcome 1 by using its resources to undertake the following key activities to achieve its seven strategic objectives: <ol style="list-style-type: none"> 1. Address anti-competitive conduct and promote competition <ol style="list-style-type: none"> 1.1. Initiate enforcement and compliance actions to address harm to consumers and businesses resulting from anti-competitive conduct. 1.2. Make decisions on authorisations and notifications in the public interest. 1.3. Undertake market studies and inquiries to contribute to improved market outcomes. 2. Prevent anti-competitive mergers <ol style="list-style-type: none"> 2.1. Assess mergers to prevent changes in market structures that substantially lessen competition 3. Improve competition and choice by ensuring safe, secure and privacy focused data sharing by consumers through the Consumer Data Right and Digital ID systems <ol style="list-style-type: none"> 3.1. Maintain the register and deliver, secure and support the enabling technology solutions for the Consumer Data Right. 3.2. Accredited Consumer Data Right data recipients and promote compliance with and enforce the Consumer Data Right rules and standards to ensure that consumers can trust the security and integrity of the program. 3.3. Regulate compliance within Australia’s Digital ID System through accreditation, participation approval, oversight, enforcement and public transparency. 4. Protect consumers from misleading and deceptive conduct and scams, and promote fair trading <ol style="list-style-type: none"> 4.1. Initiate compliance and enforcement actions to address harm to consumers and small businesses resulting from noncompliance with the Australian Consumer Law and industry codes. 4.2. Empower small businesses by increasing awareness of their rights under the Australian Consumer Law and industry codes. 4.3. Empower consumers by increasing awareness of their rights under the Australian Consumer Law. 4.4. Empower consumers and businesses to combat scams by collecting and sharing data and intelligence across the scam ecosystem and coordinating and conducting scams prevention, disruption and awareness activities.

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1 – Australian Competition and Consumer Commission (continued)		
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.		
Key Activities (continued)	<ol style="list-style-type: none"> 5. Protect consumers from unsafe products <ol style="list-style-type: none"> 5.1. Identify safety hazards in consumer products and prioritise the risks that may result in serious injury and death. 5.2. Address the highest priority risks of serious injury and death arising from safety hazards in consumer products through regulation, education, compliance and enforcement actions. 6. Regulate monopoly infrastructure and monitor concentrated and key markets in the long-term interests of consumers <ol style="list-style-type: none"> 6.1. Formulate regulatory decisions that promote the long-term interests of end users and consumers. 6.2. Provide industry monitoring reports to government in relation to highly concentrated or emerging markets or markets of significant concern to consumers. 7. Improve our own systems, capabilities and ways of working <ol style="list-style-type: none"> 7.1. Support our people and their wellbeing, to develop and meet their full potential and facilitate a diverse, respectful and inclusive culture. 7.2. Modernise our ICT, improve the reliability, flexibility and security of our business and data systems, and enhance our data capabilities. 7.3. Adapt our ways of working to allow resources to be used flexibly and efficiently to meet changing priorities and to adopt innovative practices commensurate with the level of risk; and empower our people to work autonomously and influence the direction of the organisation. 7.4. Further develop our standing as a world-class independent regulator through external engagement and internal collaboration to support robust, evidence-based and transparent decision making that is responsive to complex challenges and demands. 	
Year	Performance measures (b)	Expected performance results
Current Year 2025–26	Number of competition enforcement interventions (court proceedings commenced, section 87B undertakings accepted, administrative resolutions).	Expect to exceed target of 6
	Percentage of merger matters considered within 20 Business Days post commencement of the new compulsory merger regime on 1 January 2026. ^(a)	Expect to achieve target of 80%
	Number of Australian Consumer Law and industry codes enforcement interventions (court proceedings commenced, section 87B undertakings accepted, infringement notices issued, administrative resolutions).	Expect to substantially achieve target of 40+ ^(b)
	Requested market information, analysis and insights relating to highly concentrated or emerging markets or markets of significant concern are provided to government in a timely manner.	Expect to achieve target of 100%
Year	Performance measures (b)	Planned performance results (c)
Budget Year 2026–27	Number of competition enforcement interventions (court proceedings commenced, section 87B undertakings accepted, administrative resolutions).	6
	Percentage of merger matters determined within 20 Business Days after the effective notification date or waiver request date ^(a)	80%

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1 – Australian Competition and Consumer Commission (continued)		
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.		
Year	Performance measures (b)	Planned performance results (c)
Budget Year 2026–27 (continued)	Number of Australian Consumer Law and industry codes enforcement interventions (court proceedings commenced, section 87B undertakings accepted, infringement notices issued, administrative resolutions).	40+
	Requested market information, analysis and insights relating to highly concentrated or emerging markets or markets of significant concern are provided to government in a timely manner.	100%
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.1 resulting from 2025–26 Budget Measures: N/A		

- a) This performance measure has been updated for Budget Year 2026–27 and Forward Estimates 2027–30 due to significant regulatory changes to the merger regime in Australia.
- b) Results reflect increasing difficulty in managing workload of highly complex litigation and achieving broader public outcomes. We continue to deliver integrated compliance strategies to address consumer harm, many of which result in industry behavioural change but not a traditional enforcement outcome.
- c) Planned performance results have not been adjusted for increased enforcement resourcing received from the 2026–27 Budget. These will be revised either in the ACCC 2026–27 Corporate Plan, or 2027–28 Budget.

The above program has been identified by other entities as linking to the achievement of their outcomes:

- Department of Health, Disability and Ageing, Outcome 1: Health Policy, Access and Support - Better equip Australia to meet current and future health needs of all Australians through the delivery of evidence-based health policies; improved access to comprehensive and coordinated health care; ensuring sustainable funding for health services, research and technologies; and protecting the health and safety of the Australian community
- 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: 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 take a leadership role internationally in responding to climate change.
- Australian Federal Police, Outcome 1: Reduce criminal and national security threats to Australia’s collective economic and societal interests through cooperative policing services.

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.2 – Australian Energy Regulator (a)		
<p>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>		
Key activities	<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 provide small customers that are supplied with electricity at standing offer prices with a fair, trusted and reasonably priced electricity option that reflects the costs of supplying small customers with an essential service; 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; regulatory sandbox function to encourage innovation in energy technologies and new business models that benefit consumers; providing a price comparison website – Energy Made Easy – to help consumers find the best energy offers for their needs • 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. • wholesale energy market regulation: monitoring, investigating and enforcing compliance with national energy legislation and rules in wholesale electricity and gas markets; monitoring participant bidding and rebidding, market dispatch and prices, network constraints and outages, demand forecasts and forecasts of production and capacity; regularly reporting on market performance • 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 drawn from our experience as the market regulator 	
Year	Performance measures	Expected performance results
Current Year 2025–26	Proportion of stakeholder survey respondents that agree with the statements:	
	The AER supports and protects energy consumers, particularly those in vulnerable circumstances.	Expected result unknown (stakeholder survey not yet conducted)
	The AER demonstrates a sound knowledge and understanding of energy consumers.	Expected result unknown (stakeholder survey not yet conducted)
	Number of plan searches conducted on the Energy Made Easy (EME) website.	Expect to achieve target of >1,202,000+
	Percentage of new and amended retailer hardship policies assessed within 12 weeks of AER receiving all relevant information. (b)	Expect to achieve target of 100%

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.2 – Australian Energy Regulator (a)		
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.		
Year	Performance measures	Expected performance results
Current Year 2025–26 (continued)	Percentage of retail authorisation and exemptions applications to sell energy assessed within 16 weeks of receiving all relevant information. (b)	Expect to achieve target of 100%
	Percentage of market reports published within statutory timeframes.	Expect to achieve target of 100%
	Percentage of revenue reset determinations for electricity networks and gas pipelines completed within statutory timeframes.	Expect to achieve target of 100%

- a) The AER will legally separate from the ACCC on 1 July 2026. The AER's Outcome Statement and expected performance for 2026–27 is included in the Climate Change, Energy, the Environment and Water Portfolio
- b) Service standards may not be met for complex policies or applications that have greater due diligence requirements.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026–27 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 budgeted financial statements have been prepared on an accrual basis. The ACCC is forecasting an operating loss of \$4.0 million in 2025–26, reflecting transition costs associated with the legal separation of the Australian Energy Regulator (AER) from 1 July 2026 under the *Competition and Consumer Amendment (Australian Energy Regulator Separation) Act 2025*. The separation results in a reduction in the ACCC's forward estimates, with associated appropriation funding, expenses, assets and liabilities transferring to the AER as a standalone agency. Excluding these transition and structural impacts, the ACCC is projecting a broadly break-even operating position across the forward estimates. This is reflected in the Comprehensive Income Statement (Table 3.1), with all financial statements incorporating the 2025–26 Additional Estimates.

Financial assets primarily comprise receivables used to support the ACCC's capital program, employee entitlements, creditor payments and working capital. Non-financial assets represent future economic benefits and are measured at cost less accumulated depreciation and amortisation, and primarily relate to right-of-use assets for office accommodation under AASB 16 – *Leases*. Provisions and payables include employee entitlements (annual and long service leave), lease liabilities, and unpaid expenses at the reporting date.

3.2 Budgeted financial statements tables

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
EXPENSES					
Employee benefits	268,774	231,414	208,347	187,152	186,517
Suppliers	142,664	103,142	96,084	89,122	91,644
Depreciation and amortisation (a)	38,062	36,497	29,118	25,484	19,503
Finance costs	929	758	585	420	269
Total expenses	450,429	371,811	334,134	302,178	297,933
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	10,652	14,750	14,192	13,611	13,611
Sublease interest income	20	7	3	-	-
Total own-source revenue	10,672	14,757	14,195	13,611	13,611
Gains					
Other	95	95	95	95	95
Total gains	95	95	95	95	95
Total own-source income	10,767	14,852	14,290	13,706	13,706
Net (cost of)/contribution by services	(439,662)	(356,959)	(319,844)	(288,472)	(284,227)
Revenue from Government	409,352	332,563	302,181	273,873	272,300
Surplus/(deficit) attributable to the Australian Government	(30,310)	(24,396)	(17,663)	(14,599)	(11,927)
Total comprehensive income/(loss)	(30,310)	(24,396)	(17,663)	(14,599)	(11,927)
Total comprehensive income/(loss) attributable to the Australian Government	(30,310)	(24,396)	(17,663)	(14,599)	(11,927)

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**

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(30,310)	(24,396)	(17,663)	(14,599)	(11,927)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	28,342	26,922	19,625	16,409	12,978
plus: depreciation/amortisation expenses for ROU assets (b)	9,720	9,575	9,493	9,075	6,525
less: lease principal repayments (b)	11,752	12,101	11,455	10,885	7,576
Net Cash Operating Surplus/ (Deficit) (c)	(4,000)	-	-	-	-

Prepared on Australian Accounting Standards basis.

- a) From 2010–11, the Government introduced net cash appropriation arrangements that provided non-corporate Commonwealth entities with a separate Departmental Capital Budget (DCB) under Appropriation Bill (No. 1). This replaced revenue appropriations provided under Appropriation Bill (No. 1) used for the depreciation/amortisation expenses. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
- b) Applies to leases under AASB 16 *Leases*.
- c) For 2025–26, the AER program has received an approval for an operating loss of up to \$4.0 million to support implementation activities associated with the *Competition and Consumer Amendment (Australian Energy Regulator Separation) Act 2025*.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	2,184	2,184	2,184	2,184	2,184
Trade and other receivables	141,793	111,871	116,727	120,024	126,922
Total financial assets	143,977	114,055	118,911	122,208	129,106
Non-financial assets					
Land and buildings	61,424	50,962	40,554	30,538	23,201
Property, plant and equipment	5,174	5,574	5,751	5,268	5,640
Intangibles	61,426	41,467	32,922	28,395	26,441
Other non-financial assets	5,786	5,310	5,310	5,310	5,310
Total non-financial assets	133,810	103,313	84,537	69,511	60,592
Total assets	277,787	217,368	203,448	191,719	189,698
LIABILITIES					
Payables					
Suppliers	15,678	9,583	10,585	10,834	12,601
Other payables	2,139	1,267	1,267	1,267	1,267
Total payables	17,817	10,850	11,852	12,101	13,868
Interest bearing liabilities					
Leases	51,344	39,243	27,788	16,903	9,327
Total interest bearing liabilities	51,344	39,243	27,788	16,903	9,327
Provisions					
Employee provisions	73,277	52,317	52,671	52,219	53,850
Other provisions	249	249	249	249	249
Total provisions	73,526	52,566	52,920	52,468	54,099
Total liabilities	142,687	102,659	92,560	81,472	77,294
Net assets	135,100	114,709	110,888	110,247	112,404
EQUITY*					
Parent entity interest					
Contributed equity	376,657	377,655	391,497	405,455	419,539
Reserves	6,215	6,215	6,215	6,215	6,215
Retained surplus (accumulated deficit)	(247,772)	(269,161)	(286,824)	(301,423)	(313,350)
Total parent entity interest	135,100	114,709	110,888	110,247	112,404
Total equity	135,100	114,709	110,888	110,247	112,404

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 2026–27)

	Retained earnings	Asset revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2026				
Balance carried forward from previous period	(247,772)	6,215	376,657	135,100
Adjusted opening balance	(247,772)	6,215	376,657	135,100
Comprehensive income				
Surplus/(deficit) for the period	(24,396)	-	-	(24,396)
Total comprehensive income	(24,396)	-	-	(24,396)
Contributions by owners				
Equity injection - Appropriation	-	-	1,100	1,100
Departmental Capital Budget (DCB)	-	-	9,831	9,831
Restructuring	3,007	-	(9,933)	(6,926)
Sub-total transactions with owners	3,007	-	998	4,005
Estimated closing balance as at 30 June 2027	(269,161)	6,215	377,655	114,709
Closing balance attributable to the Australian Government	(269,161)	6,215	377,655	114,709

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	447,015	370,376	325,989	297,973	292,732
Sale of goods and rendering of services	10,672	14,757	14,195	13,611	13,611
Net GST received	16,541	11,992	10,969	10,286	10,219
Total cash received	474,228	397,125	351,153	321,870	316,562
Cash used					
Employees	272,533	235,546	207,993	187,604	184,886
Suppliers	144,195	109,504	94,568	88,417	89,421
Net GST paid	17,606	12,467	11,388	10,647	10,580
Interest payments on lease liability	929	758	585	420	269
s74 External Revenue transferred to the OPA	27,213	26,749	25,164	23,897	23,830
Total cash used	462,476	385,024	339,698	310,985	308,986
Net cash from/(used by) operating activities	11,752	12,101	11,455	10,885	7,576
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	22,648	10,431	10,342	10,458	10,584
Total cash used	22,648	10,431	10,342	10,458	10,584
Net cash from/(used by) investing activities	(22,648)	(10,431)	(10,342)	(10,458)	(10,584)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	22,648	10,431	10,342	10,458	10,584
Total cash received	22,648	10,431	10,342	10,458	10,584
Cash used					
Principal payments on lease liability	11,752	12,101	11,455	10,885	7,576
Total cash used	11,752	12,101	11,455	10,885	7,576
Net cash from/(used by) financing activities	10,896	(1,670)	(1,113)	(427)	3,008
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	2,184	2,184	2,184	2,184	2,184
Cash and cash equivalents at the end of the reporting period	2,184	2,184	2,184	2,184	2,184

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	22,048	9,831	9,742	9,858	9,984
Equity injections - Bill 2 (a)	14,900	1,100	4,100	4,100	4,100
Total new capital appropriations	36,948	10,931	13,842	13,958	14,084
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	22,648	10,431	10,342	10,458	10,584
<i>Other Items</i>	14,300	500	3,500	3,500	3,500
Total items	36,948	10,931	13,842	13,958	14,084
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (b)	600	600	600	600	600
Funded by capital appropriation - DCB (c)	22,048	9,831	9,742	9,858	9,984
TOTAL	22,648	10,431	10,342	10,458	10,584
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	22,648	10,431	10,342	10,458	10,584
Total cash used to acquire assets	22,648	10,431	10,342	10,458	10,584

Prepared on Australian Accounting Standards basis.

a) Includes a 2025–26 equity injection to supplement the Litigation Contingency Fund (LCF).

b) Includes both current Appropriation Bill (No. 2) and prior Appropriation Act (No. 2/4/6) appropriations.

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

Table 3.6: Statement of departmental asset movements (Budget year 2026–27)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2026				
Gross book value	21,258	7,653	166,272	195,183
Gross book value - ROU assets	99,498	-	-	99,498
Accumulated depreciation/amortisation and impairment	(2,175)	(2,479)	(104,846)	(109,500)
Accumulated depreciation/amortisation and impairment - ROU assets	(57,157)	-	-	(57,157)
Opening net book balance	61,424	5,174	61,426	128,024
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	-	-	600	600
By purchase - appropriation ordinary annual services (b)	1,500	5,339	2,992	9,831
Total additions	1,500	5,339	3,592	10,431
Other movements				
Depreciation/amortisation expense	(2,387)	(4,939)	(19,596)	(26,922)
Depreciation/amortisation on ROU assets	(9,575)	-	-	(9,575)
Disposals (c)				
From disposal of entities or operations (including restructuring)	-	-	(3,955)	(3,955)
Total other movements	(11,962)	(4,939)	(23,551)	(40,452)
As at 30 June 2027				
Gross book value	22,758	12,992	165,909	201,659
Gross book value - ROU assets	99,498	-	-	99,498
Accumulated depreciation/amortisation and impairment	(4,562)	(7,418)	(124,442)	(136,422)
Accumulated depreciation/amortisation and impairment - ROU assets	(66,732)	-	-	(66,732)
Closing net book balance	50,962	5,574	41,467	98,003

Prepared on Australian Accounting Standards basis.

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

- a) 'Appropriation equity' refers to equity injection appropriations provided through Appropriation Bill (No. 2) 2026–2027 and includes Collection Development Acquisition Budgets (CDABs).
- b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2026–2027 for depreciation/amortisation expenses, DCBs or other operational expenses.
- c) Net proceeds may be returned to the Official Public Account.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OWN-SOURCE INCOME					
Non-taxation revenue					
Fees and fines	406,120	320,935	356,856	379,026	440,205
Total non-taxation revenue	406,120	320,935	356,856	379,026	440,205
Total own-source revenue administered on behalf of Government	406,120	320,935	356,856	379,026	440,205
Net (cost of)/contribution by services	406,120	320,935	356,856	379,026	440,205
Total comprehensive income/(loss)	406,120	320,935	356,856	379,026	440,205

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
ASSETS					
Financial assets					
Trade and other receivables	59,706	59,706	59,706	59,706	59,706
Total financial assets	59,706	59,706	59,706	59,706	59,706
Total assets administered on behalf of Government	59,706	59,706	59,706	59,706	59,706
Net assets/(liabilities)	59,706	59,706	59,706	59,706	59,706

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Fees and Fines	406,140	320,955	356,876	379,046	440,225
Total cash received	406,140	320,955	356,876	379,046	440,225
Net cash from/(used by) operating activities					
Cash to Official Public Account for:					
- Transfers to other entities (Finance - Whole of Government)	(406,140)	(320,955)	(356,876)	(379,046)	(440,225)
<i>Total cash to Official Public Account</i>	<i>(406,140)</i>	<i>(320,955)</i>	<i>(356,876)</i>	<i>(379,046)</i>	<i>(440,225)</i>
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

Australian Financial Security Authority

Entity resources and planned performance

Australian Financial Security Authority

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Australian Financial Security Authority

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Australian Financial Security Authority (AFSA) is responsible for maintaining confidence in Australia's personal insolvency and personal property securities systems.

AFSA's vision is a strong credit system for the Australian community.

AFSA's regulatory functions include:

- managing the application of the *Bankruptcy Act 1966* (Cth) and the *Bankruptcy (Estate Charges) Act 1997* (Cth) through oversight of Australia's personal insolvency framework, and provision of trustee, registry and information services;
- managing the application of the *Personal Property Securities Act 2009* (Cth) through administration of the Personal Property Securities Register (PPSR), a national online register of security interests in personal property that provides transparent security interest information that protects consumers and helps businesses and individuals mitigate the risk of loss when supplying, leasing or hiring goods.

Through these activities, AFSA creates an environment in which businesses and the community can assess financial risk and make informed financial decisions.

AFSA is also responsible for managing confiscated money and assets under the *Proceeds of Crime Act 2002* (Cth) (POC Act). This includes liquidating confiscated assets and controlling the Confiscated Assets Account, in accordance with orders made under the POC Act.

By strengthening confidence in the systems AFSA responsible for, we:

- provide Australian consumers and businesses with tools to manage financial risk
- contribute to investor and business confidence
- provide enhanced access to finance within the economy
- enable the dispersal of proceeds of crime to the Australian community.

AFSA's regulatory approach is informed by the priority harms identified in its annual Regulatory Action Statement. These harms represent the most significant risks to the integrity, fairness and efficiency of the personal insolvency and personal property securities systems.

AFSA's regulatory focus evolves each year to respond to emerging behaviours, vulnerabilities and misuse across the systems.

AFSA's strategic direction is underpinned by 3 strategic priorities. These priorities reflect the principles of regulator best practice, continuous improvement, risk based and data driven decision making, and meaningful collaboration with stakeholders.

1. Regulatory stewardship and delivery

AFSA will pursue a robust and balanced regulatory posture, ensuring its regulatory responses are clear, predictable, proportionate and intelligence-led. AFSA will enhance its intelligence capability, strengthen early detection of harms, and deliver seamless regulatory and administrative experiences that reduce barriers for people engaging with our systems.

2. Regulatory impact and influence

AFSA will lead with a strong regulatory voice, providing clear expectations and visible outcomes that shape behaviour across the personal insolvency and personal property securities systems. AFSA will influence whole of government priorities through high-quality data, system insights and purposeful partnerships.

3. Regulatory enablers

AFSA will foster cohesive leadership and a values driven culture, and develop a future ready workforce. AFSA will uplift technology to deliver simple, secure and smart digital services that improve productivity and regulatory effectiveness.

1.2 Entity resource statement

Table 1.1 shows the total resourcing 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. Amounts presented below are consistent with amounts presented in the Appropriation Bills themselves.

Table 1.1: Australian Financial Security Authority resource statement – Budget estimates for 2026–27 as at Budget May 2026

	<i>2025–26 Estimated actual \$'000</i>	2026–27 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	81,285	57,302
Departmental appropriation (c)	39,560	45,835
s74 External Revenue (d)	59,640	61,579
Departmental capital budget (e)	500	500
Total departmental annual appropriations	180,985	165,216
Total departmental resourcing	180,985	165,216
Administered		
Total administered special appropriations	3,000	3,000
Special accounts (f)		
Opening balance	135,731	128,931
Adjustments	62,873	60,447
Total special account receipts	198,604	189,378
Total administered resourcing	201,604	192,378
Total resourcing for entity AFSA	382,589	357,594
	<i>2025–26</i>	<i>2026–27</i>
Average staffing level (number)	455	430

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

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

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

- a) Appropriation Bill (No. 1) 2026–2027.
- b) Excludes amounts that are 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 Supply Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- f) Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to the Budget Paper No. 4 – *Agency Resourcing*. Please also see Table 2.1.1 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 in Part 1 relating to the AFSA are detailed in the Budget Paper No. 2 and are summarised below.

Table 1.2: Australian Financial Security Authority 2026–27 Budget measures

Part 1: Measures announced since the 2025–26 Mid-Year Economic and Fiscal Outlook (MYEFO)

AFSA has no budget measures announced since the 2025–26 Mid-Year Economic and Fiscal Outlook (MYEFO).

Part 2: Other measures not previously reported in a portfolio statement

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Payment measures						
Further Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses (a)						
	1.1	(167)	-	-	-	-
	Total	(167)	-	-	-	-
Total payment measures						
	Departmental	(167)	-	-	-	-
	Total	(167)	-	-	-	-

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.

- a) The lead entity for the measure titled Further Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses is the Department of Finance. The full measure description and package details appear in the 2025–26 MYEFO under Cross Portfolio 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 AFSA can be found at:

<https://www.afsa.gov.au/about-us/accountability-and-reporting/corporate-plan>.

The most recent annual performance statement can be found at:

<https://www.afsa.gov.au/about-us/accountability-and-reporting/annual-reports>.

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Maintain confidence in Australia's personal insolvency and personal property securities systems by delivering fair, efficient and effective regulatory, trustee, registry and information services.

Linked programs

Australian Federal Police
Program
• Program 1.1 – Federal Policing
Australian Taxation Office
Program
• Program 1.1 – Australian Taxation Office
Contribution to Outcome 1 made by linked programs
AFSA provides regulatory advice and information to the Australian Federal Police to support proceeds of crime work and financial investigations such as foreign bribery and fraud.
AFSA exchanges information with the Australian Taxation Office and administers the bankruptcy notices and payment arrangements to support this service.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Program 1.1: Personal Insolvency and Trustees Services					
Administered expenses					
Special appropriations					
<i>Public Governance, Performance and Accountability Act 2013 s77</i>	1,500	1,500	1,500	1,500	1,500
<i>Bankruptcy Act 1966</i>	1,500	1,500	1,500	1,500	1,500
Special accounts					
Confiscated Assets Account	69,349	67,807	65,136	64,871	65,087
Common Investment Fund Equalisation Account	324	324	324	324	324
Administered total	72,673	71,131	68,460	68,195	68,411
Departmental expenses					
Departmental appropriation	40,130	46,405	48,753	51,606	54,623
s74 External Revenue (a)	9,991	9,812	5,946	6,630	6,281
Expenses not requiring appropriation in the Budget year (b)	18,842	6,147	6,154	6,185	7,438
Departmental total	68,963	62,364	60,853	64,421	68,342
Total expenses for program 1.1	141,636	133,495	129,313	132,616	136,753

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Program 1.2: Operation of a National Register of Security Interests in Personal Property					
Departmental expenses					
s74 External Revenue (a)	49,369	46,764	50,843	52,553	54,901
Expenses not requiring appropriation in the Budget year (b)	150	150	150	150	150
Departmental total	49,519	46,914	50,993	52,703	55,051
Total expenses for program 1.2	49,519	46,914	50,993	52,703	55,051
Outcome 1 Totals by appropriation type					
Administered expenses					
Special appropriations	3,000	3,000	3,000	3,000	3,000
Special accounts	69,673	68,131	65,460	65,195	65,411
Administered total	72,673	71,131	68,460	68,195	68,411
Departmental expenses					
Departmental appropriation	40,130	46,405	48,753	51,606	54,623
s74 External Revenue (a)	59,360	56,576	56,789	59,183	61,182
Expenses not requiring appropriation in the Budget year (b)	18,992	6,297	6,304	6,335	7,588
Departmental total	118,482	109,278	111,846	117,124	123,393
Total expenses for Outcome 1	191,155	180,409	180,306	185,319	191,804
	2025–26	2026–27			
Average staffing level (number)	455	430			

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

- 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 leasehold principal repayment amounts.

Performance measures for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It is used by entities to describe the results they plan to achieve and the related key activities, as detailed in the current corporate plan (i.e. 2025–26), the context in which these activities are delivered, and how the performance of these activities will be measured. Where relevant, details of the 2026–27 Budget measures that have created new programs or materially changed existing programs are to be provided.

Table 2.1.2: Performance measures for Outcome 1

Outcome 1 – Maintain confidence in Australia’s personal insolvency and personal property securities systems by delivering fair, efficient and effective regulatory, trustee, registry and information services.															
Program 1.1 – Personal Insolvency and Trustee Services															
<ul style="list-style-type: none"> Administer the <i>Bankruptcy Act 1996</i> (Cth) (Bankruptcy Act), regulate bankruptcy trustees and debt agreement administrators, review decisions of trustees and investigate allegations of offences under the Bankruptcy Act. Administer bankruptcies and other personal insolvency arrangements. Operate a public bankruptcy registry service, the National Personal Insolvency Index (NPPI), and exercise compliance and coercive powers to assist bankruptcy trustees to discharge their responsibilities. Administer funds and property in accordance with orders made under the <i>Proceeds of Crime Act 2002</i> (Cth) and other Commonwealth legislation. 															
Key activities	Key activities reported in the current Corporate Plan that relate to this program: <ul style="list-style-type: none"> Regulatory oversight and enforcement Regulatory administration and practice 														
Year	Performance measures	Expected performance results													
Current Year 2025–26 (a)	ROE1 Misuse in the personal insolvency system	<table border="1"> <thead> <tr> <th>Measure</th> <th>ROE1.1</th> <th>ROE1.2</th> <th>ROE1.3</th> </tr> </thead> <tbody> <tr> <td>Target</td> <td>≤1%</td> <td>≥10 to ≤25%</td> <td>≤3%</td> </tr> <tr> <td>Expected result</td> <td>Achieved</td> <td>Achieved</td> <td>Achieved</td> </tr> </tbody> </table>		Measure	ROE1.1	ROE1.2	ROE1.3	Target	≤1%	≥10 to ≤25%	≤3%	Expected result	Achieved	Achieved	Achieved
	Measure	ROE1.1	ROE1.2	ROE1.3											
	Target	≤1%	≥10 to ≤25%	≤3%											
Expected result	Achieved	Achieved	Achieved												
PM1 Vulnerability targeted initiatives	Target: 100% - all initiatives delivered Expected result: Achieved														
RAP2 Register availability (NPPI & PPSR)	Target: ≥99% (excluding planned maintenance) Expected result: Achieved														
Year	Performance measures	Planned performance results													
Budget Year 2026–27 (a)	ROE1 Misuse in the personal insolvency system	<table border="1"> <thead> <tr> <th>Measure</th> <th>ROE1.1</th> <th>ROE1.2</th> <th>ROE1.3</th> </tr> </thead> <tbody> <tr> <td>Target</td> <td>≤1%</td> <td>≥10 to ≤25%</td> <td>≤3%</td> </tr> </tbody> </table>		Measure	ROE1.1	ROE1.2	ROE1.3	Target	≤1%	≥10 to ≤25%	≤3%				
	Measure	ROE1.1	ROE1.2	ROE1.3											
	Target	≤1%	≥10 to ≤25%	≤3%											
PM1 Vulnerability targeted initiatives	100% – all initiatives delivered														
RAP2 Register availability (NPPI & PPSR)	≥99% (excluding planned maintenance)														
Forward Estimates 2027–30	As per 2026–27	As per 2026–27													
Material changes to Program 1.1 resulting from 2026–27 Budget Measures: Nil															

a) Additional information about AFSA’s performance measures, including planned performance results, will be provided in AFSA’s Corporate Plan 2026–27.

Table 2.1.2: Performance measures for Outcome 1 (continued)

<p>Program 1.2 – Operation of a National Register of Security Interests in Personal Property Administer the official government register of security interests in personal property to provide single online place for people to:</p> <ul style="list-style-type: none"> • Register their security interests in personal property to protect those interests: and • Search to see if personal property is covered by a security interest. <p>Support the Registrar of Personal Property Securities to ensure that the PPSR is managed responsibly, made available to use and contains information that is reliable, in addition to making decisions about the use of the PPSR and investing misuse.</p>		
Key activities	Key activities reported in the current Corporate Plan that relate to this program: <ul style="list-style-type: none"> • Regulatory oversight and enforcement • Regulatory administration and practice 	
Year	Performance measures	Expected performance results
Current Year 2025–26 (a)	PM1 Vulnerability targeted initiatives	Target: 100% - all initiatives delivered Expected result: Achieved
	RAP2 Register availability (NPII & PPSR)	Target: ≥99% (excluding planned maintenance) Expected result: Achieved
	RAP3 PPSR searches-to-new registrations	Target: No target Expected result: No target
Year	Performance measures	Planned performance results
Budget Year 2026–27 (a)	PM1 Vulnerability targeted initiatives	100% – all initiatives delivered
	RAP2 Register availability (NPII & PPSR)	≥99% (excluding planned maintenance)
	RAP3 PPSR searches-to-new registrations	Feasibility and appropriateness of developing a target under review.
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.2 resulting from 2026–27 Budget Measures: Nil		

a) Additional information about AFSA's performance measures, including planned performance results, will be provided in AFSA's Corporate Plan 2026–27.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026–27 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

AFSA is budgeting for an approved operating loss in 2025–26 before returning to a budgeted break-even result in 2026–27.

3.1.2 Explanatory notes and analysis of budgeted financial statements

Under Program 1.1, AFSA collects administered receipts for fee-paying and levy-funded activities under a cost-recovery arrangement approved by government, which are returned to Consolidated Revenue. AFSA is funded for these services through departmental appropriation. This departmental appropriation is calculated using the workload funding model that estimates administered receipts using forecast personal insolvency volumes.

Under Program 1.2, AFSA retains fees and charges raised to fund the PPSR function under a cost-recovery arrangement approved by the government. AFSA has operational responsibility for the administration of PPSR, which includes allowances for future replacement of PPSR assets and capital expenditure for improved service delivery capability as requested by stakeholders.

Administered

Changes in revenue over the budget and forward estimate years are in recognition of changes in bankruptcy workloads.

3.2 Budgeted financial statements tables

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
EXPENSES					
Employee benefits	66,002	63,299	65,753	67,725	69,731
Suppliers	43,477	36,607	36,155	40,350	42,825
Depreciation and amortisation (a)	8,142	8,512	9,103	8,092	9,950
Finance costs	861	860	835	957	887
Total expenses	118,482	109,278	111,846	117,124	123,393
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	52,737	52,192	56,179	59,077	60,664
Sublease income	610	746	433	-	-
Other	8,573	8,586	4,916	5,048	5,264
Total own-source revenue	61,920	61,524	61,528	64,125	65,928
Net (cost of)/contribution by services	(56,562)	(47,754)	(50,318)	(52,999)	(57,465)
Revenue from Government	39,560	45,835	48,201	50,971	54,036
Surplus/(deficit) attributable to the Australian Government	(17,002)	(1,919)	(2,117)	(2,028)	(3,429)
Total comprehensive income/(loss)	(17,002)	(1,919)	(2,117)	(2,028)	(3,429)
Total comprehensive income/(loss) attributable to the Australian Government	(17,002)	(1,919)	(2,117)	(2,028)	(3,429)

Note: Impact of net cash appropriation arrangements

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(17,002)	(1,919)	(2,117)	(2,028)	(3,429)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	1,536	1,673	2,950	2,200	2,836
plus: depreciation/amortisation expenses for ROU assets (b)	3,446	3,447	2,065	2,246	3,155
less: lease principal repayments (b)	3,080	3,201	2,898	2,418	2,562
Net Cash Operating Surplus/ (Deficit)	(15,100)	-	-	-	-

Prepared on Australian Accounting Standards basis.

- a) From 2010–11, the Government introduced net cash appropriation arrangements that provided non-corporate Commonwealth entities with a separate Departmental Capital Budget (DCB) under Appropriation Bill (No. 1). This replaced revenue appropriations provided under Appropriation Bill (No. 1) used for the depreciation/amortisation expenses. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
- b) Applies to leases under AASB 16 *Leases*.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,288	1,288	1,288	1,288	1,288
Trade and other receivables	67,771	61,986	59,893	58,538	57,589
Total financial assets	69,059	63,274	61,181	59,826	58,877
Non-financial assets					
Land and buildings	24,042	19,663	34,696	40,491	36,353
Property, plant and equipment	7,161	4,529	2,834	2,272	1,370
Intangibles	9,788	15,582	18,412	20,231	21,046
Other non-financial assets	6,862	7,270	6,432	5,992	5,546
Total non-financial assets	47,853	47,044	62,374	68,986	64,315
Total assets	116,912	110,318	123,555	128,812	123,192
LIABILITIES					
Payables					
Suppliers	4,277	3,479	3,537	3,919	3,978
Other payables	3,177	3,006	1,272	1,228	1,316
Total payables	7,454	6,485	4,809	5,147	5,294
Interest bearing liabilities					
Leases	22,137	17,783	32,151	37,620	33,926
Total interest bearing liabilities	22,137	17,783	32,151	37,620	33,926
Provisions					
Employee provisions	14,706	14,848	16,004	16,122	15,978
Other provisions	128	134	140	-	-
Total provisions	14,834	14,982	16,144	16,122	15,978
Total liabilities	44,425	39,250	53,104	58,889	55,198
Net assets	72,487	71,068	70,451	69,923	67,994
EQUITY*					
Parent entity interest					
Contributed equity	(31,152)	(30,652)	(29,152)	(27,652)	(26,152)
Reserves	7,888	7,888	7,888	7,888	7,888
Retained surplus (accumulated deficit)	95,751	93,832	91,715	89,687	86,258
Total parent entity interest	72,487	71,068	70,451	69,923	67,994
Total equity	72,487	71,068	70,451	69,923	67,994

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 2026–27)

	Retained earnings	Asset revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2026				
Balance carried forward from previous period	95,751	7,888	(31,152)	72,487
Adjusted opening balance	95,751	7,888	(31,152)	72,487
Comprehensive income				
Surplus/(deficit) for the period	(1,919)	-	-	(1,919)
Total comprehensive income	(1,919)	-	-	(1,919)
Contributions by owners				
Departmental Capital Budget (DCB)	-	-	500	500
Sub-total transactions with owners	-	-	500	500
Estimated closing balance as at 30 June 2027	93,832	7,888	(30,652)	71,068
Closing balance attributable to the Australian Government	93,832	7,888	(30,652)	71,068

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	60,783	51,265	49,029	52,442	55,233
Sale of goods and rendering of services	51,367	53,293	57,877	58,961	60,416
Other	11,835	12,268	9,134	9,056	8,635
Total cash received	123,985	116,826	116,040	120,459	124,284
Cash used					
Employees	65,437	63,328	66,331	67,651	69,787
Suppliers	47,142	41,510	39,492	43,697	45,712
Interest payments on lease liability	840	839	814	936	866
Total cash used	113,419	105,677	106,637	112,284	116,365
Net cash from/(used by) operating activities	10,566	11,149	9,403	8,175	7,919
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	9,401	6,981	6,725	6,225	5,725
Total cash used	9,401	6,981	6,725	6,225	5,725
Net cash from/(used by) investing activities	(9,401)	(6,981)	(6,725)	(6,225)	(5,725)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	3,260	500	1,500	1,500	1,500
Total cash received	3,260	500	1,500	1,500	1,500
Cash used					
Principal payments on lease liability	4,425	4,668	4,178	3,450	3,694
Total cash used	4,425	4,668	4,178	3,450	3,694
Net cash from/(used by) financing activities	(1,165)	(4,168)	(2,678)	(1,950)	(2,194)
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	1,288	1,288	1,288	1,288	1,288
Cash and cash equivalents at the end of the reporting period	1,288	1,288	1,288	1,288	1,288

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	500	500	1,500	1,500	1,500
Total new capital appropriations	500	500	1,500	1,500	1,500
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	<i>500</i>	<i>500</i>	<i>1,500</i>	<i>1,500</i>	<i>1,500</i>
Total items	500	500	1,500	1,500	1,500
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB (a)	3,260	500	1,500	1,500	1,500
Funded internally from departmental resources (b)	6,141	6,481	5,225	4,725	4,225
TOTAL	9,401	6,981	6,725	6,225	5,725
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	9,401	6,981	6,725	6,225	5,725
Total cash used to acquire assets	9,401	6,981	6,725	6,225	5,725

Prepared on Australian Accounting Standards basis.

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

- a) Includes purchases from current and previous years' Departmental Capital Budgets (DCBs).
- b) Includes funding from s74 external receipts.

Table 3.6: Statement of departmental asset movements (Budget year 2026–27)

	Buildings \$'000	Other property, plant and \$'000	Heritage and cultural \$'000	Computer software and \$'000	Total \$'000
As at 1 July 2026					
Gross book value	7,133	11,509	17	12,756	31,415
Gross book value - ROU assets	40,816	-	-	-	40,816
Accumulated depreciation/amortisation and impairment	(273)	(4,365)	-	(2,968)	(7,606)
Accumulated depreciation/amortisation and impairment - ROU assets	(23,634)	-	-	-	(23,634)
Opening net book balance	24,042	7,144	17	9,788	40,991
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase - appropriation ordinary annual services (a)	100	640	-	6,241	6,981
By purchase - appropriation ordinary annual services - ROU assets	314	-	-	-	314
Total additions	414	640	-	6,241	7,295
Other movements					
Depreciation/amortisation expense	-	(3,272)	-	(447)	(3,719)
Depreciation/amortisation on ROU assets	(4,793)	-	-	-	(4,793)
Total other movements	(4,793)	(3,272)	-	(447)	(8,512)
As at 30 June 2027					
Gross book value	7,233	12,149	17	18,997	38,396
Gross book value - ROU assets	41,130	-	-	-	41,130
Accumulated depreciation/amortisation and impairment	(273)	(7,637)	-	(3,415)	(11,325)
Accumulated depreciation/amortisation and impairment - ROU assets	(28,427)	-	-	-	(28,427)
Closing net book balance	19,663	4,512	17	15,582	39,774

Prepared on Australian Accounting Standards basis.

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2026–2027 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)

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
EXPENSES					
Other expenses	72,673	71,131	68,460	68,195	68,411
Total expenses administered on behalf of Government	72,673	71,131	68,460	68,195	68,411
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Taxation revenue					
Charges	19,469	25,914	27,810	29,825	31,973
Total taxation revenue	19,469	25,914	27,810	29,825	31,973
Non-taxation revenue					
Fees and fines	24,793	24,622	26,093	26,849	27,766
Proceeds of Crime and other administered revenue	62,549	60,123	60,123	60,123	60,123
Total non-taxation revenue	87,342	84,745	86,216	86,972	87,889
Total own-source revenue administered on behalf of Government	106,811	110,659	114,026	116,797	119,862
Net (cost of)/contribution by services	(34,138)	(39,528)	(45,566)	(48,602)	(51,451)
Surplus/(deficit) before income tax	34,138	39,528	45,566	48,602	51,451
Total comprehensive income/(loss)	34,138	39,528	45,566	48,602	51,451

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	129,126	121,442	116,429	111,681	106,717
Taxation receivables	13,826	13,826	13,826	13,826	13,826
Trade and other receivables	6,895	6,895	6,895	6,895	6,895
Total financial assets	149,847	142,163	137,150	132,402	127,438
Total assets administered on behalf of Government	149,847	142,163	137,150	132,402	127,438
LIABILITIES					
Payables					
Other payables	12	12	12	12	12
Total payables	12	12	12	12	12
Total liabilities administered on behalf of Government	12	12	12	12	12
Net assets/(liabilities)	149,835	142,151	137,138	132,390	127,426

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Charges	19,469	25,914	27,810	29,825	31,973
Fees and fines	20,591	20,420	21,891	22,647	23,564
Proceeds of Crime and other administered receipts	66,751	64,325	64,325	64,325	64,325
Total cash received	106,811	110,659	114,026	116,797	119,862
Cash used					
Payments	72,673	71,131	68,460	68,195	68,411
Total cash used	72,673	71,131	68,460	68,195	68,411
Net cash from/(used by) operating activities	34,138	39,528	45,566	48,602	51,451
Net increase/(decrease) in cash held	34,138	39,528	45,566	48,602	51,451
Cash and cash equivalents at beginning of reporting period	135,926	129,126	121,442	116,429	111,681
Cash from Official Public Account for:					
- Appropriations	3,000	3,000	3,000	3,000	3,000
- Transfers to other entities (Finance - Whole of Government)	(43,938)	(50,212)	(53,579)	(56,350)	(59,415)
Total cash from Official Public Account	(40,938)	(47,212)	(50,579)	(53,350)	(56,415)
Cash and cash equivalents at end of reporting period	129,126	121,442	116,429	111,681	106,717

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 Australia's sovereign debt manager. It issues debt securities on behalf of the Australian Government and manages the Government's cash and debt portfolio. The AOFM also implements government initiatives relating to the Australian securitisation market. Through its activities, the AOFM supports a well-functioning Australian Government Securities (AGS) market.

The purposes of the AOFM are to:

- Ensure resilient, reliable and scalable funding, while considering costs and risks, for government programs and policy implementation to enable the Australian Government to deliver policy outcomes for all Australians.
- Foster a broad investor base and promote liquid primary and secondary debt markets to help manage overall borrowing costs and risks.
- Support the development of the Australian securitisation market by increasing the availability of credit provided to small and medium enterprises.

Over 2026–27, the AOFM will continue to undertake the following key activities to support the achievement of its purposes:

- Deliver effective debt management that considers costs and risks.
- Deliver effective liquidity management that considers costs and risks.
- Conduct investor outreach in accordance with the annual investor relations plan.
- Conduct settlements for AGS issuance, coupon and redemption payments.
- Manage the Australian Business Securitisation Fund (ABSF) program to support the Australian securitisation market.

The AOFM operates in a complex macroeconomic and geopolitical environment. In delivering its key activities, the AOFM will continue to take account of external conditions, including developments in the global economy, potential risks and bond market dynamics.

1.2 Entity resource statement

Table 1.1 shows the total resourcing 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. Amounts presented below are consistent with amounts presented in the Appropriation Bills themselves.

Table 1.1: Australian Office of Financial Management resource statement – Budget estimates for 2026–27 as at Budget May 2026

	2025–26 <i>Estimated actual</i> \$'000	2026–27 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	36,447	36,447
Departmental appropriation (b)	16,575	16,673
s74 External Revenue (c)	25	25
Total departmental annual appropriations	53,047	53,145
Total departmental resourcing	53,047	53,145
Administered		
Total administered special appropriations (d)	272,198,814	777,946,085
Special accounts (e)		
Opening balance	16,968,252	16,677,252
Non-appropriation receipts (f)	79,037	162,771
Total special account receipts	17,047,289	16,840,023
Total administered resourcing	289,246,103	794,786,108
Total resourcing for AOFM	289,299,150	794,839,253
	2025–26	2026–27
Average staffing level (number)	51	51

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

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

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

- a) Appropriation Bill (No. 1) 2026–2027.
- b) Excludes departmental capital budget (DCB).
- c) Estimated External Revenue receipts under section 74 of the PGPA Act.
- d) Special Appropriations comprise funding to meet estimated operating expenditures such as interest on Australian Government Securities (AGS), investing expenditures for financial assets, for liquidity purposes and financing expenditures such as maturity of AGS.
- e) The AOFM administers three special accounts – the Debt Retirement Reserve Trust Account (DRRTA), The Australian Business Securitisation Fund (ABSF) Special Account and the Structured Finance Support Fund (SFSF) Special Account. Figures include the ABSF and SFSF special accounts only. For further information on special accounts refer to Budget Paper No. 4. Table 2.1.1 has further information on outcome and program expenses broken down by various funding sources, that is, annual appropriations, special appropriations and special accounts.
- f) 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 in Part 1 relating to the AOFM are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Australian Office of Financial Management 2026–27 Budget measures

Part 1: Measures announced since the 2025–26 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Payment measures						
Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension (a)						
Departmental payments	1.1	-	-	-	-	(926)
Total		-	-	-	-	(926)
Total payment measures						
Departmental		-	-	-	-	(926)
Total		-	-	-	-	(926)

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 Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension is the Department of Finance. The full measure description and package details appear in the Budget Paper No. 2 under Cross Portfolio 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 AOFM can be found at:
<http://www.aofm.gov.au/publications/corporate-plan>.

The most recent annual performance statement can be found at:
<http://www.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, investing in financial assets and managing debt, investments and cash for the Australian Government.

Budgeted expenses for Outcome 1

This table shows how much the entity intends to 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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Program 1.1: Commonwealth Debt Management					
Administered expenses					
Special appropriations					
<i>Commonwealth Inscribed Stock Act 1911</i>	27,629,206	31,886,385	36,921,319	41,865,372	46,873,172
<i>Financial Agreement Act 1994</i>	11	11	11	11	11
Expenses not requiring appropriation in the Budget year (a)	2,296	2,133	15	(479)	(1,483)
Administered total	27,631,513	31,888,529	36,921,345	41,864,904	46,871,700
Departmental expenses					
Ordinary annual services (Appropriation Bill No. 1)	16,310	16,399	16,575	16,792	17,238
s74 External Revenue (b)	25	25	25	25	25
Expenses not requiring appropriation in the Budget year (a)	848	720	689	689	689
Departmental total	17,183	17,144	17,289	17,506	17,952
Total expenses for program 1.1	27,648,696	31,905,673	36,938,634	41,882,410	46,889,652

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Outcome 1 Totals by appropriation type					
Administered expenses					
Special appropriations	27,629,217	31,886,396	36,921,330	41,865,383	46,873,183
Expenses not requiring appropriation in the Budget year (a)	2,296	2,133	15	(479)	(1,483)
Administered total	27,631,513	31,888,529	36,921,345	41,864,904	46,871,700
Departmental expenses					
Departmental appropriation	16,310	16,399	16,575	16,792	17,238
s74 External Revenue (b)	25	25	25	25	25
Expenses not requiring appropriation in the Budget year (a)	848	720	689	689	689
Departmental total	17,183	17,144	17,289	17,506	17,952
Total expenses for Outcome 1	27,648,696	31,905,673	36,938,634	41,882,410	46,889,652

	2025–26	2026–27
Average staffing level (number)	51	51

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

- a) Administered expenses not requiring appropriation in the Budget year comprises provision of impairment of assets and repurchase premia on redemption of debt prior to maturity. Departmental expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses and ANAO audit fees.
- b) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.

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

Performance measures for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It is used by entities to describe the results they plan to achieve and the related key activities, as detailed in the current corporate plan (i.e. 2025–26), the context in which these activities are delivered, and how the performance of these activities will be measured.

Table 2.1.2: Performance measures for Outcome 1

Outcome 1 – The advancement of macroeconomic growth and stability, and the effective operation of financial markets, through issuing debt, investing in financial assets and managing debt, investments and cash for the Australian Government.		
Program 1.1 – Australian Office of Financial Management The AOFM issues Australian Government Securities (AGS) debt, makes investments and manages debt and investments in accordance with policy objectives.		
Key activities (a)	1.1 Establish and execute a debt management strategy 1.2 Settle AGS issuance, coupon and redemption payments 2.1 Establish and execute a liquidity management strategy 3.1 Conduct a market engagement program 3.2 Support financial market liquidity 4.1 Manage the ABSF program	
Year	Performance measures	Expected performance results
Current Year 2025–26	Issuance strategy: conduct annual issuance in accordance with the debt management strategy.	Each element of the Debt Management Strategy is targeted to be met within acceptable tolerances. As of 31 March 2026, outcomes fall within acceptable tolerances for each performance element and are on track to meet expectations by 30 June 2026
	New issuance yields: the weighted average issuance yield at Treasury Bond and Treasury Indexed Bond tenders compared to prevailing mid-market secondary yields.	Tender issuance yields for Treasury Bonds and Treasury Indexed Bonds are targeted to be at or below mid-market yields on average over the year. As of 31 March 2026, tender spreads were 0.5bp and 1.7bp below mid-market for Treasury Bonds and Treasury Indexed Bonds, respectively. This measure is on track to meet expectations by 30 June 2026.
	AGS settlements: the number of times AGS issuance, coupon and redemption payments fail to occur in a complete, timely and accurate manner where the AOFM is responsible for the failure.	AGS settlement is targeted to have zero failures for the financial year. As of 31 March 2026, there had been zero failures. This measure is on track to meet expectations by 30 June 2026.

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1 – Australian Office of Financial Management (continued)		
The AOFM issues Australian Government Securities (AGS) debt, makes investments and manages debt and investments in accordance with policy objectives.		
Year	Performance measures	Expected performance results
Current Year 2025–26 (continued)	Cash management strategy: conduct annual cash management in accordance with the liquidity management strategy.	Each element of the Liquidity Management Strategy is targeted to be met within acceptable tolerances. As of 31 March 2026, outcomes fall within acceptable tolerances for each performance element and are on track to meet expectations by 30 June 2026.
	Annual investor relations plan: conduct investor outreach in accordance with the annual investor relations plan.	Each element of the Investor Relations Plan is targeted to be met within acceptable tolerances. As of 31 March 2026, outcomes fall within acceptable tolerances for each performance element and are on track to meet expectations by 30 June 2026.
	Turnover ratio: annual reported secondary market turnover for Treasury Bonds and Treasury Indexed Bonds as a proportion of debt on issue.	Secondary market turnover for Treasury Bonds and Treasury Indexed Bonds as a proportion of debt on issue is targeted to be greater than 1. As of 31 March 2026, the ratio of combined secondary market turnover was 1.9. This measure is on track to meet expectations by 30 June 2026.
	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.	The ABSF rate of return is targeted to be at or higher than the Bloomberg Aus Bond Treasury 0-1year index. As of 31 March 2026, ABSF rate of return was 2.9% higher than the benchmark. This measure is on track to meet expectations by 30 June 2026.
Year	Performance measures (b)	Planned performance results
Budget Year 2026–27	Issuance volume: face value of Treasury Bond and Treasury Indexed Bond issuance aligns with remit.	Alignment with Annual remit or the most recent official Budget related update.
	New bond lines: number of new Treasury Bond lines created aligns with remit.	Alignment with Annual remit.
	Issuance Tenor: weighted average maturity of Treasury Bond issuance aligns with remit.	Alignment with Annual remit.

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1 – Australian Office of Financial Management (continued)		
The AOFM issues Australian Government Securities (AGS) debt, makes investments and manages debt and investments in accordance with policy objectives.		
Year	Performance measures (b)	Planned performance results
Budget Year 2026–27 (continued)	New issuance yields: the weighted average issue yield at Treasury Bond and Treasury Indexed Bond tenders is less than or equal to prevailing secondary market yields.	On average tender issuance yields are less than or equal to the observed secondary market yield over the financial year.
	Treasury Note stock: maintain a minimum level of Treasury Note stock throughout the year.	Alignment with Annual remit.
	Cash Management Account balance: maintain a minimum level of cash throughout the year.	Greater than zero
	Investor engagement: Number of one-on-one engagements with investors.	Alignment with Investor Relations Plan
	Presentations to investors: Number of presentations at investment forums.	Alignment with Investor Relations Plan
	Publications for investors: Number of Investor Insight publications.	Alignment with Investor Relations Plan
	Secondary market turnover: Annual reported secondary market turnover for Treasury Bonds and Treasury Indexed Bonds as a proportion of debt on issue.	Greater than 1
	AGS settlements: Complete, accurate and on time settlement of all AGS transactions.	Zero failures
	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 Aus Bond Treasury 0-1year index
ABSF settlements: Complete, accurate and on time settlement of all ABSF transactions.	Zero failures	
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.1 resulting from 2026–27 Budget Measures: Nil		

- a) Refers to key activities that were reflected in the 2025–26 Corporate Plan.
- b) Changes have been made to activities and performance measures for 2026–27 to more clearly and transparently measure the effectiveness of AOFM's operations. The AOFM will outline more detail in its 2026–27 corporate plan and annual performance statements.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026–27 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 2.1.1 are itemised in the departmental comprehensive income statement (Table 3.1).

Administered

The AOFM receives administered special appropriations to meet operating expenditures and capital expenditures arising from managing the Australian Government Securities (AGS) debt portfolio. 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 and financing activities.

The AOFM's estimated administered expenses as shown in Table 2.1.1 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 AGS debt and certain financial assets. The projections of AGS debt are a consequence of forecasts arising from the expenditure, investment and revenue decisions incorporated in the Budget. Annual debt servicing costs on AGS debt are largely determined after taking into account changes in the volume of AGS debt over the projection period, yields on existing debt and 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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
EXPENSES					
Employee benefits	10,240	10,654	10,894	11,139	11,418
Suppliers	6,278	5,955	5,894	5,870	6,040
Depreciation and amortisation (a)	598	470	439	439	439
Finance costs	67	65	62	58	55
Total expenses	17,183	17,144	17,289	17,506	17,952
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	25	25	25	25	25
Other	250	250	250	250	250
Total own-source revenue	275	275	275	275	275
Total own-source income	275	275	275	275	275
Net (cost of) services	(16,908)	(16,869)	(17,014)	(17,231)	(17,677)
Revenue from Government	16,575	16,673	16,862	17,093	17,565
(Deficit) attributable to the Australian Government	(333)	(196)	(152)	(138)	(112)
Total comprehensive income/(loss)	(333)	(196)	(152)	(138)	(112)
Total comprehensive income/(loss) attributable to the Australian Government	(333)	(196)	(152)	(138)	(112)

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**

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(333)	(196)	(152)	(138)	(112)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	306	178	147	147	147
plus: depreciation/amortisation expenses for ROU assets (b)	292	292	292	292	292
less: lease principal repayments (b)	265	274	287	301	327
Net Cash Operating Surplus/ (Deficit)	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

- a) From 2010–11, the Government introduced net cash appropriation arrangements that provided non-corporate Commonwealth entities with a separate Departmental Capital Budget (DCB) under Appropriation Bill (No. 1). This replaced revenue appropriations provided under Appropriation Bill (No. 1) used for the depreciation/amortisation expenses. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
- b) Applies to leases under AASB 16 *Leases*.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	207	207	207	207	207
Trade and other receivables	36,256	36,256	36,256	36,256	36,256
Total financial assets	36,463	36,463	36,463	36,463	36,463
Non-financial assets					
Property, plant and equipment	4,627	4,211	3,795	3,379	2,965
Intangibles	54	-	47	94	141
Other non-financial assets	231	231	231	231	231
Total non-financial assets	4,912	4,442	4,073	3,704	3,337
Total assets	41,375	40,905	40,536	40,167	39,800
LIABILITIES					
Payables					
Suppliers	757	735	712	712	712
Personal benefits	290	290	290	290	290
Total payables	1,047	1,025	1,002	1,002	1,002
Interest bearing liabilities					
Leases	3,254	2,980	2,693	2,392	2,065
Total interest bearing liabilities	3,254	2,980	2,693	2,392	2,065
Provisions					
Employee provisions	2,670	2,670	2,670	2,670	2,670
Other provisions	645	667	690	690	690
Total provisions	3,315	3,337	3,360	3,360	3,360
Total liabilities	7,616	7,342	7,055	6,754	6,427
Net assets	33,759	33,563	33,481	33,413	33,373
EQUITY*					
Parent entity interest					
Contributed equity	(12,001)	(12,001)	(11,931)	(11,861)	(11,789)
Reserves	715	715	715	715	715
Retained surplus (accumulated deficit)	45,045	44,849	44,697	44,559	44,447
Total parent entity interest	33,759	33,563	33,481	33,413	33,373
Total equity	33,759	33,563	33,481	33,413	33,373

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 2026–27)

	Retained earnings	Asset revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2026				
Balance carried forward from previous period	45,045	715	(12,001)	33,759
Adjusted opening balance	45,045	715	(12,001)	33,759
Comprehensive income				
(Deficit) for the period	(196)	-	-	(196)
Total comprehensive income	(196)	-	-	(196)
Estimated closing balance as at 30 June 2027	44,849	715	(12,001)	33,563
Closing balance attributable to the Australian Government	44,849	715	(12,001)	33,563

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	16,575	16,673	16,862	17,093	17,565
Sale of goods and rendering of services	25	25	25	25	25
Total cash received	16,600	16,698	16,887	17,118	17,590
Cash used					
Employees	10,240	10,654	10,894	11,139	11,418
Suppliers	6,049	5,727	5,667	5,620	5,790
Interest payments on lease liability	46	43	39	34	31
Total cash used	16,335	16,424	16,600	16,793	17,239
Net cash from/(used by) operating activities	265	274	287	325	351
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	-	-	70	94	96
Total cash used	-	-	70	94	96
Net cash from/(used by) investing activities	-	-	(70)	(94)	(96)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	-	-	70	70	72
Total cash received	-	-	70	70	72
Cash used					
Principal payments on lease liability	265	274	287	301	327
Total cash used	265	274	287	301	327
Net cash from/(used by) financing activities	(265)	(274)	(217)	(231)	(255)
Cash and cash equivalents at the beginning of the reporting period	207	207	207	207	207
Cash and cash equivalents at the end of the reporting period	207	207	207	207	207

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	-	-	70	70	72
Total new capital appropriations	-	-	70	70	72
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	-	-	70	70	72
Total items	-	-	70	70	72
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB (a)	-	-	70	70	72
Funded internally from departmental resources (b)	-	-	-	24	24
TOTAL	-	-	70	94	96
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	-	-	70	94	96
Total cash used to acquire assets	-	-	70	94	96

Prepared on Australian Accounting Standards basis.

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

b) Includes the following s74 external receipts:

- sponsorship, subsidy, gifts or similar contribution;
- internally developed assets; and
- proceeds from the sale of assets.

Table 3.6: Statement of departmental asset movements (Budget year 2026–27)

	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2026			
Gross book value	2,892	1,969	4,861
Gross book value - ROU assets	4,951	-	4,951
Accumulated depreciation/amortisation and impairment	(1,164)	(1,915)	(3,079)
Accumulated depreciation/amortisation and impairment - ROU assets	(2,052)	-	(2,052)
Opening net book balance	4,627	54	4,681
Other movements			
Depreciation/amortisation expense	(124)	(54)	(178)
Depreciation/amortisation on ROU assets	(292)	-	(292)
Total other movements	(416)	(54)	(470)
As at 30 June 2027			
Gross book value	2,892	1,969	4,861
Gross book value - ROU assets	4,951	-	4,951
Accumulated depreciation/amortisation and impairment	(1,288)	(1,969)	(3,257)
Accumulated depreciation/amortisation and impairment - ROU assets	(2,344)	-	(2,344)
Closing net book balance	4,211	-	4,211

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)

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
EXPENSES					
Grants	7	7	7	7	7
Finance costs	27,619,217	31,876,384	36,911,320	41,855,383	46,863,183
Provision for Impairment of assets	2,289	2,138	18	(486)	(1,490)
Other expenses	10,000	10,000	10,000	10,000	10,000
Total expenses administered on behalf of Government	27,631,513	31,888,529	36,921,345	41,864,904	46,871,700
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Interest	2,110,962	1,742,304	1,842,212	1,803,078	1,907,403
Total non-taxation revenue	2,110,962	1,742,304	1,842,212	1,803,078	1,907,403
Total own-source revenue administered on behalf of Government	2,110,962	1,742,304	1,842,212	1,803,078	1,907,403
Net cost of services	(25,520,551)	(30,146,225)	(35,079,133)	(40,061,826)	(44,964,297)
OTHER COMPREHENSIVE INCOME					
Re-measurements					
Net market revaluation gains/(losses)	24,014,709	(14,353,755)	(13,232,218)	(12,157,226)	(10,949,981)
Total other comprehensive income	24,014,709	(14,353,755)	(13,232,218)	(12,157,226)	(10,949,981)
Total comprehensive loss	(1,505,842)	(44,499,980)	(48,311,351)	(52,219,052)	(55,914,278)

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	60,312,916	49,802,514	50,181,602	50,019,348	50,543,794
Loans to state and territory governments	1,004,010	913,896	823,947	738,379	656,528
Structured finance securities	527,705	868,865	969,834	1,071,708	1,074,761
Accrued interest on cash management account	138,843	114,681	121,059	126,158	116,488
Other receivables	150	150	150	150	150
Total financial assets	61,983,624	51,700,106	52,096,592	51,955,743	52,391,721
Total assets administered on behalf of Government	61,983,624	51,700,106	52,096,592	51,955,743	52,391,721
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	813,416,226	870,857,415	943,731,499	1,018,086,802	1,083,553,609
Treasury Indexed Bonds	50,237,097	56,821,651	53,022,979	58,014,664	63,540,497
Treasury Notes	46,925,070	59,941,886	66,942,360	70,946,594	66,935,044
Other government securities	5,280	5,280	5,280	5,280	5,280
Total interest bearing liabilities	910,583,673	987,626,232	1,063,702,118	1,147,053,340	1,214,034,430
Provisions					
Other provisions	581	581	581	581	581
Total provisions	581	581	581	581	581
Total liabilities administered on behalf of Government	910,584,304	987,626,863	1,063,702,749	1,147,053,971	1,214,035,061
Net assets/(liabilities)	(848,600,680)	(935,926,757)	(1,011,606,157)	(1,095,098,228)	(1,161,643,340)

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Interest	2,190,758	1,755,354	1,826,003	1,789,002	1,909,126
Total cash received	2,190,758	1,755,354	1,826,003	1,789,002	1,909,126
Cash used					
Grant	7	7	7	7	7
Borrowing costs	27,381,420	29,408,620	34,683,344	36,307,236	39,862,560
Total cash used	27,381,427	29,408,627	34,683,351	36,307,243	39,862,567
Net cash from/(used by) operating activities	(25,190,669)	(27,653,273)	(32,857,348)	(34,518,241)	(37,953,441)
INVESTING ACTIVITIES					
Cash received					
Repayments of advances and loans	96,565	100,638	99,615	94,353	89,803
Total cash received	155,773	215,973	285,243	321,163	372,321
Cash used					
Structured finance securities	370,035	458,046	286,450	328,005	284,086
Total cash used	370,035	458,046	286,450	328,005	284,086
Net cash from/(used by) investing activities	(214,262)	(242,073)	(1,207)	(6,842)	88,235

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
FINANCING ACTIVITIES					
Cash received					
Proceeds from borrowing	290,866,967	807,398,963	933,574,975	1,020,174,491	1,005,006,765
Total cash received	290,866,967	807,398,963	933,574,975	1,020,174,491	1,005,006,765
Cash used					
Net repayment of borrowings	243,537,671	747,187,923	872,969,284	954,538,643	955,986,279
Total cash used	243,537,671	747,187,923	872,969,284	954,538,643	955,986,279
Net cash from/(used by) financing activities	47,329,296	60,211,040	60,605,691	65,635,848	49,020,486
Net increase/(decrease) in cash held	21,924,365	32,315,694	27,747,136	31,110,765	11,155,280
Cash and cash equivalents at beginning of reporting period	68,379,250	60,312,916	49,802,514	50,181,602	50,019,348
Cash from Official Public Account for:					
- Appropriations	272,198,814	777,946,085	909,056,139	992,514,015	997,613,191
- Special accounts	370,037	458,045	286,450	328,005	284,086
<i>Total cash from Official Public Account</i>	<i>272,568,851</i>	<i>778,404,130</i>	<i>909,342,589</i>	<i>992,842,020</i>	<i>997,897,277</i>
Cash to Official Public Account for:					
- Appropriations	(292,296,225)	(808,897,761)	(935,122,276)	(1,021,976,741)	(1,006,896,477)
- Special accounts	(79,037)	(162,771)	(246,532)	(294,201)	(352,934)
- Net CMA transfers	(10,184,288)	(12,169,694)	(1,341,829)	(1,844,097)	(1,278,700)
<i>Total cash to Official Public Account</i>	<i>(302,559,550)</i>	<i>(821,230,226)</i>	<i>(936,710,637)</i>	<i>(1,024,115,039)</i>	<i>(1,008,528,111)</i>
Cash and cash equivalents at end of reporting period	60,312,916	49,802,514	50,181,602	50,019,348	50,543,794

Prepared on Australian Accounting Standards basis.

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 while 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, which is published annually. APRA's 2025–26 Corporate Plan is focused on four overarching strategic objectives: Maintaining financial and operational resilience; Responding to significant and emerging risks; Getting the balance right and Improving our organisational effectiveness. Together, these objectives provide a framework for connecting APRA's assessment of the operating environment with the strategic priorities it intends to deliver over the planning period. These themes are designed to sharpen organisational focus on fulfilling APRA's purpose and delivering key outcomes for the Australian community – namely, the safety and resilience of regulated entities, a stable financial system, and a financial system enabling good community outcomes.

The 2025–26 Corporate Plan builds on APRA's work over the past year, with a continued focus on delivering existing strategic priorities while 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 resourcing 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. Amounts presented below are consistent with amounts presented in the Appropriation Bills themselves.

Table 1.1: Australian Prudential Regulation Authority resource statement – Budget estimates for 2026–27 as at Budget May 2026

	2025–26 <i>Estimated actual</i> \$'000	2026–27 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Departmental appropriation	14,994	9,931
s74 External Revenue (b)	6,200	6,200
Total departmental annual appropriations	21,194	16,131
Special accounts		
Opening balance (c)	118,670	120,167
Appropriation receipts	14,994	9,931
Non-appropriation receipts (d)	6,200	6,200
Adjustments	242,292	253,277
Total special accounts	382,156	389,575
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	21,194	16,131
Total departmental resourcing	382,156	389,575
Administered		
Special accounts		
Non-appropriation receipts to Special Accounts (e)	430,000	430,000
Total special account receipts	430,000	430,000
Total administered resourcing	430,000	430,000
Total resourcing for APRA	812,156	819,575

	2025–26	2026–27
Average staffing level (number)	907	900

Third party payments from and on behalf of other entities

	2025–26 <i>Estimated actual</i> \$'000	2026–27 Estimate \$'000
Receipts received from other entities for the provision of services (disclosed in s74 External Revenue section above)	900	900

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

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

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

- a) Appropriation Bill (No. 1) 2026–2027
- 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 October Budget Paper No. 4 - *Agency Resourcing*. Please also see Table 2.1.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.
- d) Non-appropriation receipts include receipts from 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 in Part 1 relating to APRA are detailed in the Budget Paper No. 2 and are summarised below.

Table 1.2: Australian Prudential Regulation Authority 2026–27 Budget measures
Part 1: Measures announced since the 2025–26 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Receipt measures						
Economic Security						
Administered receipts	1.1	-	8,274	4,373	1,740	1,764
Total		-	8,274	4,373	1,740	1,764
Total receipt measures						
Administered		-	8,274	4,373	1,740	1,764
Total		-	8,274	4,373	1,740	1,764
Payment measures						
Economic Security (a)						
Departmental payments	1.1	-	8,274	4,373	1,740	1,764
Total		-	8,274	4,373	1,740	1,764
Protecting Investors and Strengthening the Superannuation System						
Departmental payments	1.1	-	-	-	-	-
Total		-	-	-	-	-
Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension (b)						
Departmental payments	1.1	-	-	-	-	(130)
Total		-	-	-	-	(130)
Total payment measures						
Departmental		-	8,274	4,373	1,740	1,634
Total		-	8,274	4,373	1,740	1,634

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) Including \$7.9 million in capital funding in 2026–27 and \$2.7 million in 2027–28.

b) The lead entity for the measure titled Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension is the Department of Finance. The full measure description and package details appear in the Budget Paper No. 2 under Cross Portfolio measures.

Part 2: Other measures not previously reported in a portfolio statement

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Payment measures						
Further Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses (a)						
	1.1	(346)	(170)	(85)	(92)	-
Total		(346)	(170)	(85)	(92)	-
Total payment measures						
		(346)	(170)	(85)	(92)	-
Total		(346)	(170)	(85)	(92)	-

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.

a) The lead entity for the measure titled Further Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses is the Department of Finance. The full measure description and package details appear in the 2025–26 MYEFO under Cross Portfolio 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 APRA can be found at:

<https://www.apra.gov.au/apra-corporate-plan-2025-26>.

The most recent annual performance statement can be found at:

<https://www.apra.gov.au/sites/default/files/2025-10/APRA%20Annual%20Report%202024-25.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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Program 1.1: Australian Prudential Regulation Authority					
Administered expenses					
Special appropriations (a)	430,000	430,000	430,000	430,000	430,000
Expenses not requiring appropriation in the Budget year (b)	55	55	55	55	55
Administered total	430,055	430,055	430,055	430,055	430,055
Departmental expenses					
Special accounts	256,694	259,099	266,040	253,617	251,872
s74 External Revenue (c)	6,200	6,200	6,200	6,200	6,200
Ordinary annual services (Appropriation Bill No. 1)	14,994	9,931	6,261	7,012	6,602
Expenses not requiring appropriation in the Budget year (d)	2,600	2,700	2,700	2,700	2,700
Departmental total	280,488	277,930	281,201	269,529	267,374
Total expenses for program 1.1	710,543	707,985	711,256	699,584	697,374
Total expenses for Outcome 1	710,543	707,985	711,256	699,584	697,374
	2025–26	2026–27			
Average staffing level (number)	907	900			

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.

d) Expenses not requiring appropriation in the Budget year are made up of ANAO audit services and ComCover Insurance Premiums 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.

Performance measures for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It is used by entities to describe the results they plan to achieve and the related key activities, as detailed in the current corporate plan (i.e. 2025–26), the context in which these activities are delivered, and how the performance of these activities will be measured. Where relevant, details of the 2026–27 Budget measures that have created new programs or materially changed existing programs are to be provided.

Table 2.1.2: Performance measure 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.		
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’s Corporate Plan activities focus on promoting the safety and stability of the system in a balanced and efficient way. As a forward-looking regulator, APRA prioritises activities to maintain resilience as new risks emerge. APRA is progressing activity to minimise regulatory burden for industry and support productivity.	
Year	Performance measures	Expected performance results
Current Year 2025–26	Performing Entity Ratio.	Low incidence of failure <i>On track</i>
Strategic Objective 1: Maintaining financial and operational resilience	Money Protection Ratio.	Low incidence of loss <i>On track</i>
	Reported prudential capital ratios for banks and insurers.	Low incidence of banks and insurers falling below minimum requirements <i>On track</i>
	Standard & Poor’s risk rating for the Australian banking system	Low risk rating for the Australian banking industry institutional framework <i>On track</i>
	Qualitative assessment of operational disruptions at APRA-regulated entities	Low incidence of operational disruptions that materially affect beneficiaries <i>On track</i>
	APRA-regulated entities are subject to formal APRA remediation for longer than 12 months	Low incidence of regulated entities over the reporting period <i>On track</i>
	Stakeholders agree that APRA’s supervision enhances the financial and operational strength of regulated entities	80 per cent or more of survey respondents <i>Data not reported for this period</i>

Table 2.1.2: Performance measure for Outcome 1 (continued)

Program 1.1 Australian Prudential Regulation Authority (continued)		
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.		
Year	Performance measures	Expected performance results
Current Year 2025–26 (continued)	Stress test results at an industry level	Industry can withstand a severe, plausible shock without breaching minimum requirements <i>On track</i>
Strategic Objective 2: Responding to significant and emerging risks	Number of superannuation members exposed to unsustainable funds:	Reduction during the reporting period. <i>Monitoring closely</i>
	Number of superannuation members in high fee, poor performing MySuper offerings	Reduction during the reporting period <i>On track</i>
Current Year 2025–26 (continued)	Stakeholders agree that APRA effectively pursues financial safety, balanced with considerations of efficiency, competition, contestability and competitive neutrality, and promotes financial stability	80 per cent or more of survey respondents <i>Data not reported for this period</i>
Strategic Objective 3: Getting the balance right	Qualitative assessment based on trends in banks' lending	The prudential framework does not unduly restrict banks' ability to lend to households and businesses <i>On track</i>
	Policy consultations undertaken	All major policy proposals are subject to public input and APRA publicly responds to issues raised by external stakeholders <i>On track</i>
	Qualitative assessment based on new material policy consultations	Non-SFIs are subject to simpler requirements or other transitional support, where appropriate <i>On track</i>
	Number of formal supervisory engagements for large and complex entities compared to small and less complex	On average, tier 1 entities are subject to significantly more formal supervisory engagements than Tier 4 entities <i>On track</i>
Current Year 2025–26 (continued)	APRA connect data submissions complete within 1 hour	99 per cent or more <i>On track</i>
Strategic Objective 4: Improving our organisational effectiveness	Budgeted versus actual expenditure	Within budget <i>On track</i>
	Delivery of services are in line with commitments to stakeholders in APRA's service charter	100 per cent as per APRA's Service Charter <i>Monitoring closely</i>
	Stakeholders agree that APRA's prudential standards are effective in communicating APRA's requirements	80 per cent or more of survey respondents <i>Data not reported for this period</i>

Table 2.1.2: Performance measure for Outcome 1 (continued)

Program 1.1 Australian Prudential Regulation Authority (continued)		
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.		
Year	Performance measures	Planned performance results
Budget Year 2026–27	As above Additional corporate plan measures for Budget year 2026–27 are being developed to enhance the suite of performance measures.	n/a
Forward Estimates 2026–29	As per 2025–26	As per 2025–26
Material changes to Program 1.1 resulting from 2025–26 Budget Measures: Nil.		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026–27 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 2026–27.

Employee benefits of \$195.4 million support an average staffing level (ASL) of 900 in 2026–27. 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 \$60.2 million in 2026–27 reflect office leasing costs, IT support and maintenance, travel, training and other non-people related expenditures.

Depreciation and Amortisation of \$20.6 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 superannuation monies, superannuation lost member register, the administration of claims for early release of superannuation benefits on compassionate grounds, the Gateway Network Governance Body Ltd (GNGB) for governing and maintaining the superannuation transactions network and Treasury for the administration of a grant to fund a superannuation consumer advocate.

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 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, the GNGB and Treasury.

3.2 Budgeted financial statements tables

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
EXPENSES					
Employee benefits	195,516	195,351	197,860	199,544	201,355
Suppliers	62,381	60,197	61,135	47,974	44,008
Depreciation and amortisation (a)	20,594	20,594	20,594	20,594	20,594
Finance costs	1,997	1,788	1,612	1,417	1,417
Total expenses	280,488	277,930	281,201	269,529	267,374
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	5,900	5,900	5,900	5,900	5,900
Other	2,900	3,000	3,000	3,000	3,000
Total own-source revenue	8,800	8,900	8,900	8,900	8,900
Total own-source income	8,800	8,900	8,900	8,900	8,900
Net (cost of)/contribution by services	(271,688)	(269,030)	(272,301)	(260,629)	(258,474)
Revenue from Government	257,286	263,208	258,951	254,967	257,817
Surplus/(deficit) attributable to the Australian Government	(14,402)	(5,822)	(13,350)	(5,662)	(657)
Total comprehensive income/(loss)	(14,402)	(5,822)	(13,350)	(5,662)	(657)
Total comprehensive income/(loss) attributable to the Australian Government	(14,402)	(5,822)	(13,350)	(5,662)	(657)

Note: Impact of net cash appropriation arrangements

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(14,402)	(5,822)	(13,350)	(5,662)	(657)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	14,115	14,115	14,115	14,115	14,115
plus: depreciation/amortisation expenses for ROU assets (a)	6,479	6,479	6,479	6,479	6,479
less: lease principal repayments (a)	7,765	8,158	8,561	8,988	9,186
Net Cash Operating Surplus/ (Deficit)	(1,573)	6,614	(1,317)	5,944	10,751

Prepared on Australian Accounting Standards basis.

a) Applies to leases under AASB 16 *Leases*.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	120,167	111,331	99,245	97,073	99,708
Trade and other receivables	4,999	4,999	4,999	4,999	4,999
Total financial assets	125,166	116,330	104,244	102,072	104,707
Non-financial assets					
Land and buildings	42,152	35,673	29,194	22,715	16,236
Property, plant and equipment	18,563	24,898	19,936	18,394	16,852
Intangibles	18,035	13,035	14,651	10,194	5,737
Other non-financial assets	6,897	6,897	6,897	6,897	6,897
Total non-financial assets	85,647	80,503	70,678	58,200	45,722
Total assets	210,813	196,833	174,922	160,272	150,429
LIABILITIES					
Payables					
Suppliers	5,086	5,086	5,086	5,086	5,086
Other payables	6,370	6,370	6,370	6,370	6,370
Total payables	11,456	11,456	11,456	11,456	11,456
Interest bearing liabilities					
Leases	42,803	34,645	26,084	17,096	7,910
Total interest bearing liabilities	42,803	34,645	26,084	17,096	7,910
Provisions					
Employee provisions	52,331	52,331	52,331	52,331	52,331
Other provisions	216	216	216	216	216
Total provisions	52,547	52,547	52,547	52,547	52,547
Total liabilities	106,806	98,648	90,087	81,099	71,913
Net assets	104,007	98,185	84,835	79,173	78,516
EQUITY*					
Parent entity interest					
Contributed equity	16,657	16,657	16,657	16,657	16,657
Reserves	20,035	21,035	22,035	23,035	24,035
Retained surplus (accumulated deficit)	67,315	60,493	46,143	39,481	37,824
Total parent entity interest	104,007	98,185	84,835	79,173	78,516
Total equity	104,007	98,185	84,835	79,173	78,516

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 2026–27)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2026					
Balance carried forward from previous period	67,315	8,227	11,808	16,657	104,007
Adjusted opening balance	67,315	8,227	11,808	16,657	104,007
Comprehensive income					
Surplus/(deficit) for the period	(5,822)	-	-	-	(5,822)
Total comprehensive income	(5,822)	-	-	-	(5,822)
Transfers between equity					
Transfers between equity components	(1,000)	-	1,000	-	-
Estimated closing balance as at 30 June 2027	60,493	8,227	12,808	16,657	98,185
Closing balance attributable to the Australian Government	60,493	8,227	12,808	16,657	98,185

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	257,286	263,208	258,951	254,967	257,817
Sale of goods and rendering of services	5,900	5,900	5,900	5,900	5,900
Other	300	300	300	300	300
Total cash received	263,486	269,408	265,151	261,167	264,017
Cash used					
Employees	188,516	195,351	197,860	199,544	201,355
Suppliers	59,781	57,497	58,435	45,274	41,308
Interest payments on lease liability	1,997	1,788	1,612	1,417	1,417
Total cash used	250,294	254,636	257,907	246,235	244,080
Net cash from/(used by) operating activities	13,192	14,772	7,244	14,932	19,937
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	3,930	15,450	10,769	8,116	8,116
Total cash used	3,930	15,450	10,769	8,116	8,116
Net cash from/(used by) investing activities	(3,930)	(15,450)	(10,769)	(8,116)	(8,116)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	7,765	8,158	8,561	8,988	9,186
Total cash used	7,765	8,158	8,561	8,988	9,186
Net cash from/(used by) financing activities	(7,765)	(8,158)	(8,561)	(8,988)	(9,186)
Net increase/(decrease) in cash held	1,497	(8,836)	(12,086)	(2,172)	2,635
Cash and cash equivalents at the beginning of the reporting period	118,670	120,167	111,331	99,245	97,073
Cash and cash equivalents at the end of the reporting period	120,167	111,331	99,245	97,073	99,708

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources	3,930	15,450	10,769	8,116	8,116
TOTAL	3,930	15,450	10,769	8,116	8,116
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	3,930	15,450	10,769	8,116	8,116
Total cash used to acquire assets	3,930	15,450	10,769	8,116	8,116

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of departmental asset movements (Budget year 2026–27)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2026				
Gross book value	-	23,665	109,275	132,940
Gross book value - ROU assets	84,837	-	-	84,837
Accumulated depreciation/ amortisation and impairment	-	(5,102)	(91,240)	(96,342)
Accumulated depreciation/amortisation and impairment - ROU assets	(42,685)	-	-	(42,685)
Opening net book balance	42,152	18,563	18,035	78,750
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - other	-	14,450	1,000	15,450
Total additions	-	14,450	1,000	15,450
Other movements				
Depreciation/amortisation expense	-	(8,115)	(6,000)	(14,115)
Depreciation/amortisation on ROU assets	(6,479)	-	-	(6,479)
Total other movements	(6,479)	(8,115)	(6,000)	(20,594)
As at 30 June 2027				
Gross book value	-	38,115	110,275	148,390
Gross book value - ROU assets	84,837	-	-	84,837
Accumulated depreciation/ amortisation and impairment	-	(13,217)	(97,240)	(110,457)
Accumulated depreciation/amortisation and impairment - ROU assets	(49,164)	-	-	(49,164)
Closing net book balance	35,673	24,898	13,035	73,606

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)

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
EXPENSES					
Finance costs	55	55	55	55	55
Risk equalisation distributions	430,000	430,000	430,000	430,000	430,000
Total expenses administered on behalf of Government	430,055	430,055	430,055	430,055	430,055
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
<i>Financial Institutions Supervisory Levies Collection Act 1998</i>	281,886	297,277	297,202	292,994	296,800
Interest	55	55	55	55	55
Risk equalisation distributions	430,000	430,000	430,000	430,000	430,000
Total non-taxation revenue	711,941	727,332	727,257	723,049	726,855
Total own-source revenue administered on behalf of Government	711,941	727,332	727,257	723,049	726,855
Total own-sourced income administered on behalf of Government	711,941	727,332	727,257	723,049	726,855
Net (cost of)/contribution by services	(281,886)	(297,277)	(297,202)	(292,994)	(296,800)
Surplus/(deficit)	281,886	297,277	297,202	292,994	296,800
Total comprehensive income/(loss)	281,886	297,277	297,202	292,994	296,800

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
ASSETS					
Financial assets					
Receivables	2,380	2,380	2,380	2,380	2,380
Total financial assets	2,380	2,380	2,380	2,380	2,380
Total assets administered on behalf of Government	2,380	2,380	2,380	2,380	2,380
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)	380	380	380	380	380

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Financial Institutions Supervisory Levies	281,886	297,277	297,202	292,994	296,800
Interest	55	55	55	55	55
Risk equalisation levy collections	430,000	430,000	430,000	430,000	430,000
Total cash received	711,941	727,332	727,257	723,049	726,855
Cash used					
Borrowing costs	55	55	55	55	55
Risk equalisation levy payments	430,000	430,000	430,000	430,000	430,000
Total cash used	430,055	430,055	430,055	430,055	430,055
Net cash from/(used by) operating activities	281,886	297,277	297,202	292,994	296,800
Net increase/(decrease) in cash held	281,886	297,277	297,202	292,994	296,800
Cash and cash equivalents at beginning of reporting period					
Cash from Official Public Account for:					
- Risk equalisation collections	430,000	430,000	430,000	430,000	430,000
Total cash from Official Public Account	430,000	430,000	430,000	430,000	430,000
Cash to Official Public Account for:					
- Financial Institutions Supervisory Levies	(281,886)	(297,277)	(297,202)	(292,994)	(296,800)
- Risk equalisation payments	(430,000)	(430,000)	(430,000)	(430,000)	(430,000)
Total cash to Official Public Account	(711,886)	(727,277)	(727,202)	(722,994)	(726,800)
Cash and cash equivalents at end of reporting period	-	-	-	-	-

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 is Australia's integrated corporate, markets, financial services, and consumer credit regulator. Its vision is for a fair, strong and efficient financial system for all Australians. Its purpose is to monitor and promote market integrity, and consumer protection in the Australian financial system.

ASIC's purposes, as set out in its 2025–26 Corporate Plan, are to:

- maintain, facilitate and improve the performance of the financial system and the entities in it
- promote confident and informed participation in the financial system
- administer the law effectively and with minimal procedural requirements
- take whatever action it can, and which is necessary, to enforce and give effect to the law
- store, process and make available information it receives about companies and other bodies.

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. 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 2025, ASIC released its Corporate Plan for 2025–26 (*ASIC Corporate Plan 2025–26*).

1.2 Entity resource statement

Table 1.1 shows the total resourcing 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. Amounts presented below are consistent with amounts presented in the Appropriation Bills themselves.

Table 1.1: Australian Securities and Investments Commission resource statement – Budget estimates for 2026–27 as at Budget May 2026

	<i>2025–26 Estimated actual \$'000</i>	2026–27 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	195,636	168,650
Departmental appropriation (c)	612,157	672,281
s74 External Revenue (d)	23,475	10,216
Departmental capital budget (e)	-	4,484
Annual appropriations - other services - non-operating (f)		
Equity injection	-	571
Total departmental annual appropriations	831,268	856,202
Special accounts (g)		
Opening balance	58,262	58,262
Appropriation receipts (h)	53,799	49,948
Total special accounts	112,061	108,210
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	<i>53,799</i>	<i>49,948</i>
Total departmental resourcing	889,530	914,464

Table 1.1: Australian Securities and Investments Commission resource statement – Budget estimates for 2026–27 as at Budget May 2026 (continued)

	2025–26 <i>Estimated actual</i> \$'000	2026–27 Estimate \$'000
Administered		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	12,115	12,090
Outcome 1	13,872	14,245
Total administered annual appropriations	25,987	26,335
Total administered special appropriations	211,383	212,057
Special accounts (g)		
Opening balance	111,040	137,524
Non-appropriation receipts	26,484	-
Total special account receipts	137,524	137,524
Total administered resourcing	374,894	375,916
Total resourcing for entity ASIC	1,264,424	1,290,380

	2025–26	2026–27
Average staffing level (number)	2,491	2,431

Third party payments from and on behalf of other entities

	2025–26 <i>Estimated actual</i> \$'000	2026–27 Estimate \$'000
Payments made to other entities for the provision of services (disclosed above)	30	30
Receipts received from other entities for the provision of services (disclosed above in s74 External Revenue section above)	3,071	2,271

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

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

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

- a) Appropriation Bill (No. 1) 2026–2027.
- b) For 2025–26 the figure excludes \$3.223 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 Supply 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) 2026–2027.
- g) 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 2.1.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.
- h) Amounts credited to the special account from entity ASIC's annual and special appropriations.

1.3 Budget measures

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

Table 1.2: Australian Securities and Investments Commission 2026–27 Budget measures

Part 1: Measures announced since the 2025–26 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000	
Receipt measures							
Economic Security							
	Administered receipts	1.2	-	-	1,166	425	399
	Total	-	-	1,166	425	399	
Improving Insurance Affordability and Consumer Outcomes							
	Administered receipts	1.2	-	-	504	511	-
	Total	-	-	504	511	-	
Protecting Investors and Strengthening the Superannuation System							
	Administered receipts	1.2	-	-	12,366	1,419	1,341
	Total	-	-	12,366	1,419	1,341	
Services Australia – additional resourcing (a)							
	Administered receipts	1.2	-	604	604	-	-
	Total	-	604	604	-	-	
Total receipt measures							
	Administered	-	604	14,640	2,355	1,740	
	Total	-	604	14,640	2,355	1,740	
Payment measures							
Boosting Productivity – Better Regulation							
	Departmental payments	1.1	-	-	97,315	-	-
	Total	-	-	97,315	-	-	
Economic Security (b)							
	Departmental payments	1.1	-	1,166	425	399	404
	Total	-	1,166	425	399	404	
Improving Insurance Affordability and Consumer Outcomes							
	Departmental payments	1.1	-	504	511	-	-
	Total	-	504	511	-	-	

Part 1: Measures announced since the 2025–26 Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Protecting Consumers and Increasing Competition						
Departmental payments	1.1	-	-	-	-	-
Total		-	-	-	-	-
Protecting Investors and Strengthening the Superannuation System						
Departmental payments	1.1	-	12,366	1,419	1,341	1,358
Total		-	12,366	1,419	1,341	1,358
Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension (c)						
Departmental payments	1.1	-	-	-	-	(22,392)
Total		-	-	-	-	(22,392)
Securing the National Disability Insurance Scheme for Future Generations (d)						
Departmental payments	1.1	-	1,123	1,142	1,156	1,172
Total		-	1,123	1,142	1,156	1,172
Services Australia – additional resourcing (a)						
Departmental payments	1.1	604	604	-	-	-
Total		604	604	-	-	-
Total payment measures						
Departmental		604	15,763	100,812	2,896	(19,458)
Total		604	15,763	100,812	2,896	(19,458)

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 Services Australia – additional resourcing is Services Australia. The full measure description and package details appear in the Budget Paper No. 2 under the Finance portfolio.
- b) Including \$0.6 million in capital funding in 2026–27.
- c) The lead entity for the measure titled Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension is the Department of Finance. The full measure description and package details appear in the Budget Paper No. 2 under Cross Portfolio measures.
- d) The lead entity for the measure titled Securing the National Disability Insurance Scheme for Future Generations is the National Disability Insurance Agency. The full measure description and package details appear in the Budget Paper No. 2 under the Health, Disability and Ageing 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.

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 ASIC can be found at:

<https://www.asic.gov.au/about-asic/corporate-publications/asic-corporate-plan>.

The most recent annual performance statement can be found at:

<https://asic.gov.au/about-asic/corporate-publications/asic-annual-reports>.

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

Program

- Program 1.1 Australian Taxation Office

Contribution to Outcome 1 made by linked programs

The Australian Taxation Office (ATO) exchanges information with ASIC in relation to significant global entities, self-managed superannuation funds auditor registrations, and financial crime intelligence. The ATO contributes funding for the latter. The ATO maintains responsibility for the Australian Business Register and Director ID.

Budgeted expenses for Outcome 1

This table shows how much ASIC 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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Program 1.1: Australian Securities and Investments Commission					
Administered expenses					
Ordinary annual services (Appropriation Bill (No. 1) and Supply Bill (No. 1))	8,802	9,053	9,229	9,311	9,430
Expenses not requiring appropriation in the Budget year (a)	114,790	93,221	98,006	112,712	118,351
Administered total	123,592	102,274	107,235	122,023	127,781
Departmental expenses					
Departmental appropriation	574,154	606,095	555,591	446,586	451,233
s74 External Revenue (b)	23,475	10,216	8,160	8,376	8,506
Special accounts	53,799	49,948	46,188	47,030	54,738
Expenses not requiring appropriation in the Budget year (c)	38,514	36,260	35,948	35,589	23,820
Departmental total	689,942	702,519	645,887	537,581	538,297
Total expenses for program 1.1	813,534	804,793	753,122	659,604	666,078
Program 1.2: Banking Act 1959, Life Insurance Act 1995, unclaimed money and special accounts					
Administered expenses					
Ordinary annual services (Appropriation Bill (No. 1) and Supply Bill (No. 1))	5,070	5,192	5,393	5,692	6,019
Special appropriations					
Section 77 of the PGPA Act - Corporations Unclaimed Money	99,077	77,324	79,776	82,297	84,921
<i>Banking Act 1959</i> - Banking Unclaimed Money	137,144	142,472	147,403	152,307	157,243
<i>Life Insurance Act 1995</i> - Life Unclaimed Money	33,077	23,886	24,681	25,487	26,303
Administered total	274,368	248,874	257,253	265,783	274,486
Total expenses for program 1.2	274,368	248,874	257,253	265,783	274,486

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill (No. 1) and Supply Bill (No. 1))	13,872	14,245	14,622	15,003	15,449
Special appropriations	269,298	243,682	251,860	260,091	268,467
Expenses not requiring appropriation in the Budget year (a)	114,790	93,221	98,006	112,712	118,351
Administered total	397,960	351,148	364,488	387,806	402,267
Departmental expenses					
Departmental appropriation	574,154	606,095	555,591	446,586	451,233
s74 External Revenue (b)	23,475	10,216	8,160	8,376	8,506
Special accounts	53,799	49,948	46,188	47,030	54,738
Expenses not requiring appropriation in the Budget year (c)	38,514	36,260	35,948	35,589	23,820
Departmental total	689,942	702,519	645,887	537,581	538,297
Total expenses for Outcome 1	1,087,902	1,053,667	1,010,375	925,387	940,564

	2025–26	2026–27
Average staffing level (number)	2,491	2,431

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

- a) Administered expenses not requiring appropriation in the Budget year are made up of impairment losses.
- b) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.
- c) Departmental expenses not requiring appropriation in the Budget year are made up of depreciation/amortisation expenses, makegood expenses, audit fees, impairment loss on financial instruments and impairment 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.

Performance measures for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It is used by entities to describe the results they plan to achieve and the related key activities, as detailed in the current corporate plan (i.e. 2025–26), the context in which these activities are delivered, and how the performance of these activities will be measured. Where relevant, details of the 2026–27 Budget measures that have created new programs or materially changed existing programs are to be provided.

ASIC introduced a suite of key activities and performance measures in its Corporate Plan 2025–26. These key activities and performance measures are reflected in this PB Statements. We will continue to review and refine our performance measures, and any changes will be reflected in the Corporate Plan 2026–27.

Table 2.1.2: Performance measures 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.		
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 activity	1. Enforcement and compliance	
Year	Performance measures	Expected performance results (a)
Current Year 2025–26	1.1 Average days between receiving a report of alleged misconduct and referral to the Regulatory Triage Committee or specialist area for further consideration	Target: Establish a baseline Expected performance result: This is a new performance measure for 2025–26. A baseline will be established following the conclusion of the 2025–26 reporting period and used to develop targets for future years.
	1.2 Average days between acceptance of a referral and the commencement of a formal investigation	Target: Establish a baseline Expected performance result: This is a new performance measure for 2025–26. A baseline will be established following the conclusion of the 2025–26 reporting period and used to develop targets for future years.
	1.3 Average months between investigation commencement and first action or finalisation	Target: Establish a baseline Expected performance result: This is a new performance measure for 2025–26. A baseline will be established following the conclusion of the 2025–26 reporting period and used to develop targets for future years.
	1.4 Number of people or companies referred to the CDPP for consideration of criminal prosecution	Target: Equal or greater than 30 people or companies referred to the CDPP. Expected performance result: On track
	1.5 Number of civil proceedings commenced	Target: Equal or greater than 35 civil proceedings commenced. Expected performance result: On track

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1 – Australian Securities and Investments Commission (continued)		
Program 1.1 contributes to Outcome 1 by strategically identifying and responding to conduct which presents the greatest risk of harm.		
Year	Performance measures	Planned performance results
Budget Year 2026–27	1.1 Average days between receiving a report of alleged misconduct and referral to the Regulatory Triage Committee or specialist area for further consideration	Target: To be determined (b)
	1.2 Average days between acceptance of a referral and the commencement of a formal investigation	Target: To be determined (b)
	1.3 Average months between investigation commencement and first action or finalisation	Target: To be determined (b)
	1.4 Number of people or companies referred to the CDPP for consideration of criminal prosecution	Target: Equal to or greater than 30 people or companies referred to the CDPP
	1.5 Number of civil proceedings commenced.	Target: Equal to or greater than 35 civil proceedings commenced
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.1 resulting from 2026–27 Budget Measures: Nil		
Key activity	2. Regulation and supervision	
Year	Performance measures	Expected performance results (a)
Current Year 2025–26	2.1 Percentage of thematic surveillances delivered within the planned timeframe	Target: Equal to or greater than 80% of surveillances delivered within the planned timeframe Expected performance result: The result against the performance measure will be available in Quarter 4 2025–26
	2.2 Percentage of in-principle decisions made on applications for relief from the Corporations Act following receipt of all necessary information and fees	Target: We aim to give an in-principle decision on applications for relief: • 70% within 28 days, and • 90% within 90 days, of receiving all necessary information and fees Expected performance result: On track
Year	Performance measures	Planned performance results
Budget Year 2026–27	2.1 Percentage of thematic surveillances delivered within the planned timeframe	Target: Equal to or greater than 80% of surveillances delivered within the planned timeframe
	2.2 Percentage of in-principle decisions made on applications for relief from the Corporations Act following receipt of all necessary information and fees	Target: We aim to give an in-principle decision on applications for relief: • 70% within 28 days, and • 90% within 90 days, of receiving all necessary information and fees
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.1 resulting from 2026–27 Budget Measures: Nil		

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1 – Australian Securities and Investments Commission (continued)		
Program 1.1 contributes to Outcome 1 by strategically identifying and responding to conduct which presents the greatest risk of harm.		
Key activities	3. Registry and licencing	
Year	Performance measures	Expected performance results (a)
Current Year 2025–26	3.1 Percentage of company and business registration applications determined within target	Target: Equal to or greater than 90% of applications determined within target Expected performance result: On track
	3.2 Percentage of AFS licence applications determined within target	Target: We aim to decide whether to grant or vary an AFS licence: <ul style="list-style-type: none"> • 70% within 150 days, and • 90% within 240 days, of receiving a complete application Expected performance result: On track
Year	Performance measures	Planned performance results
Budget Year 2026–27	3.1 Percentage of company and business registration applications determined within target	Target: Equal to or greater than 90% of applications determined within target
	3.2 Percentage of AFS licence applications determined within target	Target: We aim to decide whether to grant or vary an AFS licence: <ul style="list-style-type: none"> • 70% within 150 days, and • 90% within 240 days, of receiving a complete application
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.1 resulting from 2025–26 Budget Measures: Nil		
Key activities	4. Engagement and education	
Year	Performance measures	Expected performance results (a)
Current Year 2025–26	4.1 Number of visits to ASIC's Moneysmart website	Target: Establish a baseline Expected performance result: This is a new performance measure for 2025–26. A baseline will be established following the conclusion of the 2025–26 reporting period and used to develop targets for future years.
Year	Performance measures	Planned performance results
Budget Year 2026–27	4.1 Number of visits to ASIC's Moneysmart website	Target: 2.5% growth from 2025–26 baseline
Forward Estimates 2027–30	4.1 Number of visits to ASIC's Moneysmart website	Target: 2.5% growth from the previous reporting year
Material changes to Program 1.1 resulting from 2026–27 Budget Measures: Nil		

- a) The details of ASIC's performance results for 2025–26 will be reported in the 2025–26 Annual Performance Statements (within ASIC's 2025–26 Annual Report).
- b) Target for budget year and forward estimates will be established once the performance measure is baselined in 2025–26.

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.2 – Banking Act 1959, Life Insurance Act 1995, unclaimed monies, and special accounts ASIC is responsible for the administration of unclaimed money from banking and deposit taking institutions and life insurance institutions.		
Key activities	5. Unclaimed money	
Year	Performance measures	Expected performance results (a)
Current Year 2025–26	5.1 Percentage of refunds of unclaimed money paid to successful claimants	Target: Equal to or greater than 80% of unclaimed money applications completed within 60 days Expected performance result: On track
Year	Performance measures	Planned performance results
Budget Year 2026–27	5.1 Percentage of refunds of unclaimed money paid to successful claimants	Target: Equal to or greater than 80% of unclaimed money applications completed within 60 days
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.2 resulting from 2026–27 Budget Measures: Nil		

a) The details of ASIC's performance results for 2025–26 will be reported in the 2025–26 Annual Performance Statements (within ASIC's 2025–26 Annual Report).

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026–27 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 resourcing statement is prepared on a cash basis and provides a view of cash/appropriation resources available to ASIC while the financial statements are prepared on an accrual basis.

3.1.2 Explanatory notes and analysis of budgeted financial statements

Budgeted Departmental Financial Statements

ASIC is budgeting for an underlying cash deficit in 2025–26 and over the forward estimates to 2028–29, after non-appropriated expenses such as depreciation are removed. This is primarily due to the timing of expenditure from 2024–25 for key programs, including those impacted by legislative delays.

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

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 money under the *Banking Act 1959*, the *Life Insurance Act 1995* and the *Corporations Act 2001*.

In addition, ASIC collects taxation and non-taxation revenue under the *ASIC Supervisory Cost Recovery Levy Act 2017*, the *Compensation Scheme of Last Resort Levy (Collection) Act 2023* 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 money under the *Banking Act 1959*, the *Life Insurance Act 1995* and the *Corporations Act 2001*.

Expenses represent budgeted payments of unclaimed money, 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 2026–27 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 2026–27 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 money under the *Corporations Act 2001*.

3.2 Budgeted financial statements tables

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
EXPENSES					
Employee benefits	422,830	409,063	381,244	333,901	345,050
Suppliers	227,657	256,391	228,101	167,733	169,273
Depreciation and amortisation (a)	38,025	35,761	35,435	35,069	23,421
Finance costs	1,430	1,304	1,107	878	553
Total expenses	689,942	702,519	645,887	537,581	538,297
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	4,800	4,928	5,067	5,206	5,256
Revenue from other Government entities	3,071	2,271	-	-	-
Resources received free of charge	362	371	379	390	399
Other revenue	15,624	3,017	3,093	3,170	3,250
Total own-source revenue	23,857	10,587	8,539	8,766	8,905
Net (cost of)/contribution by services	(666,085)	(691,932)	(637,348)	(528,815)	(529,392)
Revenue from Government	612,157	672,281	628,000	521,824	524,837
Surplus/(deficit) attributable to the Australian Government	(53,928)	(19,651)	(9,348)	(6,991)	(4,555)
Total comprehensive income/(loss) attributable to the Australian Government	(53,928)	(19,651)	(9,348)	(6,991)	(4,555)

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(53,928)	(19,651)	(9,348)	(6,991)	(4,555)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	15,404	13,523	13,223	13,012	9,563
plus: depreciation/amortisation expenses for ROU assets (b)	22,621	22,238	22,212	22,057	13,858
less: lease principal repayments (b)	25,508	26,234	27,176	28,306	18,866
Net Cash Operating Surplus/ (Deficit)	(41,411)	(10,124)	(1,089)	(228)	-

Prepared on Australian Accounting Standards basis.

- a) From 2010–11, the Government introduced net cash appropriation arrangements that provided non-corporate Commonwealth entities with a separate Departmental Capital Budget (DCB) under Appropriation Bill (No. 1). This replaced revenue appropriations provided under Appropriation Bill (No. 1) used for the depreciation/amortisation expenses. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
- b) Applies to leases under AASB 16 *Leases*.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	60,202	60,202	60,202	60,202	60,202
Trade and other receivables	172,977	161,769	153,225	150,819	158,341
Total financial assets	233,179	221,971	213,427	211,021	218,543
Non-financial assets					
Land and buildings	124,017	94,865	65,596	36,092	18,274
Property, plant and equipment	14,394	11,861	10,027	8,634	7,505
Intangibles	1,672	2,651	2,867	3,298	3,486
Other non-financial assets	31,698	31,698	31,698	31,698	31,698
Total non-financial assets	171,781	141,075	110,188	79,722	60,963
Total assets	404,960	363,046	323,615	290,743	279,506
LIABILITIES					
Payables					
Suppliers	35,668	35,668	35,668	35,668	35,668
Other payables	17,378	17,378	17,378	17,378	17,378
Total payables	53,046	53,046	53,046	53,046	53,046
Interest bearing liabilities					
Leases	115,023	88,789	61,613	33,307	14,441
Total interest bearing liabilities	115,023	88,789	61,613	33,307	14,441
Provisions					
Employee provisions	102,789	101,577	93,988	91,680	99,202
Other provisions	13,234	13,362	13,496	13,626	13,626
Total provisions	116,023	114,939	107,484	105,306	112,828
Total liabilities	284,092	256,774	222,143	191,659	180,315
Net assets	120,868	106,272	101,472	99,084	99,191
EQUITY*					
Parent entity interest					
Contributed equity	549,847	554,902	559,450	564,053	568,715
Reserves	30,805	30,805	30,805	30,805	30,805
Retained surplus (accumulated deficit)	(459,784)	(479,435)	(488,783)	(495,774)	(500,329)
Total parent entity interest	120,868	106,272	101,472	99,084	99,191
Total equity	120,868	106,272	101,472	99,084	99,191

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 2026–27)

	Retained earnings	Asset revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2026				
Balance carried forward from previous period	(459,784)	30,805	549,847	120,868
Adjusted opening balance	(459,784)	30,805	549,847	120,868
Comprehensive income				
Surplus/(deficit) for the period	(19,651)	-	-	(19,651)
Total comprehensive income	(19,651)	-	-	(19,651)
of which:				
Attributable to the Australian Government	(479,435)	-	-	(479,435)
Transactions with owners				
Contributions by owners				
Departmental Capital Budget (DCB) and Equity Injection	-	-	5,055	5,055
Sub-total transactions with owners	-	-	5,055	5,055
Estimated closing balance as at 30 June 2027	(479,435)	30,805	554,902	106,272
Closing balance attributable to the Australian Government	(479,435)	30,805	554,902	106,272

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	651,083	692,388	642,961	530,823	517,315
Sale of goods and services	4,780	4,928	5,067	5,206	5,256
Net GST received	18,931	22,720	15,801	16,447	12,491
Other	18,695	5,288	3,093	3,170	3,250
Total cash received	693,489	725,324	666,922	555,646	538,312
Cash used					
Employees	407,627	410,335	388,893	336,269	337,588
Suppliers	246,166	278,680	243,463	183,730	181,305
Interest payments on lease liability	1,303	1,176	973	748	553
Other	8,717	8,899	6,417	6,593	-
Total cash used	663,813	699,090	639,746	527,340	519,446
Net cash from/(used by) operating activities	29,676	26,234	27,176	28,306	18,866
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	4,168	5,055	4,548	4,603	4,662
Total cash used	4,168	5,055	4,548	4,603	4,662
Net cash from/(used by) investing activities	(4,168)	(5,055)	(4,548)	(4,603)	(4,662)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	-	5,055	4,548	4,603	4,662
Total cash received	-	5,055	4,548	4,603	4,662
Cash used					
Principal payments on lease liability	25,508	26,234	27,176	28,306	18,866
Total cash used	25,508	26,234	27,176	28,306	18,866
Net cash from/(used by) financing activities	(25,508)	(21,179)	(22,628)	(23,703)	(14,204)
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	60,202	60,202	60,202	60,202	60,202
Cash and cash equivalents at the end of the reporting period	60,202	60,202	60,202	60,202	60,202

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	-	4,484	4,548	4,603	4,662
Equity injections - Bill 2	-	571	-	-	-
Total new capital appropriations	-	5,055	4,548	4,603	4,662
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	-	5,055	4,548	4,603	4,662
Total items	-	5,055	4,548	4,603	4,662
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	-	571	-	-	-
Funded by capital appropriation - DCB (b)	-	4,484	4,548	4,603	4,662
Funded internally from departmental resources (c)	4,168	-	-	-	-
TOTAL	4,168	5,055	4,548	4,603	4,662
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	18,141	5,055	4,548	4,603	4,662
less: ROU Additions	13,973	-	-	-	-
Total cash used to acquire assets	4,168	5,055	4,548	4,603	4,662

Prepared on Australian Accounting Standards basis.

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

- a) Includes both current Appropriation Bill (No. 2) and prior Appropriation Act (No. 2/4/6).
- b) Includes purchases from current and previous years' Departmental Capital Budgets (DCBs).
- c) Includes the following s74 external receipts:
 - lease incentives

Table 3.6: Statement of departmental asset movements (Budget year 2026–27)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2026				
Gross book value	82,208	50,267	86,654	219,129
Gross book value - ROU assets	248,969	-	-	248,969
Accumulated depreciation/ amortisation and impairment	(49,591)	(35,873)	(84,982)	(170,446)
Accumulated depreciation/amortisation and impairment - ROU assets	(157,569)	-	-	(157,569)
Opening net book balance	124,017	14,394	1,672	140,083
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	-	571	-	571
Total additions	731	2,070	2,254	5,055
Other movements				
Depreciation/amortisation expense	(7,645)	(4,603)	(1,275)	(13,523)
Depreciation/amortisation on ROU assets	(22,238)	-	-	(22,238)
Total other movements	(29,883)	(4,603)	(1,275)	(35,761)
As at 30 June 2027				
Gross book value	82,939	52,337	88,908	224,184
Gross book value - ROU assets	248,969	-	-	248,969
Accumulated depreciation/ amortisation and impairment	(57,236)	(40,476)	(86,257)	(183,969)
Accumulated depreciation/amortisation and impairment - ROU assets	(179,807)	-	-	(179,807)
Closing net book balance	94,865	11,861	2,651	109,377

Prepared on Australian Accounting Standards basis.

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

- a) 'Appropriation equity' refers to equity injection appropriations provided through Appropriation Bill (No. 2) 2026–2027.
- b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2026–2027 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)

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
EXPENSES					
Suppliers	3,800	3,966	4,068	4,090	4,142
Grants	5,002	5,087	5,161	5,221	5,288
Finance costs - claims for unclaimed money	17,461	17,156	17,890	18,723	19,611
Write-down and impairment of assets	114,790	93,221	98,006	112,712	118,351
Claims for unclaimed money	256,907	231,718	239,363	247,060	254,875
Total expenses administered on behalf of Government	397,960	351,148	364,488	387,806	402,267
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Taxation revenue					
Fees	1,343,837	1,415,131	1,487,476	1,561,211	1,638,965
Compensation scheme of last resort (CSLR)	105,797	30,643	30,643	30,643	30,643
Supervisory cost recovery levies	70,801	88,198	78,494	78,741	79,747
Total taxation revenue	1,520,435	1,533,972	1,596,613	1,670,595	1,749,355
Non-taxation revenue					
Supervisory cost recovery levies	325,972	337,878	324,851	315,681	315,964
Fees and fines	780,038	402,314	429,545	457,084	487,512
Unclaimed money lodgements	484,266	446,022	459,403	473,185	487,379
Total non-taxation revenue	1,590,276	1,186,214	1,213,799	1,245,950	1,290,855
Total own-source revenue administered on behalf of Government	3,110,711	2,720,186	2,810,412	2,916,545	3,040,210
Net (cost of)/contribution by services	(2,712,751)	(2,369,038)	(2,445,924)	(2,528,739)	(2,637,943)
Total comprehensive income/(loss)	(2,712,751)	(2,369,038)	(2,445,924)	(2,528,739)	(2,637,943)

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,605	1,605	1,605	1,605	1,605
CSLR receivables - taxation	2,751	2,238	1,968	1,968	1,968
CSLR receivables - non-taxation	75	75	75	75	75
Supervisory cost recovery levies receivable - taxation	70,801	88,198	78,494	78,741	79,747
Supervisory cost recovery levies receivable - non-taxation	324,979	336,872	323,831	314,647	314,916
Fees and fines receivable - taxation	247,208	251,755	259,733	276,872	294,497
Trade and other receivables	12,225	13,241	14,686	16,291	18,080
Total financial assets	659,644	693,984	680,392	690,199	710,888
Total assets administered on behalf of Government	659,644	693,984	680,392	690,199	710,888
LIABILITIES					
Payables					
Grants	3,377	3,377	3,377	3,377	3,377
Other payables	65,959	71,846	78,263	85,257	85,257
Total payables	69,336	75,223	81,640	88,634	88,634
Provisions					
Unclaimed money provisions	750,844	792,469	837,715	884,090	930,849
Total provisions	750,844	792,469	837,715	884,090	930,849
Total liabilities administered on behalf of Government	820,180	867,692	919,355	972,724	1,019,483
Net assets/(liabilities)	(160,536)	(173,708)	(238,963)	(282,525)	(308,595)

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	602,057	572,126	597,280	624,095	653,063
Taxes	1,320,299	1,421,973	1,503,257	1,543,153	1,615,030
Other	926,425	598,526	625,461	626,778	633,077
Total cash received	2,848,781	2,592,625	2,725,998	2,794,026	2,901,170
Cash used					
Grant	5,002	5,087	5,161	5,221	5,288
Suppliers	3,800	3,966	4,068	4,090	4,142
Borrowing costs	17,461	17,156	17,890	18,723	19,611
Other	182,041	184,206	187,700	193,691	208,116
Total cash used	208,304	210,415	214,819	221,725	237,157
Net cash from/(used by) operating activities	2,640,477	2,382,210	2,511,179	2,572,301	2,664,013
Net increase/(decrease) in cash held	2,640,477	2,382,210	2,511,179	2,572,301	2,664,013
Cash and cash equivalents at beginning of reporting period	1,630	1,605	1,605	1,605	1,605
Cash from Official Public Account for:					
- Appropriations	225,255	226,302	231,236	238,719	247,157
Total cash from Official Public Account	225,255	226,302	231,236	238,719	247,157
Cash to Official Public Account for:					
- Fees, fines, penalties and unclaimed money lodgements	(2,865,757)	(2,608,512)	(2,742,415)	(2,811,020)	(2,911,170)
Total cash to Official Public Account	(2,865,757)	(2,608,512)	(2,742,415)	(2,811,020)	(2,911,170)
Cash and cash equivalents at end of reporting period	1,605	1,605	1,605	1,605	1,605

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 Australian Taxation Office listed entity comprises the functions conferred on the Commissioner of Taxation (supported by the Australian Taxation Office (ATO)), the Tax Practitioners Board (TPB), the Australian Charities and Not-for-profits Commission (ACNC) and the ACNC Advisory Board.

The Commissioner of Taxation is the Accountable Authority under the finance law for the listed entity, noting that the TPB and the ACNC maintain independence in the delivery of their statutory functions. In addition to these responsibilities and the general responsibilities established under the taxation law, the Commissioner is also the Registrar for the Australian Business Register, Australian Business Registry Services, and the Register of Foreign Ownership of Australian Assets and has responsibilities for aspects of the superannuation system.

The purposes of the listed entities are to:

- collect tax so that government can deliver services for the Australian community (ATO)
- support public trust and confidence in the integrity of the tax profession and the tax system (TPB)
- promote public trust and confidence in Australian charities (ACNC)

The achievement of these purposes contributes to the following whole-of-government priorities and, ultimately, supports both government and charities to deliver services to the Australian community:

- ensuring Australia's tax system is both fair and sustainable
- delivering public trust and confidence in the integrity of the tax profession
- supporting a transparent, well-governed and vibrant Australian charity sector

To deliver on the entity's purposes and support the achievement of our outcome of providing confidence in the administration of Australia's taxation and superannuation systems, we will deliver the following key activities:

- Collect the right amount of tax in the most efficient way for government and the taxpayer.
- Deliver fair, secure and transparent taxpayer interactions to make it easy to comply and hard not to.

- Manage our responsibilities in the superannuation system to support the future retirement savings of the community.
- Administer a range of payments and transfers on behalf of government.
- Increase trust and confidence in the tax and regulatory system by supporting the profession and taking proportionate action to address those practitioners who do the wrong thing.
- Maintain a free and accurate register of Australian Charities (the Charity Register).

These key activities are supported by a range of measures against which we will assess our performance.

The broader strategic shifts we are making in 2026–27 and into future years include:

- Simplifying the tax experience
- Closing the payment gap
- Upholding integrity in the system
- Partnering across the ecosystem
- Equipping a future ready workforce

In addition to our ongoing efforts to deliver on our purposes, a significant focus in 2026–27 will be the implementation of the government’s Payday Super reform. This reform will contribute to closing the superannuation payment gap by requiring employers to pay their employees super guarantee at the same time as their salary and wages.

Further detail on our entity priorities will be outlined in the 2026–27 corporate plan.

1.2 Entity resource statement

Table 1.1 shows the total resourcing 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' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis. Amounts presented below are consistent with amounts presented in the Appropriation Bills themselves.

Table 1.1: Australian Taxation Office resource statement – Budget estimates for 2026–27 as at Budget May 2026

	2025–26 <i>Estimated actual</i> \$'000	2026–27 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	790,740	708,008
Departmental appropriation (b)	4,408,703	4,582,999
s74 External Revenue (c)	216,035	254,077
Departmental capital budget (d)	129,722	132,022
Annual appropriations - other services - non-operating (e)		
Prior year appropriations available	51,509	204,729
Equity injection	50,360	76,929
Total departmental annual appropriations	5,647,069	5,958,764
Special accounts (f)		
Opening balance	14,710	14,710
Appropriation receipts (g)	51,376	45,776
Non-appropriation receipts	9,616	14,437
Total special accounts	75,702	74,923
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	51,376	45,776
Total departmental resourcing	5,671,395	5,987,911
Administered		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	-	-
Outcome 1	-	4,808
Total administered annual appropriations	-	4,808
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 (oil) benefits</i>	93,131	101,225
<i>Superannuation Guarantee (Administration) Act 1992</i>	1,190,200	979,200
<i>Taxation Administration Act 1953 - section 16 (Non-refund items) (h)</i>	15,516,384	17,656,577
Total administered special appropriations	16,919,715	18,857,002
Special accounts (f)		
Opening balance	93,458	102,800
Non-appropriation receipts	38,031	34,273
Adjustments (i)	(397)	(210)
Total special account receipts	131,092	136,863
Total administered resourcing	17,050,807	18,998,673
Total resourcing for the Australian Taxation Office	22,722,202	24,986,584
	2025–26	2026–27
Average staffing level (number)	19,938	21,410

Table 1.1: Australian Taxation Office resource statement – Budget estimates for 2026–27 as at May 2026 (continued)**Third party payments from and on behalf of other entities**

	2025–26 <i>Estimated actual</i> \$'000	2026–27 Estimate \$'000
Payments made to other entities for the provision of services (disclosed above)	438,006	474,123
Receipts received from other entities for the provision of services (disclosed in s74 External Revenue section above)	225,895	249,526

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

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

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

- a) Appropriation Bill (No. 1) 2026–2027.
- b) Excludes departmental capital budget (DCB).
- c) Estimated External Revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).
- d) Departmental Capital budgets and Administered payments to other jurisdictions 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, capital budget appropriations have been designated as a 'contribution by owner'.
- e) Appropriation Bill (No. 2) 2026–2027.
- f) Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to Budget Paper No. 4 - Agency Resourcing. Please also see Table 2.1.1 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 accounts from ATO's annual and special appropriations.
- h) These figures relate to administered expenses such as the fuel tax credit, research and development tax incentives and Australian screen and digital game production incentive. Estimated tax refunds for 2025–26 are \$173.0 billion including \$380.0 million made on behalf of the ATO by the Department of Home Affairs. Estimated tax refund items for 2026–27 are \$181.3 billion including \$385.0 million made on behalf of the ATO by the Department of Home Affairs.
- i) These figures relate to the adjustment of Superannuation Holding Account Special Account for inactive super account monies transferred to the Consolidated Revenue Fund.

1.3 Budget measures

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

Table 1.2: Australian Taxation Office 2026–27 Budget measures

Part 1: Measures announced since the 2025–26 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000	
Payment measures							
Addressing Systems Abuse in the Child Support Scheme (a)							
	Departmental payments	1.1	-	2,548	2,229	1,988	1,697
	Total		-	2,548	2,229	1,988	1,697
Boosting Productivity – Accelerating Approvals (b)							
	Departmental payments	1.1	-	2,200	2,525	887	50
	Total		-	2,200	2,525	887	50
Boosting Productivity – Better Regulation (c)							
	Departmental payments	1.1, 1.4	-	20,988	18,969	-	-
	Total		-	20,988	18,969	-	-
Boosting Productivity – Digital ID (d)(e)							
	Departmental payments	1.1	-	88,416	87,765	89,204	91,989
	Total		-	88,416	87,765	89,204	91,989
Foreign Investment – extending the ban on foreign purchases of established dwellings							
	Departmental payments	1.1	-	-	(206)	-	206
	Total		-	-	(206)	-	206
Global Anti-Base Erosion Rules (Pillar Two) Side-by-Side Package Implementation							
	Departmental payments	1.1	-	2,943	7,407	380	215
	Total		-	2,943	7,407	380	215

Part 1: Measures announced since the 2025–26 May Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Protecting the tax system against fraud (f)						
Administered payments	1.1	-	1,108	(152)	(5,100)	(1,300)
Departmental payments	1.1	-	27,784	26,658	9,453	9,522
Total		-	28,892	26,506	4,353	8,222
Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension (g)						
Departmental payments	1.1	-	-	-	-	(114,352)
Departmental payments	1.2	-	-	-	-	(359)
Departmental payments	1.3	-	-	-	-	(645)
Total		-	-	-	-	(115,356)
Securing the National Disability Insurance Scheme for Future Generations (h)						
Departmental payments	1.1	(400)	2,554	2,591	2,622	2,655
Total		(400)	2,554	2,591	2,622	2,655
Taking Pressure Off Australians – temporary reduction of fuel excise and heavy vehicle road user charge						
Administered payments	1.7	(750,000)	(375,000)	-	-	-
Total		(750,000)	(375,000)	-	-	-
Tax Reform – better targeting the Research and Development Tax Incentive						
Administered payments	1.1	-	-	-	(30,000)	(1,530,000)
Total		-	-	-	(30,000)	(1,530,000)
Tax Reform – Boosting Home Ownership – Reforming negative gearing and capital gains tax (i)						
Departmental payments	1.1	-	12,298	40,838	23,846	13,730
Total		-	12,298	40,838	23,846	13,730
Tax Reform – cutting taxes with a Working Australians Tax Offset						
Departmental payments	1.1	-	1,500	-	-	-
Total		-	1,500	-	-	-

Part 1: Measures announced since the 2025–26 May Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Tax Reform – introducing a \$1,000 Instant Tax Deduction						
Administered payments	1.11	-	-	-	-	-
Total		-	-	-	-	-
Tax Reform – introducing a minimum tax on discretionary trusts						
Departmental payments	1.1	-	1,327	11,537	28,429	24,677
Total		-	1,327	11,537	28,429	24,677
Tax Reform – loss refundability reforms for businesses and start-ups (j)						
Administered payments	1.22	-	-	-	-	410,000
Departmental payments	1.1	-	8,685	-	-	-
Total		-	8,685	-	-	410,000
Tax Reform – making tax simpler for businesses (k)						
Departmental payments	1.1	-	11,390	3,485	1,450	915
Total		-	11,390	3,485	1,450	915
Total payment measures						
Administered		(750,000)	(373,892)	(152)	(35,100)	(1,121,300)
Departmental		(400)	182,633	203,798	158,259	30,300
Total		(750,400)	(191,259)	203,646	123,159	(1,091,000)

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.

- The lead entity for the measure titled Addressing Systems Abuse in the Child Support Scheme is Services Australia. The full measure description and package details appear in the Budget Paper No. 2 under the Social Services portfolio.
- The lead entity for the measure titled Boosting Productivity – Accelerating Approvals is the Department of Climate Change, Energy, the Environment and Water. The full measure description and package details appear in the Budget Paper No. 2 under Cross Portfolio measures.
- Including \$3.9 million in capital funding in 2026–27 and \$4.1 million in 2027–28.
- The lead entity for the measure titled Boosting Productivity – Digital ID is the Department of Finance. The full measure description and package details appear in the Budget Paper No. 2 under the Finance portfolio.
- Including \$6.7 million in capital funding in 2026–27, \$3.1 million in 2027–28 and \$1.6 million in 2028–29.
- Including \$5.8 million in capital funding in 2026–27 and \$5.0 million in 2027–28.
- The lead entity for the measure titled Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension is the Department of Finance. The full measure description and package details appear in the Budget Paper No. 2 under Cross Portfolio measures.

- h) The lead entity for the measure titled Securing the National Disability Insurance Scheme for Future Generations is the National Disability Insurance Agency. The full measure description and package details appear in the Budget Paper No. 2 under the Health, Disability and Ageing portfolio.
 - i) Including \$0.9 million in capital funding in 2026–27.
 - j) Including \$0.8 million in capital funding in 2026–27.
 - k) Including \$1.5 million in capital funding in 2026–27.
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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 ATO can be found at:

<https://www.ato.gov.au/about-ato/managing-the-tax-and-super-system/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.

Table 2.1: Changes to the outcome and program structures since the last portfolio statement

Outcome changes

Program No.	Program title	Description of change
1.22	Loss Refundability for Small Start-ups	New program created, as part of the tax reform package announced as part of Budget 2026–27. Loss Refundability for Small Start-ups is a new tax offset, announced as commencing 1 July 2028.

Linked programs

<p>Australian Criminal Intelligence Commission</p> <p>Program</p> <ul style="list-style-type: none"> Program 1.1 – Australian Criminal Intelligence Commission <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>Program</p> <ul style="list-style-type: none"> Program 1.1 – Federal Policing <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>Program</p> <ul style="list-style-type: none"> Program 1.1 – Personal Insolvency and Trustee Services <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>Program</p> <ul style="list-style-type: none"> Program 1.1 – Australian Securities and Investments Commission <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 corporations, self-managed superannuation fund auditor and business name registration, compliance with and enforcement of the director identification regime, including to protect the financial system from criminal abuse. ASIC contributes to the management and governance of the Standard Business Reporting program. The ATO maintains responsibility for the Australian Business Register and the administration of the Director ID regime.</p>
<p>Australian Transaction Reports and Analysis Centre</p> <p>Program</p> <ul style="list-style-type: none"> Program 1.1 – AUSTRAC <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 – Support reliable, secure and affordable energy Program 1.2 – Reduce Australia’s greenhouse gas emissions Program 2.3 – Accelerate the transition to a circular economy, while safely managing pollutants and hazardous substances <p>Contribution to Outcome 1 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 lubricating oil and collects the levy on new oil entering the market from domestic sources. Clean Energy Regulator (CER) administers the <i>Future Made in Australia (Guarantee of Origin) Act 2024</i> and verifies the details of eligible hydrogen production and the ATO administers the financial aspects of the Hydrogen Production Tax Incentive (HPTI) by issuing tax offset that are claimed through the taxpayer’s tax return.
<p>Department of Education</p> <p>Program</p> <ul style="list-style-type: none"> Program 2.4 – Higher Education Loan Program <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 – Building Skills and Capability Program 2.2 – VET Student Loans <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 Australian Apprenticeship Support Loans.</p>

Linked programs (continued)

Department of Health, Disability and Ageing
Program <ul style="list-style-type: none"> Program 2.4 – Private Health Insurance
Contribution to Outcome 1 made by linked programs The Department of Health, Disability and Ageing contributes to the administrative arrangements for the Government's Private Health Insurance Rebate.
Department of Home Affairs
Program <ul style="list-style-type: none"> Program 3.3 – Border-Revenue Collection
Contribution to Outcome 1 made by linked programs 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.
Department of Industry, Science, and Resources
Programs <ul style="list-style-type: none"> Program 1.1 – Growing innovative and competitive businesses, industries and regions Program 1.3 – Supporting a strong resources sector
Contribution to Outcome 1 made by linked programs 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 Critical Minerals Production Tax Incentive.
Department of the Treasury
Programs <ul style="list-style-type: none"> Program 1.1 – Economic Management Program 1.5 – Support for Housing Supply and Affordability
Contribution to Outcome 1 made by linked programs Treasury and the ATO share stewardship of Australia's tax system and some aspects of the superannuation, foreign investment, and registry systems (the Systems). Treasury is responsible for the design of Government policies and legislation relating to the Systems. Treasury contributes to the administration of the National Tax Equivalent Regime.
Services Australia
Program <ul style="list-style-type: none"> Program 1.2 – Customer Service Delivery
Contribution to Outcome 1 made by linked programs Services Australia supports individuals, families and communities to achieve greater self-sufficiency by providing administration and payments services on behalf of the ATO.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Program 1.1: Australian Taxation Office					
Administered expenses					
Ordinary annual services (Appropriation Bill (No. 1) and Supply Bill (No. 1))	-	4,808	7,748	-	-
Administered total	-	4,808	7,748	-	-
Departmental expenses					
Departmental appropriation	4,356,927	4,537,223	4,241,768	4,221,593	3,536,507
s74 External Revenue (a)	215,048	253,236	252,105	274,233	296,411
Expenses not requiring appropriation in the Budget year (b)	137,264	136,183	140,848	117,597	103,198
Departmental total	4,709,239	4,926,642	4,634,721	4,613,423	3,936,116
Total expenses for program 1.1	4,709,239	4,931,450	4,642,469	4,613,423	3,936,116
Program 1.2: Tax Practitioners Board					
Departmental expenses					
Special accounts					
Tax Practitioners Board - Appropriation Receipts	30,637	26,561	19,831	19,861	10,763
Tax Practitioners Board - Non-appropriation receipts	9,616	14,437	14,870	15,310	15,310
Departmental total	40,253	40,998	34,701	35,171	26,073
Total expenses for program 1.2	40,253	40,998	34,701	35,171	26,073
Program 1.4: Australian Charities and Not-for-profits Commission					
Departmental expenses					
Special accounts					
Australian Charities and Not-for- Profits Commission Special Account	20,739	19,215	18,790	19,073	19,357
Departmental total	20,739	19,215	18,790	19,073	19,357
Total expenses for program 1.4	20,739	19,215	18,790	19,073	19,357

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Program 1.5: Australian Screen and Digital Game Production Incentive					
Administered expenses					
Special appropriations					
<i>Taxation Administration Act</i> 1953 - section 16 (Non-refund items)	818,359	784,000	804,000	805,000	805,000
Administered total	818,359	784,000	804,000	805,000	805,000
Total expenses for program 1.5	818,359	784,000	804,000	805,000	805,000
Program 1.7: Fuel Tax Credit Scheme					
Administered expenses					
Special appropriations					
<i>Taxation Administration Act</i> 1953 - section 16 (Non-refund items)	8,857,487	10,760,728	11,442,332	12,119,417	12,843,059
Administered total	8,857,487	10,760,728	11,442,332	12,119,417	12,843,059
Total expenses for program 1.7	8,857,487	10,760,728	11,442,332	12,119,417	12,843,059
Program 1.8: National Rental Affordability Scheme					
Administered expenses					
Special appropriations					
<i>Taxation Administration Act</i> 1953 - section 16 (Non-refund items)	32,164	-	-	-	-
Administered total	32,164	-	-	-	-
Total expenses for program 1.8	32,164	-	-	-	-
Program 1.9: Product Stewardship for Oil					
Administered expenses					
Special appropriations					
<i>Product Grants and Benefits</i> Administration Act 2000 - product stewardship (oil) benefits	93,131	101,225	103,427	104,719	107,045
Administered total	93,131	101,225	103,427	104,719	107,045
Total expenses for program 1.9	93,131	101,225	103,427	104,719	107,045
Program 1.10: Research & Development Tax Incentive					
Administered expenses					
Special appropriations					
<i>Taxation Administration Act</i> 1953 - section 16 (Non-refund items)	4,227,257	4,535,461	4,761,568	3,309,891	3,407,603
Administered total	4,227,257	4,535,461	4,761,568	3,309,891	3,407,603
Total expenses for program 1.10	4,227,257	4,535,461	4,761,568	3,309,891	3,407,603

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Program 1.11: Low Income Superannuation Tax Offset					
Administered expenses					
Special appropriations					
<i>Taxation Administration Act 1953</i> - section 16 (Non-refund items)	581,593	625,274	1,172,438	1,168,079	1,158,040
Administered total	581,593	625,274	1,172,438	1,168,079	1,158,040
Total expenses for program 1.11	581,593	625,274	1,172,438	1,168,079	1,158,040
Program 1.12: Private Health Insurance Rebate					
Administered expenses					
Special appropriations					
<i>Taxation Administration Act 1953</i> - section 16 (Non-refund items)	286,450	300,045	313,311	327,164	341,983
Administered total	286,450	300,045	313,311	327,164	341,983
Total expenses for program 1.12	286,450	300,045	313,311	327,164	341,983
Program 1.13: Superannuation Co-contribution Scheme					
Administered expenses					
Special appropriations					
<i>Taxation Administration Act 1953</i> - section 16 (Non-refund items)	101,024	99,655	97,808	95,403	93,494
Administered total	101,024	99,655	97,808	95,403	93,494
Total expenses for program 1.13	101,024	99,655	97,808	95,403	93,494
Program 1.14: Superannuation Guarantee Scheme					
Administered expenses					
Special appropriations					
<i>Superannuation Guarantee (Administration) Act 1992</i> - section 71	1,186,000	977,000	908,000	918,000	917,000
Administered total	1,186,000	977,000	908,000	918,000	917,000
Total expenses for program 1.14	1,186,000	977,000	908,000	918,000	917,000
Program 1.15: Interest on Unclaimed Superannuation Accounts Paid					
Administered expenses					
Special appropriations					
<i>Taxation Administration Act 1953</i> - section 16 (Non-refund items)	36,836	15,362	13,855	14,206	14,220
Administered total	36,836	15,362	13,855	14,206	14,220
Total expenses for program 1.15	36,836	15,362	13,855	14,206	14,220

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Program 1.16: Interest on Overpayment and Early Payments					
Administered expenses					
Special appropriations					
<i>Taxation Administration Act</i> 1953 - section 16 (Non-refund items)	572,982	536,052	350,000	350,000	350,000
Administered total	572,982	536,052	350,000	350,000	350,000
Total expenses for program 1.16	572,982	536,052	350,000	350,000	350,000
Program 1.17: Bad & Doubtful Debts & Remissions					
Administered expenses					
Special appropriations					
Expenses not requiring appropriation in the Budget year (b)	6,318,286	9,631,000	11,590,000	11,130,000	11,998,000
Administered total	6,318,286	9,631,000	11,590,000	11,130,000	11,998,000
Total expenses for program 1.17	6,318,286	9,631,000	11,590,000	11,130,000	11,998,000
Program 1.18: Seafarer Tax Offset					
Administered expenses					
Special appropriations					
<i>Taxation Administration Act</i> 1953 - section 16 (Non-refund items)	46	-	-	-	-
Administered total	46	-	-	-	-
Total expenses for program 1.18	46	-	-	-	-
Program 1.20: Hydrogen Production Tax Incentive					
Administered expenses					
Special appropriations					
<i>Taxation Administration Act</i> 1953 - section 16 (Non-refund items)	-	-	1,703	5,831	13,755
Administered total	-	-	1,703	5,831	13,755
Total expenses for program 1.20	-	-	1,703	5,831	13,755
Program 1.21: Critical Minerals Production Tax Incentive					
Administered expenses					
Special appropriations					
<i>Taxation Administration Act</i> 1953 - section 16 (Non-refund items)	-	-	300,000	900,000	1,000,000
Administered total	-	-	300,000	900,000	1,000,000
Total expenses for program 1.21	-	-	300,000	900,000	1,000,000
Program 1.22: Loss Refundability for Small Start-ups					
Administered expenses					
Special appropriations					
<i>Taxation Administration Act</i> 1953 - section 16 (Non-refund items)	-	-	-	370,000	470,000
Administered total	-	-	-	370,000	470,000
Total expenses for program 1.22	-	-	-	370,000	470,000

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	-	4,808	7,748	-	-
Special appropriations (c)	16,793,329	18,734,802	20,268,442	20,487,710	21,521,199
Expenses not requiring appropriation in the Budget year (b)	6,318,286	9,631,000	11,590,000	11,130,000	11,998,000
Administered total	23,111,615	28,370,610	31,866,190	31,617,710	33,519,199
Departmental expenses					
Departmental appropriation	4,356,927	4,537,223	4,241,768	4,221,593	3,536,507
s74 External Revenue (a)	215,048	253,236	252,105	274,233	296,411
Special accounts	60,992	60,213	53,491	54,244	45,430
Expenses not requiring appropriation in the Budget year (b)	137,264	136,183	140,848	117,597	103,198
Departmental total	4,770,231	4,986,855	4,688,212	4,667,667	3,981,546
Total expenses for Outcome 1	27,881,846	33,357,465	36,554,402	36,285,377	37,500,745

	2025–26	2026–27
Average staffing level (number)	19,938	21,410

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

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

c) Excludes \$120.0 million under section 77 of the PGPA Act.

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

Table 2.1.2: Performance measures for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It is used by entities to describe the results they plan to achieve and the related key activities, as detailed in the current corporate plan (i.e. 2025–26), the context in which these activities are delivered, and how the performance of these activities will be measured. Where relevant, details of the 2026–27 Budget measures that have created new programs or materially changed existing programs are to be provided.

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.		
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. The Commissioner of Taxation is also Registrar of the Australian Business Register (ABR) under the <i>A New Tax System (Australian Business Number) Act 1999</i> .		
Key Activities	Collect the right amount of tax in the most efficient way for government and the taxpayer. Deliver fair, secure and transparent taxpayer interactions to make it easy to comply and hard not to.	
Year	Performance measures	Expected performance results
Current year 2025–26	Registration – TFNs for ASIC registered companies are monitored, with controls in place to prevent deregistered companies from operating within the tax and superannuation systems (a)	Target: Monthly reconciliation processes confirm that deregistered companies are prevented from operating in the tax and superannuation systems, with any discrepancies identified and managed Forecast: On track
	Registration – TFNs for Individuals are monitored, with controls in place to prevent inactive taxpayers from operating within the tax and superannuation systems (a)	Target: Annual reconciliation processes are conducted to ensure that inactive taxpayers are prevented from operating in the tax and superannuation systems with any discrepancies identified and managed Forecast: On track
	Lodgment – proportion of activity statements lodged on time (b)	Target: 78% Forecast: On track
	Lodgment – proportion of income tax returns lodged on time (b)	Target: 83% Forecast: Not on track
	Tax gap – as a proportion of revenue	Target: 7.1% Forecast: Information not yet available. Actual performance will be reported in the Commissioner of Taxation annual report. (c)
	Total revenue effects – revenue from all compliance activities	Target: \$16.3 billion Forecast: On track
	Debt – Ratio of collectable debt to net tax collections	Target: 7% Forecast: Not on track
Payment – proportion of liabilities paid on time by value	Target: 88% Forecast: On track	

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1 – Australian Taxation Office (continued)		
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. The Commissioner of Taxation is also Registrar of the Australian Business Register (ABR) under the <i>A New Tax System (Australian Business Number) Act 1999</i> .		
Year	Performance measures	Expected performance results
Current year 2025–26 (continued)	Cost of collection – cost to collect \$100	Target: +/- 5c from previous year Forecast: Information not yet available. Actual performance will be reported in the Commissioner of Taxation annual report.
	Compliance cost – adjusted median cost to individual taxpayers of managing their tax affairs	Target: A decrease, or no more than 2% increase over the prior year figure Forecast: Information not yet available. Actual performance will be reported in the Commissioner of Taxation annual report.
	Service satisfaction – taxpayer satisfaction with their recent interaction with the ATO (d)	Target: 80% Forecast: Not on track
Year	Performance measures	Planned performance results
Budget Year 2026–27	Registration – TFNs for ASIC registered companies are monitored, with controls in place to prevent deregistered companies from operating within the tax and superannuation systems	Monthly reconciliation processes confirm that deregistered companies are prevented from operating in the tax and superannuation systems, with any discrepancies identified and managed
	Registration – TFNs for Individuals are monitored, with controls in place to prevent inactive taxpayers from operating within the tax and superannuation systems	Annual reconciliation processes are conducted to ensure that inactive taxpayers are prevented from operating in the tax and superannuation systems with any discrepancies identified and managed
	Lodgment – proportion of activity statements lodged on time	78%
	Lodgment – proportion of income tax returns lodged on time	83%
	Tax gap – as a proportion of revenue	8.2% (e)
	Total revenue effects – revenue from all compliance activities	\$16.7 billion
	Payment – proportion of liabilities paid on time by value	88%
	Debt – Ratio of collectable debt to net tax collections	7%
	Cost of collection – cost to collect \$100	+/- 5c from previous year
	Compliance cost – adjusted median cost to individual taxpayers of managing their tax affairs	A decrease, or no more than 2% increase over the prior year figure
Service satisfaction – taxpayer satisfaction with their recent interaction with the ATO (f)	65% (g)	

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1 – Australian Taxation Office (continued)		
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. The Commissioner of Taxation is also Registrar of the Australian Business Register (ABR) under the <i>A New Tax System (Australian Business Number) Act 1999</i> .		
Year	Performance measures	Planned performance results
Forward Estimates 2027–30	Registration – TFNs for ASIC registered companies are monitored, with controls in place to prevent deregistered companies from operating within the tax and superannuation systems	As per 2026–27
	Registration – TFNs for Individuals are monitored, with controls in place to prevent inactive taxpayers from operating within the tax and superannuation systems	Biannual reconciliation processes are conducted to ensure that inactive taxpayers are prevented from operating in the tax and superannuation systems with any discrepancies identified and managed
	Lodgment – proportion of activity statements lodged on time	As per 2026–27
	Lodgment – proportion of income tax returns lodged on time	As per 2026–27
	Tax gap – as a proportion of revenue	2027–28 7.4% 2028–29 6.8% 2029–30 6.6%
	Total revenue effects – revenue from all compliance activities	As per 2026–27
	Payment – proportion of liabilities paid on time by value	As per 2026–27
	Debt – Ratio of collectable debt to net tax collections	As per 2026–27
	Cost of collection – cost to collect \$100	As per 2026–27
	Compliance cost – adjusted median cost to individual taxpayers of managing their tax affairs	As per 2026–27
	Service satisfaction – taxpayer satisfaction with their recent interaction with the ATO	2027–28 65% 2028–29 70% 2029–30 70%
Material changes to Program 1.1 resulting from 2026–27 Budget Measure: Nil		

- a) Change to the measure name and methodology. Further information will be provided in the 2026–27 corporate plan.
- b) The lodgment measure has been separated into 2 measures.
- c) This is a lag measure, with reported results for the period 2023–24.
- d) Change to the measure name.
- e) This is a lag measure, with the target for the period 2024–25.
- f) Change to methodology. Further information will be provided in the 2026–27 corporate plan.
- g) Target has been adjusted due to revised methodology. Further information will be provided in the 2026–27 corporate plan.

Table 2.1.2: Performance measures 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 role of the TPB is to support public trust and confidence in the integrity of the tax profession and the tax system and to ensure tax practitioner services are provided to the public in accordance with appropriate standards of professional and ethical conduct.</p>		
Key Activities	<p>Increase trust and confidence in the tax and regulatory system by supporting the profession and taking proportionate action to address those practitioners who do the wrong thing.</p>	
Year	Performance measures	Expected performance results
Current year 2025–26	Tax practitioner feedback	<p>Target: 80% of tax practitioner feedback is positive Forecast: Information not yet available. Actual performance will be reported in the Commissioner of Taxation annual report</p>
	Proportion of completed risk assessments	<p>Target: 90% of matters are risk assessed Forecast: On track</p>
	Sanctions are appropriate (a)	<p>Target: The TPB is committed to pursuing positive court and tribunal outcomes Forecast: Not on track</p>
Year	Performance measures	Planned performance results
Budget Year 2026–27	Tax practitioner feedback	80% of tax practitioner feedback is positive
	Proportion of completed risk assessments	Measure ceases in 2025–26
	Sanctions are appropriate	The TPB is committed to pursuing positive court and tribunal outcomes
Forward Estimates 2027–30	Tax practitioner feedback	As per 2026–27
	Sanctions are appropriate	As per 2026–27
Material changes to Program 1.2 resulting from 2026–27 Budget Measure: Nil		

a) Change to the performance rating scale. Further information will be provided in the 2026–27 corporate plan.

Program 1.3 – Australian Business Registry Services

Program ceased in 2024–25.

Table 2.1.2: Performance measures 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	Maintaining a free and accurate register of Australian Charities (the Charity Register)	
Year	Performance measures	Expected performance results
Current year 2025–26	Percentage of time that the Charity Register is available (excluding scheduled maintenance)	Target: 99% Forecast: On track
	Percentage of new eligible charities registered within 15 business days of ACNC receiving all information necessary to make a decision	Target: 90% Forecast: On track
Year	Performance measures	Planned performance results
Budget Year 2026–27	Percentage of time that the Charity Register is available (excluding scheduled maintenance)	99%
	Percentage of new eligible charities registered within 15 business days of ACNC receiving all information necessary to make a decision	90%
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.4 resulting from 2026–27 Budget Measure: Nil		

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.5–1.22 Administered Programs	
The ATO administers a range of payments and transfers on behalf of government, including incentives and rebates delivered through the taxation and superannuation systems.	
Key Activities	<ul style="list-style-type: none"> • Collect the right amount of tax in the most efficient way for government and the taxpayer. • Manage our responsibilities in the superannuation system to support the future retirement savings of the community. • Administer a range of payments and transfers on behalf of government.

Program 1.5 – Australian Screen and Digital Game Production Incentive		
<p>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, postproduction companies and other services to participate in these productions.</p> <p>The Digital Game Tax Offset (DGTO) provides eligible game developers with a refundable tax offset for qualifying Australian development expenditure from 1 July 2022. The offset is capped at \$20 million per company (or group of companies that are connected or affiliated) per income year. The offset is designed to support the growth of the digital games industry in Australia.</p> <p>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 DGTO. The ATO conducts verification and reconciliation activities with the certificates issued by the Arts Minister / Film Authority and claims by taxpayers.</p>		
Year	Performance measures	Expected performance results
Current year 2025–26	Refundable film and digital games tax offset claims are subject to ATO risk detection processes	Target: Refundable film and digital games tax offset claims are subject to ATO risk detection processes Forecast: On track
Year	Performance measures	Planned performance results
Budget Year 2026–27	Refundable film and digital games tax offset claims are subject to ATO risk detection processes	Refundable film and digital games tax offset claims are subject to ATO risk detection processes
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.5 resulting from 2026–27 Budget Measure: Nil		

Program 1.6 – Junior Minerals Exploration Incentive

Program ceased in 2024–25.

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.7 – Fuel Tax Credits Scheme		
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:		
<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 performance results
Current year 2025–26	Fuel Tax Credits Scheme gap	Target: 3% Forecast: On track (a)
Year	Performance measures	Planned performance results
Budget Year 2026–27	Fuel Tax Credits Scheme gap	3% (b)
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.7 resulting from 2026–27 Budget Measure: Nil		

a) This is a lag measure, with reported results for the period 2024–25.

b) This is a lag measure, with the target for the period 2025–26.

Program 1.8 – National Rental Affordability Scheme		
The Department of Social Services has policy responsibility for the National Rental Affordability Scheme. The objectives are to:		
<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; and 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; and a state or territory government incentive as a direct payment per dwelling per year or in-kind financial support. 		
Year	Performance measures	Expected performance results
Current year 2025–26	Information on how to claim the National Rental Affordability Scheme (NRAS) offset is accurate and accessible	Target: Information on claiming the National Rental Affordability Scheme (NRAS) is accurate and accessible Forecast: On track
Year	Performance measures	Planned performance results
Budget Year 2026–27	N/A - program ceases in 2025–26	N/A
Forward Estimates 2027–30	N/A - program ceases in 2025–26	N/A
Material changes to Program 1.8 resulting from 2026–27 Budget Measure: Nil		

Table 2.1.2: Performance measures for Outcome 1 (continued)

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; and • 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 performance results
Current year 2025–26	Product Stewardship for Oil gap	Target: 1% Forecast: On track (a)
Year	Performance measures	Planned performance results
Budget Year 2026–27	Product Stewardship for Oil gap	1% (b)
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.9 resulting from 2026–27 Budget Measure: Nil		

- a) This is a lag measure, with reported results for the period 2024–25.
 b) This is a lag measure, with the target for the period 2025–26.

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 role in processing claims through the tax system for the R&D offset.</p>		
Year	Performance measures	Expected performance results
Current year 2025–26	Research and Development Tax Incentive (RDTI) refundable claims are subject to RDTI-specific risk detection processes	Target: RDTI refundable claims are subject to risk detection processes Forecast: Information not yet available. Actual performance will be reported in the Commissioner of Taxation annual report
	RDTI offset claims are amended when Department of Industry, Science and Resources advises the ATO that RDTI registration has been changed due to a revocation or negative finding (a)	Target: 100% Forecast: Information not yet available. Actual performance will be reported in the Commissioner of Taxation annual report
Year	Performance measures	Planned performance results
Budget Year 2026–27	Research and Development Tax Incentive (RDTI) refundable claims are subject to RDTI-specific risk detection processes	RDTI refundable claims are subject to risk detection processes
	RDTI offset claims are amended when Department of Industry, Science and Resources advises the ATO that RDTI registration has been changed due to a revocation or negative finding	100%

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.10 – Research and Development Tax Incentive (continued)		
<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 role in processing claims through the tax system for the R&D offset.</p>		
Year	Performance measures	Planned performance results
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.10 resulting from 2026–27 Budget Measure: Nil		

a) Change to the methodology. Further information will be provided in the 2026–27 corporate plan.

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 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 performance results
Current year 2025–26	Proportion of original contributions paid within 60 days	Target: 97% Forecast: Information not yet available. Actual performance will be reported in the Commissioner of Taxation annual report
Year	Performance measures	Planned performance results
Budget Year 2026–27	Proportion of original contributions paid within 60 days	97%
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.11 resulting from 2026–27 Budget Measure: Nil		

Table 2.1.2: Performance measures for Outcome 1 (continued)

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. The Department of Health, Disability and Ageing 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 performance results
Current year 2025–26	Private health insurance rebates are subject to risk preventative and corrective processes	Target: Private health insurance rebates are subject to risk preventative and corrective processes Forecast: On track
Year	Performance measures	Planned performance results
Budget Year 2026–27	Private health insurance rebates are subject to risk preventative and corrective processes	Private health insurance rebates are subject to risk preventative and corrective processes
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.12 resulting from 2026–27 Budget Measure: Nil		

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. 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 performance results
Current year 2025–26	Proportion of original co-contributions paid within 60 days	Target: 97% Forecast: Information not yet available. Actual performance will be reported in the Commissioner of Taxation annual report
Year	Performance measures	Planned performance results
Budget Year 2026–27	Proportion of original co-contributions paid within 60 days	97%
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.13 resulting from 2026–27 Budget Measure: Nil		

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.14 – Superannuation Guarantee Scheme		
Under the <i>Superannuation Guarantee (Administration) Act 1992</i> , most employers must pay superannuation contributions into a complying superannuation fund or retirement savings account. Non-compliance with the <i>Superannuation Guarantee (Administration) Act 1992</i> by employers means that eligible employees will not receive their entitlements to, and benefits of, superannuation in their retirement.		
Year	Performance measures	Expected performance results
Current year 2025–26	Superannuation guarantee gap as a proportion of superannuation guarantee contributions	Target: 5.9% (a) Forecast: Information not yet available. Actual performance will be reported in the Commissioner of Taxation annual report (b)
	Value of superannuation guarantee charge: <ul style="list-style-type: none"> • raised (including penalties and interest) • collected 	Target: Raised: \$1,500 million Collected: \$915 million Forecast: On track
	Value of superannuation guarantee charge entitlements distributed to individuals or superannuation funds	Target: \$804 million Forecast: On track
	Value of superannuation guarantee charge debt on hand and the amount of superannuation guarantee charge debt irrecoverable at law or uneconomical to pursue	Target: Debt on hand: \$4,300 million Irrecoverable at law or uneconomical to pursue: \$222 million Forecast: On track
Year	Performance measures	Planned performance results
Budget Year 2026–27	Superannuation guarantee gap as a proportion of superannuation guarantee contributions	No target (c)
	Value of superannuation guarantee charge: <ul style="list-style-type: none"> • raised (including penalties and interest) • collected 	Raised: \$1,741 million Collected: \$1,056 million
	Value of superannuation guarantee charge entitlements distributed to individuals or superannuation funds	\$977 million
	Value of superannuation guarantee charge debt on hand and the amount of superannuation guarantee charge debt irrecoverable at law or uneconomical to pursue	Debt on hand: \$3,913 million Irrecoverable at law or uneconomical to pursue: \$357 million

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.14 – Superannuation Guarantee Scheme (continued)		
<p>Under the <i>Superannuation Guarantee (Administration) Act 1992</i>, most employers must pay superannuation contributions into a complying superannuation fund or retirement savings account. Non-compliance with the <i>Superannuation Guarantee (Administration) Act 1992</i> by employers means that eligible employees will not receive their entitlements to, and benefits of, superannuation in their retirement.</p>		
Year	Performance measures	Planned performance results
Forward Estimates 2027–30	Superannuation guarantee gap as a proportion of superannuation guarantee contributions	Under development (c)
	Value of superannuation guarantee charge: <ul style="list-style-type: none"> • raised (including penalties and interest) • collected 	Raised: Methodology as per 2026–27 Collected: Methodology as per 2026–27
	Value of superannuation guarantee charge entitlements distributed to individuals or superannuation funds	Methodology as per 2026–27
	Value of superannuation guarantee charge debt on hand and the amount of superannuation guarantee charge debt irrecoverable at law or uneconomical to pursue	Debt on hand: Methodology as per 2026–27 Irrecoverable at law or uneconomical to pursue: Methodology as per 2026–27
Material changes to Program 1.14 resulting from 2026–27 Budget Measure: Nil		

- a) Target has been updated since 2025–26 corporate plan. Further information will be provided in the 2025–26 annual performance statements.
- b) This is a lag measure, with reported results for the period 2023–24.
- c) A new methodology is being developed for 2026–27. A new target will be developed when there is sufficient data on which to determine a new performance baseline.

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.15 – Interest on unclaimed superannuation accounts paid		
<p>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 six months.</p> <p>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.</p>		
Year	Performance measures	Expected performance results
Current year 2025–26	Interest on unclaimed superannuation money is paid when required	Target: The ATO pays interest on unclaimed superannuation money when required. Forecast: Information not yet available. Actual performance will be reported in the Commissioner of Taxation annual report
Year	Performance measures	Planned performance results
Budget Year 2026–27	Interest on unclaimed superannuation money is paid when required	The ATO pays interest on unclaimed superannuation money when required.
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.15 resulting from 2026–27 Budget Measure: Nil		

Program 1.16 – Interest on Overpayment and Early Payments of Tax		
<p>The objective of the program is to apply credit interest to taxpayers' accounts where they are entitled under the law.</p> <p>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:</p> <ul style="list-style-type: none"> • interest on overpayments of tax; • delayed refund interest; and • interest on early payments of tax. 		
Year	Performance measures	Expected performance results
Current year 2025–26	The ATO applies interest on overpayments and early payments of tax when required	Target: The ATO applies interest on overpayments and early payments of tax when required Forecast: On track
Year	Performance measures	Planned performance results
Budget Year 2026–27	The ATO applies interest on overpayments and early payments of tax when required	The ATO applies interest on overpayments and early payments of tax when required
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.16 resulting from 2026–27 Budget Measure: Nil		

Table 2.1.2: Performance measures 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 performance results
Current year 2025–26	Ratio of debt uneconomical to pursue to ATO net tax collections	Target: Below 1% Forecast: On track
Year	Performance measures	Planned performance results
Budget Year 2026–27	Ratio of debt uneconomical to pursue to ATO net tax collections	Below 1%
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.17 resulting from 2026–27 Budget Measure: Nil		

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 performance results
Current year 2025–26	Accurate information is made available to taxpayers eligible to claim the seafarer tax offset	Target: Accurate information on how to claim the Seafarer Tax Offset is made available to eligible claimants Forecast: On track
Year	Performance measures	Planned performance results
Budget Year 2026–27	Accurate information is made available to taxpayers eligible to claim the seafarer tax offset	Accurate information on how to claim the Seafarer Tax Offset is made available to eligible claimants
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.18 resulting from 2026–27 Budget Measure: Nil		

Program 1.19 – Economic Response to the Coronavirus

Program ceased in 2022–23.

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.20 – Hydrogen Production Tax Incentive		
This program is established as a result of the Future Made in Australia – Making Australia a Renewable Energy Superpower measure. The Hydrogen Production Tax Incentive is announced as commencing from 1 July 2027.		
Year	Performance measures	Expected performance results
Current year 2025–26	Administrative arrangements progressed for companies to claim the Hydrogen Production Tax Incentive tax offset from 1 July 2027	Target: Administrative arrangements to enable companies to access the Hydrogen Production Tax Incentive tax offset are progressed Forecast: Information not yet available. Actual performance will be reported in the Commissioner of Taxation annual report
Year	Performance measures	Planned performance results
Budget Year 2026–27	Administrative arrangements progressed for companies to claim the Hydrogen Production Tax Incentive tax offset from 1 July 2027	Administrative arrangements to enable companies to access the Hydrogen Production Tax Incentive tax offset are progressed
Forward Estimates 2027–30	N/A – new measure and associated target to be developed	Under development
Material changes to Program 1.20 resulting from 2026–27 Budget Measure: Nil		

Program 1.21 - Critical Minerals Production Tax Incentive		
This program is established as a result of the Future Made in Australia – Making Australia a Renewable Energy Superpower measure. The Critical Minerals Production Tax Incentive is announced as commencing from 1 July 2027.		
Year	Performance measures	Expected performance results
Current year 2025–26	Administrative arrangements progressed for companies to claim the Critical Minerals Production Tax Incentive tax offset (CMPTI tax offset) from 1 July 2027	Target: Administrative arrangements to enable companies to access the Critical Minerals Production Tax Incentive tax offset are progressed Forecast: On track
Year	Performance measures	Planned performance results
Budget Year 2026–27	Administrative arrangements progressed for companies to claim the Critical Minerals Production Tax Incentive tax offset (CMPTI tax offset) from 1 July 2027	Administrative arrangements to enable companies to access the Critical Minerals Production Tax Incentive tax offset are progressed
Forward Estimates 2027–30	N/A – new measure and associated target to be developed	Under development
Material changes to Program 1.21 resulting from 2026–27 Budget Measure: Nil		

Program 1.22 - Loss Refundability for Small Start-ups		
New Program 1.22 resulting from Budget 2026–27 measures: This is a newly established program as a result of the loss refundability reforms measure. Loss Refundability for Small Start-ups provides eligible companies who have incurred a tax loss with a non-carry forward refundable tax offset, announced as commencing from 1 July 2028.		
<i>Performance measures have not yet been developed as it was not reasonably practicable to establish them at this time.</i>		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026–27 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 ATO while the financial statements are prepared on an accrual basis.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The ATO is budgeting for a break-even operating result in 2026–27 and over the forward estimates, after non appropriated expenses such as depreciation are removed.

The ATO's total operating revenue for 2026–27 is estimated at \$4.9 billion while expenditure is estimated to be \$5.0 billion, inclusive of unfunded depreciation. These budgeted amounts account for increases since the 2025–26 Additional Estimates due to new budget measure funding to support Government initiatives.

ATO's net assets as at 30 June 2027 are expected to be \$507.2 million. Net assets have increased by \$10.9 million since 2025–26 Additional Estimates.

3.2 Budgeted financial statements tables

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
EXPENSES					
Employee benefits	2,727,556	2,986,710	2,853,980	2,841,716	2,287,220
Suppliers	1,653,595	1,587,339	1,445,003	1,476,618	1,358,177
Depreciation and amortisation (a)	364,729	382,993	354,712	317,153	308,866
Finance costs	24,351	29,813	34,517	32,180	27,283
Total expenses	4,770,231	4,986,855	4,688,212	4,667,667	3,981,546
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	202,864	235,132	256,113	279,590	302,634
Sublease income	14,424	6,554	2,654	1,953	1,087
Sublease interest income	2	-	-	-	-
Other	7,374	25,987	8,208	8,000	8,000
Total own-source revenue	224,664	267,673	266,975	289,543	311,721
Gains					
Other	14,588	14,587	14,587	14,588	14,587
Total gains	14,588	14,587	14,587	14,588	14,587
Total own-source income	239,252	282,260	281,562	304,131	326,308
Net (cost of)/contribution by services	(4,530,979)	(4,704,595)	(4,406,650)	(4,363,536)	(3,655,238)
Revenue from Government	4,408,303	4,582,999	4,280,389	4,260,527	3,566,627
Surplus/(deficit) attributable to the Australian Government	(122,676)	(121,596)	(126,261)	(103,009)	(88,611)
Total comprehensive income/(loss)	(122,676)	(121,596)	(126,261)	(103,009)	(88,611)
Total comprehensive income/(loss) attributable to the Australian Government	(122,676)	(121,596)	(126,261)	(103,009)	(88,611)

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(122,676)	(121,596)	(126,261)	(103,009)	(88,611)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	148,601	155,593	149,733	136,570	126,631
plus: depreciation/amortisation expenses for ROU assets (b)	216,128	227,400	204,979	180,583	182,235
less: lease principal repayments (b)	242,053	261,397	228,451	214,144	220,255
Net Cash Operating Surplus/(Deficit)	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

- a) From 2010–11, the Government introduced net cash appropriation arrangements that provided non-corporate Commonwealth entities with a separate Departmental Capital Budget (DCB) under Appropriation Bill (No. 1). This replaced revenue appropriations provided under Appropriation Bill (No. 1) used for the depreciation/amortisation expenses. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
- b) Applies to leases under AASB 16 *Leases*.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	38,841	38,965	38,177	38,182	38,190
Trade and other receivables	937,786	928,139	863,888	927,079	981,347
Total financial assets	976,627	967,104	902,065	965,261	1,019,537
Non-financial assets					
Land and buildings	982,067	988,875	972,110	802,802	739,054
Property, plant and equipment	184,283	178,850	163,175	162,231	141,103
Intangibles	329,850	369,124	354,738	325,682	299,110
Other non-financial assets	108,279	108,279	108,279	108,279	108,279
Total non-financial assets	1,604,479	1,645,128	1,598,302	1,398,994	1,287,546
Total assets	2,581,106	2,612,232	2,500,367	2,364,255	2,307,083
LIABILITIES					
Payables					
Suppliers	208,193	208,193	208,193	208,193	208,193
Subsidies	83,268	98,756	19,278	19,279	15,376
Other payables	5,534	5,534	5,534	5,534	5,534
Total payables	296,995	312,483	233,005	233,006	229,103
Interest bearing liabilities					
Leases	898,265	826,044	756,252	581,738	479,320
Total interest bearing liabilities	898,265	826,044	756,252	581,738	479,320
Provisions					
Employee provisions	923,068	923,572	924,000	924,462	924,945
Other provisions	42,938	42,938	42,938	42,938	42,938
Total provisions	966,006	966,510	966,938	967,400	967,883
Total liabilities	2,161,266	2,105,037	1,956,195	1,782,144	1,676,306
Net assets	419,840	507,195	544,172	582,111	630,777
EQUITY*					
Parent entity interest					
Contributed equity	2,821,930	3,030,881	3,194,119	3,335,067	3,472,344
Reserves	174,616	174,616	174,616	174,616	174,616
Retained surplus (accumulated deficit)	(2,576,706)	(2,698,302)	(2,824,563)	(2,927,572)	(3,016,183)
Total parent entity interest	419,840	507,195	544,172	582,111	630,777
Total equity	419,840	507,195	544,172	582,111	630,777

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 2026–27)

	Retained earnings	Asset revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2026				
Balance carried forward from previous period	(2,576,706)	174,616	2,821,930	419,840
Adjusted opening balance	(2,576,706)	174,616	2,821,930	419,840
Comprehensive income				
Surplus/(deficit) for the period	(121,596)			(121,596)
Total comprehensive income	(121,596)	-	-	(121,596)
Contributions by owners				
Equity injection - Appropriation			76,929	76,929
Departmental Capital Budget (DCB)			132,022	132,022
Sub-total transactions with owners	-	-	208,951	208,951
Estimated closing balance as at 30 June 2027	(2,698,302)	174,616	3,030,881	507,195
Closing balance attributable to the Australian Government	(2,698,302)	174,616	3,030,881	507,195

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	4,394,048	4,515,817	4,372,439	4,252,780	3,504,433
Sale of goods and rendering of services	225,651	268,514	266,975	289,543	311,721
Total cash received	4,619,699	4,784,331	4,639,414	4,542,323	3,816,154
Cash used					
Employees	2,693,590	2,970,718	2,933,030	2,841,253	2,290,640
Suppliers	1,639,007	1,572,752	1,430,416	1,462,030	1,343,590
Interest payments on lease liability	24,351	29,813	34,517	32,180	27,283
Total cash used	4,356,948	4,573,283	4,397,963	4,335,463	3,661,513
Net cash from/(used by) operating activities	262,751	211,048	241,451	206,860	154,641
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	197,615	234,466	149,227	78,215	79,581
Total cash used	197,615	234,466	149,227	78,215	79,581
Net cash from/(used by) investing activities	(197,615)	(234,466)	(149,227)	(78,215)	(79,581)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	177,719	284,939	135,439	85,504	145,203
Total cash received	177,719	284,939	135,439	85,504	145,203
Cash used					
Principal payments on lease liability	242,053	261,397	228,451	214,144	220,255
Total cash used	242,053	261,397	228,451	214,144	220,255
Net cash from/(used by) financing activities	(64,334)	23,542	(93,012)	(128,640)	(75,052)
Net increase/(decrease) in cash held	802	124	(788)	5	8
Cash and cash equivalents at the beginning of the reporting period	38,039	38,841	38,965	38,177	38,182
Cash and cash equivalents at the end of the reporting period	38,841	38,965	38,177	38,182	38,190

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	129,722	132,022	133,968	135,547	137,277
Equity injections - Bill 2	50,360	76,929	29,271	5,401	-
Total new capital appropriations	180,082	208,951	163,239	140,948	137,277
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	<i>180,082</i>	<i>208,951</i>	<i>163,239</i>	<i>140,948</i>	<i>137,277</i>
Total items	180,082	208,951	163,239	140,948	137,277
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	68,582	82,925	29,271	5,401	-
Funded by capital appropriation - DCB (b)	129,033	151,541	119,957	72,814	79,581
TOTAL	197,615	234,466	149,228	78,215	79,581
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	197,615	234,466	149,228	78,215	79,581
Total cash used to acquire assets	197,615	234,466	149,228	78,215	79,581

Prepared on Australian Accounting Standards basis.

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

- a) Includes both current Appropriation Bill (No. 2) and prior Appropriation Act (No. 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 2026–27)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2026				
Gross book value	279,664	207,653	2,032,088	2,519,405
Gross book value - ROU assets	2,062,230	133,364	-	2,195,594
Accumulated depreciation/amortisation and impairment	(62,590)	(87,641)	(1,702,238)	(1,852,469)
Accumulated depreciation/amortisation and impairment - ROU assets	(1,297,237)	(69,093)	-	(1,366,330)
Opening net book balance	982,067	184,283	329,850	1,496,200
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	-	-	82,925	82,925
By purchase - appropriation ordinary annual services (b)	76,179	45,362	30,000	151,541
By purchase - appropriation ordinary annual services - ROU assets	185,273	3,903	-	189,176
Total additions	261,452	49,265	112,925	423,642
Other movements				
Depreciation/amortisation expense	(44,866)	(37,076)	(73,651)	(155,593)
Depreciation/amortisation on ROU assets	(209,778)	(17,622)	-	(227,400)
Total other movements	(254,644)	(54,698)	(73,651)	(382,993)
As at 30 June 2027				
Gross book value	355,843	253,015	2,145,013	2,753,871
Gross book value - ROU assets	2,247,503	137,267	-	2,384,770
Accumulated depreciation/amortisation and impairment	(107,456)	(124,717)	(1,775,889)	(2,008,062)
Accumulated depreciation/amortisation and impairment - ROU assets	(1,507,015)	(86,715)	-	(1,593,730)
Closing net book balance	988,875	178,850	369,124	1,536,849

Prepared on Australian Accounting Standards basis.

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

- a) 'Appropriation equity' refers to equity injection appropriations provided through Appropriation Bill (No. 2) 2026–2027 and includes Collection Development Acquisition Budgets (CDABs).
- b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2026–2027 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)

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
EXPENSES					
Subsidies	14,028,444	16,181,414	17,413,030	17,614,858	18,646,462
Personal benefits	969,067	1,024,974	1,583,557	1,590,646	1,593,517
Penalty and interest charge remission expense	870,000	1,000,000	1,020,000	1,060,000	1,100,000
Write-down and impairment of assets	5,448,286	8,631,000	10,570,000	10,070,000	10,898,000
Interest on overpayments	572,982	536,052	350,000	350,000	350,000
Superannuation Guarantee Charge	1,186,000	977,000	908,000	918,000	917,000
Unclaimed superannuation monies interest	36,836	15,362	13,855	14,206	14,220
Other expenses	-	4,808	7,748	-	-
Total expenses administered on behalf of Government	23,111,615	28,370,610	31,866,190	31,617,710	33,519,199
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Taxation revenue					
Income tax	564,076,712	586,891,094	600,757,709	618,246,775	655,285,812
Indirect tax	130,930,000	145,100,000	150,990,000	159,200,000	166,900,000
Other taxes	4,450,045	4,817,874	4,424,761	4,654,738	4,829,808
Total taxation revenue	699,456,757	736,808,968	756,172,470	782,101,513	827,015,620
Non-taxation revenue					
Unclaimed Superannuation Monies	250,535	270,747	270,747	270,747	270,747
Other revenue	20,851	20,664	765	99	173
Total non-taxation revenue	271,386	291,411	271,512	270,846	270,920
Total own-source revenue administered on behalf of Government	699,728,143	737,100,379	756,443,982	782,372,359	827,286,540
Net (cost of)/contribution by services	676,616,528	708,729,769	724,577,792	750,754,649	793,767,341
Total comprehensive income/(loss)	676,616,528	708,729,769	724,577,792	750,754,649	793,767,341

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	681,575	681,003	680,523	682,542	684,294
Total financial assets	681,575	681,003	680,523	682,542	684,294
Non-financial assets					
Taxation Receivables	50,147,303	57,199,445	62,709,541	67,536,663	72,947,811
Other Receivables	438,405	452,205	452,205	452,205	452,205
Accrued Revenues	22,793,804	24,943,804	26,033,804	27,753,804	29,483,804
Total non-financial assets	73,379,512	82,595,454	89,195,550	95,742,672	102,883,820
Total assets administered on behalf of Government	74,061,087	83,276,457	89,876,073	96,425,214	103,568,114
LIABILITIES					
Payables					
Subsidies	40,454	40,454	40,454	40,454	40,454
Personal benefits	17,045	17,045	17,045	17,045	17,045
Superannuation guarantee charge	116,991	116,991	116,991	116,991	116,991
Taxation refunds due	2,462,744	2,462,744	2,462,744	2,462,744	2,462,744
Superannuation holding account	102,800	105,008	106,428	108,447	110,199
Other payables	756	756	756	756	756
Total payables	2,740,790	2,742,998	2,744,418	2,746,437	2,748,189

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Provisions					
Subsidies	6,069,774	6,770,112	7,039,018	6,190,374	6,572,700
Personal Benefits	1,115,145	1,142,822	1,687,253	1,769,718	1,776,121
Income Taxation refunds provided for	1,712,050	1,707,050	1,702,050	1,697,050	1,692,050
Indirect Taxation refunds provided for	26,691	26,691	26,691	26,691	26,691
Superannuation guarantee payments	618,982	653,982	680,982	700,982	752,982
Unclaimed superannuation payments	613,419	592,786	584,450	581,594	580,976
Interest on Unclaimed Superannuation Accounts Paid	45,838	35,844	30,214	28,642	27,997
Provision for interest on overpayments of taxes	177,753	198,972	198,972	198,972	198,972
Other provisions	16,481	16,481	16,481	16,481	16,481
Total provisions	10,396,133	11,144,740	11,966,111	11,210,504	11,644,970
Total liabilities administered on behalf of Government	13,136,923	13,887,738	14,710,529	13,956,941	14,393,159
Net assets/(liabilities)	60,924,164	69,388,719	75,165,544	82,468,273	89,174,955

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Taxes	682,785,583	717,970,826	737,977,374	764,419,391	807,871,472
Other	243,444	259,186	264,596	270,009	272,054
Total cash received	683,029,027	718,230,012	738,241,970	764,689,400	808,143,526
Cash used					
Subsidies paid	14,248,570	15,481,076	17,144,124	18,463,502	18,264,136
Personal benefits	973,322	997,297	1,039,126	1,508,181	1,587,114
Suppliers	-	4,808	7,748	-	-
Interest	558,500	514,833	350,000	350,000	350,000
Other	1,193,598	967,356	900,485	913,778	879,865
Total cash used	16,973,990	17,965,370	19,441,483	21,235,461	21,081,115
Net cash from/(used by) operating activities	666,055,037	700,264,642	718,800,487	743,453,939	787,062,411
Net increase/(decrease) in cash held	666,055,037	700,264,642	718,800,487	743,453,939	787,062,411
Cash and cash equivalents at beginning of reporting period	674,853	681,575	681,003	680,523	682,542
Cash from Official Public Account for:					
- Appropriations	17,087,778	18,075,915	19,552,101	21,323,249	21,168,673
- Special accounts	28,292	31,855	32,132	32,212	32,442
Total cash from Official Public Account	17,116,070	18,107,770	19,584,233	21,355,461	21,201,115
Cash to Official Public Account for:					
- Administered receipts	(683,164,385)	(718,372,984)	(738,385,200)	(764,807,381)	(808,261,774)
Total cash to Official Public Account	(683,164,385)	(718,372,984)	(738,385,200)	(764,807,381)	(808,261,774)
Cash and cash equivalents at end of reporting period	681,575	681,003	680,523	682,542	684,294

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 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 resourcing 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. Amounts presented below are consistent with amounts presented in the Appropriation Bills themselves.

Table 1.1: Commonwealth Grants Commission resource statement – Budget estimates for 2026–27 as at Budget May 2026

	2025–26 <i>Estimated actual</i> \$'000	2026–27 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	11,913	11,803
Departmental appropriation (c)	8,341	8,116
s74 External Revenue (d)	38	-
Departmental capital budget (e) (f)	165	288
Total departmental annual appropriations	20,457	20,207
Total departmental resourcing	20,457	20,207
Total resourcing for Commonwealth Grants Commission	20,457	20,207
<hr/>		
Average staffing level (number)	34	34

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

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

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

- a) Appropriation Bill (No. 1) 2026–2027.
- b) Excludes \$0.198 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 and Administered payments to other jurisdictions are not separately identified in Appropriation Bill (No. 1) and Supply Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a ‘contribution by owner’.
- f) Excludes \$0.118 million subject to administrative quarantine by Finance or withheld under section 51 of the PGPA Act.

1.3 Budget measures

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

Table 1.2: Commonwealth Grants Commission 2026–27 Budget measures

Part 1: Measures announced since the 2025–26 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Payment measures						
Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension (a)						
Departmental payments	1.1	-	-	-	-	(290)
Total		-	-	-	-	(290)
Total payment measures						
Departmental		-	-	-	-	(290)
Total		-	-	-	-	(290)

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 Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension is the Department of Finance. The full measure description and package details appear in the Budget Paper No. 2 under Cross Portfolio 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.cgc.gov.au/publications/corporate-plan-2025-26>.

The most recent annual performance statement can be found at:
<https://www.cgc.gov.au/publications/annual-report-2024-25>.

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 program, as well as by Administered and Departmental funding sources.

Table 2.1.1: Budgeted expenses for Outcome 1

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Program 1.1: Commonwealth Grants Commission					
Departmental expenses					
Departmental appropriation	8,738	7,912	7,987	8,055	8,175
Expenses not requiring appropriation in the Budget year (a)	742	753	769	792	435
Departmental total	9,480	8,665	8,756	8,847	8,610
Total expenses for program 1.1	9,480	8,665	8,756	8,847	8,610
Total expenses for Outcome 1	9,480	8,665	8,756	8,847	8,610

	2025–26	2026–27
Average staffing level (number)	34	34

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

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

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

Performance measures for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It is used by entities to describe the results they plan to achieve and the related key activities, as detailed in the current corporate plan (i.e. 2025–26), the context in which these activities are delivered, and how the performance of these activities will be measured. Where relevant, details of the 2026–27 Budget measures that have created new programs or materially changed existing programs are to be provided.

Table 2.1.2: Performance measures 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.		
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 2025–26	Responsiveness to Government Excellence in research and analysis Effective engagement and consultation with stakeholders	On track
Year	Performance measures	Planned performance results
Budget Year 2026–27	Responsiveness to Government	The Commission’s advice meets the Australian Government’s requirements as specified in the terms of reference provided by the Commonwealth Treasurer.
	Excellence in research and analysis	The research and analysis underlying the Commission’s advice are recognised to be high quality and technically robust.
	Effective engagement and consultation with stakeholders	The Commission’s advice is informed by the best available information and data and considers the views of relevant stakeholders.
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Where targets have not been identified, it was determined that prescribed targets are not reasonably practicable. Material changes to Program 1.1 resulting from 2026–27 Budget Measures: Nil		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026–27 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

The Commonwealth Grants Commission is budgeting for a net cash operating deficit of \$0.547 million in 2025–26 and a break-even position across the forward estimates.

The Commonwealth Grants Commission has sufficient cash reserves to fund liabilities as they fall due.

The financial statements have been prepared on an 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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
EXPENSES					
Employee benefits	6,875	6,291	6,404	6,413	6,799
Suppliers	1,866	1,632	1,601	1,669	1,413
Depreciation and amortisation (a)	691	701	716	737	378
Finance costs	48	41	35	28	20
Total expenses	9,480	8,665	8,756	8,847	8,610
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	38	-	-	-	-
Other	51	52	53	55	57
Total own-source revenue	89	52	53	55	57
Total own-source income	89	52	53	55	57
Net (cost of)/contribution by services	(9,391)	(8,613)	(8,703)	(8,792)	(8,553)
Revenue from Government	8,341	8,116	8,208	8,293	8,432
Surplus/(deficit) attributable to the Australian Government	(1,050)	(497)	(495)	(499)	(121)
Total comprehensive income/(loss)	(1,050)	(497)	(495)	(499)	(121)
Total comprehensive income/(loss) attributable to the Australian Government	(1,050)	(497)	(495)	(499)	(121)

Note: Impact of net cash appropriation arrangements

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(1,050)	(497)	(495)	(499)	(121)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	475	485	500	521	162
plus: depreciation/amortisation expenses for ROU assets (b)	216	216	216	216	216
less: lease principal repayments (b)	188	204	221	238	257
Net Cash Operating Surplus/ (Deficit)	(547)	-	-	-	-

Prepared on Australian Accounting Standards basis.

- a) From 2010–11, the Government introduced net cash appropriation arrangements that provided non-corporate Commonwealth entities with a separate Departmental Capital Budget (DCB) under Appropriation Bill (No. 1). This replaced revenue appropriations provided under Appropriation Bill (No. 1) used for the depreciation/amortisation expenses. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
- b) Applies to leases under AASB 16 *Leases*.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	52	52	52	52	52
Trade and other receivables	11,760	11,744	11,744	11,744	11,744
Total financial assets	11,812	11,796	11,796	11,796	11,796
Non-financial assets					
Land and buildings	1,817	1,514	1,211	908	605
Property, plant and equipment	103	101	105	119	133
Intangibles	1,211	1,103	979	827	1,038
Other non-financial assets	62	62	62	62	62
Total non-financial assets	3,193	2,780	2,357	1,916	1,838
Total assets	15,005	14,576	14,153	13,712	13,634
LIABILITIES					
Payables					
Suppliers	250	234	234	234	234
Other payables	13	13	13	13	13
Total payables	263	247	247	247	247
Interest bearing liabilities					
Leases	1,493	1,289	1,068	830	573
Total interest bearing liabilities	1,493	1,289	1,068	830	573
Provisions					
Employee provisions	2,653	2,653	2,653	2,653	2,653
Total provisions	2,653	2,653	2,653	2,653	2,653
Total liabilities	4,409	4,189	3,968	3,730	3,473
Net assets	10,596	10,387	10,185	9,982	10,161
EQUITY*					
Parent entity interest					
Contributed equity	3,608	3,896	4,189	4,485	4,785
Reserves	311	311	311	311	311
Retained surplus (accumulated deficit)	6,677	6,180	5,685	5,186	5,065
Total parent entity interest	10,596	10,387	10,185	9,982	10,161
Total equity	10,596	10,387	10,185	9,982	10,161

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 2026–27)

	Retained earnings	Asset revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2026				
Balance carried forward from previous period	6,677	311	3,608	10,596
Adjusted opening balance	6,677	311	3,608	10,596
Comprehensive income				
Surplus/(deficit) for the period	(497)	-	-	(497)
Total comprehensive income	(497)	-	-	(497)
Transactions with owners				
Contributions by owners				
Departmental Capital Budget (DCB)	-	-	288	288
Sub-total transactions with owners	-	-	288	288
Estimated closing balance as at 30 June 2027	6,180	311	3,896	10,387
Closing balance attributable to the Australian Government	6,180	311	3,896	10,387

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	7,996	8,132	8,208	8,293	8,432
Sale of goods and rendering of services	38	-	-	-	-
Net GST received	4	-	-	-	-
Total cash received	8,038	8,132	8,208	8,293	8,432
Cash used					
Employees	6,282	6,291	6,404	6,413	6,799
Suppliers	1,798	1,596	1,548	1,614	1,356
Interest payments on lease liability	48	41	35	28	20
Other	177	-	-	-	-
Total cash used	8,305	7,928	7,987	8,055	8,175
Net cash from/(used by) operating activities	(267)	204	221	238	257
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	165	288	293	296	300
Total cash used	165	288	293	296	300
Net cash from/(used by) investing activities	(165)	(288)	(293)	(296)	(300)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	363	288	293	296	300
Total cash received	363	288	293	296	300
Cash used					
Principal payments on lease liability	188	204	221	238	257
Other	198	-	-	-	-
Total cash used	386	204	221	238	257
Net cash from/(used by) financing activities	(23)	84	72	58	43
Net increase/(decrease) in cash held	(455)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	507	52	52	52	52
Cash and cash equivalents at the end of the reporting period	52	52	52	52	52

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	165	288	293	296	300
Total new capital appropriations	165	288	293	296	300
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	165	288	293	296	300
Total items	165	288	293	296	300
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB (a)	165	288	293	296	300
TOTAL	165	288	293	296	300
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	165	288	293	296	300
Total cash used to acquire assets	165	288	293	296	300

Prepared on Australian Accounting Standards basis.

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

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

Table 3.6: Statement of departmental asset movements (Budget year 2026–27)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2026				
Gross book value	993	692	2,290	3,975
Gross book value - ROU assets	3,235	-	-	3,235
Accumulated depreciation/ amortisation and impairment	(470)	(589)	(1,079)	(2,138)
Accumulated depreciation/amortisation and impairment - ROU assets	(1,941)	-	-	(1,941)
Opening net book balance	1,817	103	1,211	3,131
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services (a)	-	15	273	288
Total additions	-	15	273	288
Other movements				
Depreciation/amortisation expense	(87)	(17)	(381)	(485)
Depreciation/amortisation on ROU assets	(216)	-	-	(216)
Total other movements	(303)	(17)	(381)	(701)
As at 30 June 2027				
Gross book value	993	707	2,563	4,263
Gross book value - ROU assets	3,235	-	-	3,235
Accumulated depreciation/ amortisation and impairment	(557)	(606)	(1,460)	(2,623)
Accumulated depreciation/amortisation and impairment - ROU assets	(2,157)	-	-	(2,157)
Closing net book balance	1,514	101	1,103	2,718

Prepared on Australian Accounting Standards basis.

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2026–2027 for depreciation/amortisation expenses, DCBs or other operational expenses.

Housing Australia

Entity resources and planned performance

Housing Australia

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Housing Australia

Section 1: Entity overview and resources

1.1 Strategic direction statement

Housing Australia's purpose is to improve housing outcomes by increasing housing supply, encouraging investment in social and affordable housing, providing finance and grants that complement Commonwealth, state and territory housing initiatives, strengthening the community housing sector and facilitating access to home ownership for eligible Australians.

The 2025-26 Budget measure increasing Housing Australia's statutory liability cap from \$10 billion to \$26 billion enables delivery of the Housing Australia Future Fund (HAFF) Round 2. A further increase to \$44 billion will support Funding Round 3 and the Government's target of delivering 40,000 new social and affordable homes by 2029. Housing Australia will manage this expanded capacity within a strong risk, assurance and governance framework.

As major funding programs mature, Housing Australia's focus will continue to evolve from program pipeline development towards supporting effective delivery, with an increased emphasis on delivery assurance, value for money and effective stewardship of Commonwealth investment.

Delivery outcomes are influenced by program scale; construction sector capacity, pricing and workforce pressures; site readiness and counterpart funding; development approvals and state and territory planning requirements; and broader macro-economic conditions.

Housing Australia also continues to administer key home ownership initiatives, including the expanded Australian Government 5% Deposit Scheme and the Help to Buy Scheme, supporting eligible Australians to purchase new or existing homes through reduced upfront deposit and financing requirements.

Through these activities, Housing Australia will maximise the impact of Commonwealth investment in support of Outcome 1 by increasing housing supply, improving access to home ownership and strengthening the capability, sustainability and financial resilience of the community housing sector.

1.2 Entity resource statement

Table 1.1 shows the total resourcing from all sources available to the Housing Australia 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 Housing Australia’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. Amounts presented below are consistent with amounts presented in the Appropriation Bills themselves.

Table 1.1: Housing Australia resource statement – Budget estimates for 2026–27 as at Budget May 2026

	2025–26 <i>Estimated actual</i> \$'000	2026–27 Estimate \$'000
Opening balance/cash reserves at 1 July	1,192,896	1,599,951
Funds from Government		
Annual appropriations - ordinary annual services (a)		
Outcome 1	6,277	6,360
Amounts received from related entities		
Amounts from portfolio department (b)	552,035	468,259
Total amounts received from related entities	552,035	468,259
Total funds from Government	558,312	474,619
Funds from other sources		
Interest	98,857	113,275
Total funds from other sources	98,857	113,275
Total net resourcing for Housing Australia	1,850,065	2,187,845
	2025–26	2026–27
Average staffing level (number)	211	216

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

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

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

a) Appropriation Bill (No. 1) 2026–2027.

b) 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).

1.3 Budget measures

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

Table 1.2: Housing Australia 2026–27 Budget measures

Part 1: Measures announced since the 2025–26 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Payment measures						
Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension (a)						
Departmental payments	1.1	-	-	-	-	(10)
Total		-	-	-	-	(10)
Total payment measures						
Departmental		-	-	-	-	(10)
Total		-	-	-	-	(10)

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 Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension is the Department of Finance. The full measure description and package details appear in the Budget Paper No. 2 under Cross Portfolio 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 Housing Australia can be found at:
https://www.housingaustralia.gov.au/corporate_plan.

The most recent annual performance statement can be found at:
<https://www.housingaustralia.gov.au/annual-report-2024-25>.

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.

Linked programs

Department of the Treasury
Program
<ul style="list-style-type: none"> Program 1.5 – Support for Housing Supply and Affordability
Contribution to Outcome 1 made by linked programs
<p>Housing Australia is a Corporate Commonwealth Entity within the Treasury portfolio, responsible for delivering significant housing finance and home ownership programs under the <i>Housing Australia Act 2018</i>, the Housing Australia Investment Mandate Direction 2018, the <i>Help to Buy Act 2024</i>, and the Help to Buy Directions 2025.</p> <p>Treasury is responsible for policy advice and the legislative and policy frameworks governing these programs and works closely with Housing Australia to support their effective, timely and accountable delivery in line with Government priorities.</p>

Budgeted expenses for Outcome 1

This table shows how much Housing Australia 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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Program 1.1: Housing Australia					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	6,277	6,360	6,492	6,586	5,998
Payment from Treasury	233,229	513,111	732,539	826,139	964,748
Expenses not requiring appropriation in the budget year	721,901	2,517,416	620,960	213,457	63,467
Revenues from other independent sources	9,267	8,822	9,106	9,159	9,159
Total expenses for Program 1.1	970,674	3,045,709	1,369,097	1,055,341	1,043,372
Total expenses for Outcome 1	970,674	3,045,709	1,369,097	1,055,341	1,043,372

	2025–26	2026–27
Average staffing level (number)	211	216

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

Performance measures for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It is used by entities to describe the results they plan to achieve and the related key activities, as detailed in the current corporate plan (i.e. 2025–26), the context in which these activities are delivered, and how the performance of these activities will be measured. Where relevant, details of the 2026–27 Budget measures that have created new programs or materially changed existing programs are to be provided.

Table 2.1.2: Performance measures 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.	
Program 1.1 – Housing Australia	
Key activities (a)(b)	<ul style="list-style-type: none"> • Operation of the Housing Australia Future Fund Facility (HAFFF) through the provision of loans and grants to support delivery of the Government’s commitment to 30,000 social and affordable dwellings (20,000 social and 10,000 affordable) over five years, including in regional, rural and remote areas. <ul style="list-style-type: none"> – Encouragement of private sector investment in social and affordable housing projects supported under the HAFFF. • Operation of the National Housing Accord Facility (NHAF) through the provision of loans and grants to support delivery of the Government’s commitment to 10,000 additional affordable dwellings, including encouragement of private sector investment. • Operation of the National Housing Infrastructure Facility (NHIF) <ul style="list-style-type: none"> – Provision of loans and grants for eligible social and affordable housing, critical infrastructure projects and crisis and transitional accommodation for women and children experiencing family violence, young people experiencing or at risk of homelessness, and First Nations people, including those in regional, rural and remote areas. – Management of loans and grants in accordance with the Housing Australia Investment Mandate. • Capacity Building <ul style="list-style-type: none"> – Assistance and engagement with community housing providers to support development of financial and management capability and strengthen sector capacity. • Operation of the Australian Government 5% Deposit Scheme (formerly known as the Home Guarantee Scheme) <ul style="list-style-type: none"> – Facilitation of access to the Scheme for eligible home buyers and participating lenders. – Monitoring compliance with the Housing Australia Investment Mandate and Scheme Rules. • Operation of the Australian Government Help to Buy Scheme <ul style="list-style-type: none"> – Delivery of shared-equity assistance to support 40,000 Australian households over four years, with 10,000 places available annually. – Facilitation of access for eligible home buyers.

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1 – Housing Australia (continued)		
Year	Performance measures (f)	Expected performance results
Current Year 2025–26	The NHIF increases the supply of social and affordable dwellings in Australia. <i>(Measure 3 - Corporate Plan)</i>	Target: 'Yes' Expected actual: 'Yes' Target expected to be met.
	The NHIF provides loans and grants for new social and affordable dwellings. <i>(Measure 4 - Corporate Plan)</i>	Target: CT \$300 million; SA/CI \$100 million Expected actual: 'Yes' Target expected to be met
	The HAFFF and NHAFF increase the supply of social and affordable dwellings in Australia, in line with Government targets. <i>(Measure 5 - Corporate Plan)</i>	Target: HAFFF Social 3,000; HAFFF Affordable 1,000; NHAFF Affordable 2,000 Expected actual: HAFFF Social Nil; HAFFF Affordable Nil; NHAFF Affordable Nil Target at risk (c)
	Housing Australia supports the equitable distribution of dwellings across Australia for the HAFFF and NHAFF. <i>(Measure 6 - Corporate Plan)</i>	Target: 5 Funding commitments are made for 1,200 or more new social and affordable dwellings in at least five state and territories. Expected actual: 1,200 Target 'on track'
	Housing Australia identifies and establishes best practice processes to evaluate and measure outcomes of its funding, with evaluation undertaken following each funding round. <i>(Measure 7 - Corporate Plan)</i>	Target: 'Yes' Expected actual: 'Yes' Target expected to be met
	Number of capacity grant applications approved. (d) <i>(Measure 8 – Corporate Plan)</i>	Target: 2-6 Expected actual: 1 Target on track
	Home Guarantee Scheme places are made available for eligible homebuyers in line with Investment Mandate requirements. <i>(Measure 9 – Corporate Plan)</i>	Target: 'Yes' Expected actual: 'Yes' Target expected to be met.
	Help to Buy improves access to home ownership for low to middle income Australians, helping time buy new or existing homes by accessing a loan from the Australian Government that secured by an equity share and second mortgage. <i>(Measure 10 - Corporate Plan)</i>	Target: 'Yes'; and 10,000 Expected actual: 'Yes'; 6,500 Target at risk (e)

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1 – Housing Australia (continued)		
Year	Performance measures (g)	Planned performance results (h)
Budget Year 2026–27	<p>Performance measures align with those set out in the 2025–26 Portfolio Budget Statement, except for the number of capacity grant applications. Delivery of the Capacity building program remains on hold following Government-directed reprioritisation.</p> <p>Since the development of the 2025–26 Corporate Plan, amendments have been made to the Housing Australia Investment Mandate in relation to the Housing Australia Future Fund - Crisis and Transitional program. These amendments will be reflected in the 2026–27 Corporate Plan.</p> <p>Additional performance measure</p> <p>Housing Australia supports First Nations housing providers to access and deliver housing through the dedicated First Nations funding stream under the HAFF.</p>	<p>Performance results align with those set out in the 2025–26 Portfolio Budget Statement, except for the number of capacity grant applications. Delivery of the Capacity building program remains on hold following Government-directed reprioritisation.</p> <p>Target: Funding commitments under the \$600 million First Nations housing stream of the HAFF are made progressively, in line with Government directions and approved program settings.</p>
Forward Estimates 2027–30	As per 2026–27	As per 2026–27

- a) These activities align with the 2025–26 Corporate Plan. The Affordable Housing Bond Aggregator (AHBA) is classified as a Public Financial Corporation (PFC) and is excluded. The National Housing Infrastructure Facility, Housing Australia Future Fund Facility, National Housing Accord Facility, Home Guarantee Scheme and Help to Buy Scheme, are administered General Government Sector programs, with only the HAFF funded through the Housing Australia Future Fund and the remainder through appropriations.
- b) The Housing Australia Future Fund Facility (HAFF), National Housing Accord Facility (NHAF), and National Housing Infrastructure Facility (NHIF) is expected to rebrand under the Housing Australia Future Fund (HAFF) in 2026–27. Legacy program names may appear throughout this document pending formal consolidation.
- c) Funding Rounds 1 and 2 closed by 30 June 2025. Funding Round 3 commenced on 30 January 2026, with EOI Letters of Outcome issued on 15 April 2026 progressing 6,048 dwellings to the Detailed Application phase. A proportion of applications may progress to funding commitment prior to 30 June 2026, subject to assessment outcomes and approvals.
- d) The capacity building funding has been reprioritised to build the capacity of first nations housing providers to access HAFF funding. Support is delivered in accordance with Government direction and program settings.
- e) The Help to Buy Scheme commenced on 5 December 2025, and the late in-year commencement compressed the 2025–26 delivery period, limiting the ability to achieve the full year target for loan applications
- f) These measures align with those included in the 2025–26 Corporate Plan, excluding the AHBA performance measures.
- g) Subject to amendment of Housing Australia's Investment Mandate and decision of the Housing Australia Board. The performance targets will be developed and reported in the 2026–27 Corporate Plan.
- h) Where new programs are established in the 2026–27 Budget, all of the performance measures related to that new program need to be reported as outlined in the [Finance Secretary Direction](#).

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026–27 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

Housing Australia is budgeting for an operating loss in 2026–27 of \$344.7 million.

Total operating revenue for 2026–27 estimated at \$617.7 million with expenditure including grants and availability payments estimated to be \$464.0 million. The net impact of borrowing discounts (other gains) and concessional loan discounts (financial costs) is \$433.1 million.

The operating loss does not impact the entity's financial sustainability and primarily reflects the initial recognition of non-cash accounting adjustments for discounts on borrowings and concessional loans. Additional contributing factors include timing differences between the receipt of annual funding and the subsequent disbursement of grants across the various programs.

Housing Australia's balance sheet (Table 3.2) net assets as of 30 June 2027 is expected to be \$2.3 billion. Housing Australia's assets are mainly financial assets consisting of concessional loan receivables, investments and cash.

The financial statements have been prepared on an 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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
EXPENSES					
Employee benefits	37,499	38,432	30,244	16,918	3,948
Suppliers	30,268	19,899	13,733	13,434	11,199
Grants	179,242	464,046	693,600	794,053	940,213
Depreciation and amortisation	271	271	271	158	-
Finance costs	721,393	2,516,383	620,707	213,225	62,491
Write-down and impairment of assets	237	762	(18)	74	976
Other expenses	1,764	5,916	10,560	17,479	24,545
Total expenses	970,674	3,045,709	1,369,097	1,055,341	1,043,372
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	98,953	113,558	121,260	130,002	134,666
Other	6,483	29,537	50,003	57,942	64,657
Total own-source revenue	105,436	143,095	171,263	187,944	199,323
Gains					
Other	592,226	2,083,265	487,287	134,116	2,814
Total gains	592,226	2,083,265	487,287	134,116	2,814
Total own-source income	697,662	2,226,360	658,550	322,060	202,137
Net (cost of)/contribution by services	(273,012)	(819,349)	(710,547)	(733,281)	(841,235)
Revenue from Government	558,312	474,619	630,890	711,015	739,068
Surplus/(deficit) attributable to the Australian Government	285,300	(344,730)	(79,657)	(22,266)	(102,167)
Total comprehensive income/(loss)	285,300	(344,730)	(79,657)	(22,266)	(102,167)
Total comprehensive income/(loss) attributable to the Australian Government	285,300	(344,730)	(79,657)	(22,266)	(102,167)

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	392,050	195,550	218,532	213,946	127,453
Trade and other receivables	366,261	937,259	1,095,662	1,238,665	1,553,267
Other investments	2,176,787	2,196,411	2,191,730	2,125,629	1,848,382
Other financial assets	38	40	41	37	37
Total financial assets	2,935,136	3,329,260	3,505,965	3,578,277	3,529,139
Non-financial assets					
Intangibles	700	429	158	-	-
Total non-financial assets	700	429	158	-	-
Total assets	2,935,836	3,329,689	3,506,123	3,578,277	3,529,139
LIABILITIES					
Payables					
Grants	2,991	16,927	63,242	64,823	66,444
Other payables	5,755	5,899	6,047	6,198	6,353
Total payables	8,746	22,826	69,289	71,021	72,797
Interest bearing liabilities					
Loans	229,886	981,649	1,190,913	1,283,399	1,334,606
Total interest bearing liabilities	229,886	981,649	1,190,913	1,283,399	1,334,606
Provisions					
Employee provisions	2,101	2,563	2,927	3,129	3,175
Other provisions	27,722	-	-	-	-
Total provisions	29,823	2,563	2,927	3,129	3,175
Total liabilities	268,455	1,007,038	1,263,129	1,357,549	1,410,578
Net assets	2,667,381	2,322,651	2,242,994	2,220,728	2,118,561
EQUITY*					
Parent entity interest					
Contributed equity	1,125,000	1,125,000	1,125,000	1,125,000	1,125,000
Retained surplus (accumulated deficit)	1,542,381	1,197,651	1,117,994	1,095,728	993,561
Total parent entity interest	2,667,381	2,322,651	2,242,994	2,220,728	2,118,561
Total equity	2,667,381	2,322,651	2,242,994	2,220,728	2,118,561

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 2026–27)

	Retained earnings \$'000	Contributed equity/capital \$'000	Total equity \$'000
Opening balance as at 1 July 2026			
Balance carried forward from previous period	1,542,381	1,125,000	2,667,381
Adjusted opening balance	1,542,381	1,125,000	2,667,381
Comprehensive income			
Surplus/(deficit) for the period	(344,730)	-	(344,730)
Total comprehensive income	(344,730)	-	(344,730)
Estimated closing balance as at 30 June 2027	1,197,651	1,125,000	2,322,651
Closing balance attributable to the Australian Government	1,197,651	1,125,000	2,322,651

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Receipts from Government	558,312	474,619	630,890	711,015	739,068
Interest	98,857	113,275	121,506	129,380	136,137
Net GST received	(15)	(15)	(16)	(16)	(17)
Total cash received	657,154	587,879	752,380	840,379	875,188
Cash used					
Employees	37,048	37,970	29,880	16,716	3,902
Suppliers	30,268	19,899	13,733	13,434	11,199
Grants	176,433	450,110	647,285	792,472	938,592
Other	6,350	27,738	49,004	62,830	74,611
Total cash used	250,099	535,717	739,902	885,452	1,028,304
Net cash from/(used by) operating activities	407,055	52,162	12,478	(45,073)	(153,116)
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of financial instruments	-	-	4,682	66,101	277,247
Repayments of advances and loans	36,229	64,049	54,898	86,162	26,634
Total cash received	36,229	64,049	59,580	152,263	303,881
Cash used					
Advances and loans made	926,875	3,128,114	745,627	338,378	291,279
Proceeds from sales of financial instruments	441,493	19,625	-	-	-
Total cash used	1,368,368	3,147,739	745,627	338,378	291,279
Net cash from/(used by) investing activities	(1,332,139)	(3,083,690)	(686,047)	(186,115)	12,602
FINANCING ACTIVITIES					
Cash received					
Proceeds from borrowings	804,300	2,835,028	696,551	226,602	54,021
Total cash received	804,300	2,835,028	696,551	226,602	54,021
Net cash from/(used by) financing activities	804,300	2,835,028	696,551	226,602	54,021
Net increase/(decrease) in cash held	(120,784)	(196,500)	22,982	(4,586)	(86,493)
Cash and cash equivalents at the beginning of the reporting period	512,834	392,050	195,550	218,532	213,946
Cash and cash equivalents at the end of the reporting period	392,050	195,550	218,532	213,946	127,453

Prepared on Australian Accounting Standards basis.

Table 3.5: Statement of departmental asset movements (Budget year 2026–27)

	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2026		
Gross book value	2,763	2,763
Accumulated depreciation/amortisation and impairment	(2,063)	(2,063)
Opening net book balance	700	700
Other movements		
Depreciation/amortisation expense	(271)	(271)
Total other movements	(271)	(271)
As at 30 June 2027		
Gross book value	2,763	2,763
Accumulated depreciation/amortisation and impairment	(2,334)	(2,334)
Closing net book balance	429	429

Prepared on Australian Accounting Standards basis.

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 and Taxation Ombudsman is to improve the fairness and integrity of the taxation and superannuation administration.

The Inspector General of Taxation and Taxation Ombudsman's strategic direction for 2026–27 is to achieve this by:

- investigating and helping resolve complaints from taxpayers or tax practitioners on the administration of the Australian Taxation Office (ATO) or Tax Practitioners Board (TPB) in a timely and efficient way
- reviewing and making recommendations on systemic issues relevant to improving tax administration
- providing independent advice to the Government and Parliament on tax administration
- raising awareness of the role of the Inspector General of Taxation and Taxation Ombudsman and promoting the integrity of the tax system.

The Inspector General of Taxation and Taxation Ombudsman'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 resourcing 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, while the ‘Budgeted expenses by Outcome 1’ tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis. Amounts presented below are consistent with amounts presented in the Appropriation Bills themselves.

Table 1.1: Inspector-General of Taxation resource statement – Budget estimates for 2026–27 as at Budget May 2026

	<i>2025–26 Estimated actual \$'000</i>	<i>2026–27 Estimate \$'000</i>
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	3,772	3,772
Departmental appropriation (b)	9,041	9,045
Departmental capital budget (c)	34	35
Total departmental annual appropriations	12,847	12,852
Total departmental resourcing	12,847	12,852
Total resourcing for entity Inspector-General of Taxation	12,847	12,852
	<i>2025–26</i>	<i>2026–27</i>
Average staffing level (number)	35	35

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

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

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

- a) Appropriation Bill (No. 1) 2026–27.
- b) Excludes departmental capital budget (DCB).
- c) Departmental capital budgets are not separately identified in Appropriation Bill (No. 1) and Supply 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

Budget measures in Part 1 relating to the Inspector-General of Taxation and Taxation Ombudsman are detailed in the Budget Paper No. 2 and are summarised below.

Table 1.2: Inspector-General of Taxation 2026–27 Budget measures

Part 1: Measures announced since the 2025–26 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Payment measures						
Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension (a)						
Departmental payments	1.1	-	-	-	-	(346)
Total		-	-	-	-	(346)
Total payment measures						
Departmental		-	-	-	-	(346)
Total		-	-	-	-	(346)

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 Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension is the Department of Finance. The full measure description and package details appear in the Budget Paper No. 2 under Cross Portfolio 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 IGTO can be found at:

https://taxombudsman.gov.au/wp-content/uploads/2025/08/14046_IGTO_CorporatePlan_DV07-Digital.pdf

The most recent annual performance statement can be found at:

https://taxombudsman.gov.au/wp-content/uploads/2025/12/14042_AnnualReport2024-25_Digital_FA02_edit.pdf

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 Inspector General of Taxation and Taxation Ombudsman 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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Program 1.1: Inspector-General of Taxation					
Departmental expenses					
Departmental appropriation	9,041	9,045	9,141	9,221	7,086
s74 External Revenue (a)	60	60	60	60	60
Expenses not requiring appropriation in the Budget year (b)	369	314	30	94	72
Departmental total	9,470	9,419	9,231	9,375	7,218
Total expenses for program 1.1	9,470	9,419	9,231	9,375	7,218
Total expenses for Outcome 1	9,470	9,419	9,231	9,375	7,218

	2025–26	2026–27
Average staffing level (number)	35	35

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 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.

Performance measures for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It is used by entities to describe the results they plan to achieve and the related key activities, as detailed in the current corporate plan (i.e 2025–26), the context in which these activities are delivered, and how the performance of these activities will be measured. Where relevant, details of the 2026–27 Budget measures that have created new programs or materially changed existing programs are to be provided.

Table 2.1.2: Performance measure 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.		
Program 1.1- Inspector-General of Taxation To improve tax administration through an effective complaints disputes investigation service, systemic review of prioritised areas of tax administration and 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"> Investigating and helping resolve complaints from taxpayers or tax practitioners on the administration of the Australian Taxation Office (ATO) or Tax Practitioners Board (TPB) in a timely and efficient way. Reviewing and making recommendations on systemic issues relevant to improving tax administration. Providing independent advice to the Government and Parliament on tax administration. Raising awareness of the role of the Inspector General of Taxation and Taxation Ombudsman and promoting the integrity of the tax system. 	
Year	Performance measures	Expected performance results
Current Year 2025–26	<ul style="list-style-type: none"> Timely resolution of tax administration complaints. Satisfaction of taxpayers making complaints. Systemic reviews completed and published. Systemic review recommendations agreed. Systemic review recommendations implemented within planned timeframe. Stakeholder satisfaction. Public awareness. 	<ul style="list-style-type: none"> 60% of complaints resolved in 50 calendar days / 85% of complaints resolved in 80 calendar days. 70% satisfaction of taxpayers who make complaints. At least 4 reviews undertaken on priority areas of tax administration. 80% of recommendations made to the ATO or TPB are agreed and 90% are implemented within agreed timeframe. 90% of stakeholders are satisfied. Increased public awareness of the work of the Inspector-General of Tax.
Budget Year 2026–27	As per 2025–26 plus <ul style="list-style-type: none"> Resolution of complaint enquiries in a timely way. Quality assurance of complaints. 	As per 2025–26 plus <ul style="list-style-type: none"> Initial complaint enquiries are resolved in a timely way. Number of complaints who pass a quality assurance threshold. Measures to be published in the 2027–2030 Corporate Plan.
Forward Estimates 2027–30	As per 2026–27	As per 2026–27

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026–27 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 Inspector General of Taxation and Taxation Ombudsman is budgeting for a break-even operating result in 2026–27.

3.2 Budgeted financial statements tables

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
EXPENSES					
Employee benefits	4,606	4,624	4,624	4,624	4,624
Suppliers	4,235	4,182	4,031	4,324	2,171
Depreciation and amortisation (a)	608	600	568	377	383
Finance costs	21	13	8	50	40
Total expenses	9,470	9,419	9,231	9,375	7,218
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	(9,410)	(9,359)	(9,171)	(9,315)	(7,158)
Revenue from Government	9,041	9,045	9,141	9,221	7,086
Surplus/(deficit) attributable to the Australian Government	(369)	(314)	(30)	(94)	(72)
Total comprehensive income/(loss)	(369)	(314)	(30)	(94)	(72)
Total comprehensive income/(loss) attributable to the Australian Government	(369)	(314)	(30)	(94)	(72)

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**

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(369)	(314)	(30)	(94)	(72)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	365	357	317	37	43
plus: depreciation/amortisation expenses for ROU assets (b)	243	243	251	340	340
less: lease principal repayments (b)	239	286	538	283	311
Net Cash Operating Surplus/ (Deficit)	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

- a) From 2010–11, the Government introduced net cash appropriation arrangements that provided non-corporate Commonwealth entities with a separate Departmental Capital Budget (DCB) under Appropriation Bill (No. 1). This replaced revenue appropriations provided under Appropriation Bill (No. 1) used for the depreciation/amortisation expenses. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
- b) Applies to leases under AASB 16 *Leases*.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	20	20	20	20	20
Trade and other receivables	3,781	3,781	3,781	3,781	3,781
Total financial assets	3,801	3,801	3,801	3,801	3,801
Non-financial assets					
Land and buildings	1,068	511	1,670	1,330	990
Property, plant and equipment	65	57	64	64	65
Other non-financial assets	125	125	125	125	125
Total non-financial assets	1,258	693	1,859	1,519	1,180
Total assets	5,059	4,494	5,660	5,320	4,981
LIABILITIES					
Payables					
Suppliers	162	162	162	162	162
Other payables	223	223	223	223	223
Total payables	385	385	385	385	385
Interest bearing liabilities					
Leases	595	309	1,469	1,186	875
Total interest bearing liabilities	595	309	1,469	1,186	875
Provisions					
Employee provisions	1,868	1,868	1,868	1,868	1,868
Other provisions	171	171	171	171	171
Total provisions	2,039	2,039	2,039	2,039	2,039
Total liabilities	3,019	2,733	3,893	3,610	3,299
Net assets	2,040	1,761	1,767	1,710	1,682
EQUITY*					
Parent entity interest					
Contributed equity	1,515	1,550	1,586	1,623	1,667
Reserves	364	364	364	364	364
Retained surplus (accumulated deficit)	161	(153)	(183)	(277)	(349)
Total parent entity interest	2,040	1,761	1,767	1,710	1,682
Total equity	2,040	1,761	1,767	1,710	1,682

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 2026–27)

	Retained earnings	Asset revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2026				
Balance carried forward from previous period	161	364	1,515	2,040
Adjusted opening balance	161	364	1,515	2,040
Comprehensive income				
Surplus/(deficit) for the period	(314)	-	-	(314)
Total comprehensive income	(314)	-	-	(314)
Contributions by owners				
Departmental Capital Budget (DCB)	-	-	35	35
Sub-total transactions with owners	-	-	35	35
Estimated closing balance as at 30 June 2027	-	-	35	35
Closing balance attributable to the Australian Government	(153)	364	1,550	1,761

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	9,041	9,045	9,141	9,221	7,086
Total cash received	9,041	9,045	9,141	9,221	7,086
Cash used					
Employees	4,606	4,624	4,624	4,624	4,624
Suppliers	4,175	4,122	3,971	4,264	2,111
Interest payments on lease liability	21	13	8	50	40
Total cash used	8,802	8,759	8,603	8,938	6,775
Net cash from/(used by) operating activities	239	286	538	283	311
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	34	35	36	37	44
Total cash used	34	35	36	37	44
Net cash from/(used by) investing activities	(34)	(35)	(36)	(37)	(44)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	34	35	36	37	44
Total cash received	34	35	36	37	44
Cash used					
Principal payments on lease liability	239	286	538	283	311
Total cash used	239	286	538	283	311
Net cash from/(used by) financing activities	(205)	(251)	(502)	(246)	(267)
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)

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	34	35	36	37	44
Total new capital appropriations	34	35	36	37	44
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	34	35	36	37	44
Total items	34	35	36	37	44
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB (a)	34	35	36	37	44
TOTAL	34	35	36	37	44
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	34	35	36	37	44
Total cash used to acquire assets	34	35	36	37	44

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 2026–27)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2026				
Gross book value	1,257	329	-	1,586
Gross book value - ROU assets	1,217	-	-	1,217
Accumulated depreciation/ amortisation and impairment	(656)	(264)	-	(920)
Accumulated depreciation/amortisation and impairment - ROU assets	(750)	-	-	(750)
Opening net book balance	1,068	65	-	1,133
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	-	35	-	35
Total additions	-	35	-	35
Other movements				
Depreciation/amortisation expense	(314)	(43)	-	(357)
Depreciation/amortisation on ROU assets	(243)	-	-	(243)
Total other movements	(557)	(43)	-	(600)
As at 30 June 2027				
Gross book value	1,257	364	-	1,621
Gross book value - ROU assets	1,217	-	-	1,217
Accumulated depreciation/ amortisation and impairment	(970)	(307)	-	(1,277)
Accumulated depreciation/amortisation and impairment - ROU assets	(993)	-	-	(993)
Closing net book balance	511	57	-	568

Prepared on Australian Accounting Standards basis.

a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2026–27 and includes Collections Development Acquisition Budgets (CDABs).

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) supports the Australian Government’s objectives to lift productivity and strengthen a dynamic, competitive economy by: (i) administering key elements of the National Access Regime in Part IIIA of the *Competition and Consumer Act 2010* (CCA); (ii) performing functions under the *National Gas Access (Western Australia) Law*;¹ and (iii) performing functions under the Intergovernmental Agreement (IGA) on National Competition Policy (NCP) and the associated Federation Funding Agreement (FFA) Schedule. Over the 2026–27 Budget year and the forward estimates, the NCC will continue to provide timely, independent, evidence-based recommendations, decisions and advice that promote the efficient operation and use of, and investment in, nationally significant infrastructure, and support effective implementation, monitoring and advancement of nationally agreed competition reforms.

Major ongoing functions

- **National Access Regime (Part IIIA, CCA):** assessing declaration applications and making recommendations to the designated Minister; recommendations on certification of State and Territory access regimes; and publication of related guidance and information.
- **Western Australian gas access:** making recommendations to the designated Minister on pipeline coverage, price regulation and greenfields exemptions, and deciding on the form of regulation and classification (transmission or distribution) for covered pipelines.
- **National Competition Policy (IGA and FFA):** assessing progress of nationally agreed competition reforms, reporting on jurisdictions’ delivery, and providing independent advice to the Australian Government on whether commitments have been met (including advice relevant to reform-related payments), supported by engagement, thematic reviews and guidance on the National Competition Principles.

1 In Western Australia, gas pipeline access is governed by the National Gas Access (Western Australia) Law, which adopts version 1 of the National Gas Rules (NGR) (other jurisdictions use version 70 as at May 2023). Amendments made on 2 March 2023 removed the NCC’s access determination powers under versions 1–67 in other jurisdictions, with the Australian Energy Regulator now applying the form of regulation test. As a result, the NCC’s access determination powers for gas pipelines now apply only in Western Australia.

Strategic direction for 2026–27 and the forward estimates

- **Deliver high-quality, timely advice and decisions:** maintain robust analysis and consultation to meet legislative requirements and statutory timeframes.
- **Promote efficient infrastructure markets:** apply Part IIIA and the WA gas access framework to support competition, efficiency and productivity.
- **Support nationally agreed competition reforms:** monitor NCP progress and provide independent advice and reporting to support transparency and accountability.
- **Maintain accessible guidance and information:** keep NCC guidance and public resources current and easy to use.
- **Strengthen engagement and capability:** deepen engagement with key stakeholders to improve inputs and support reform delivery.
- **Operate effectively under the service level arrangements:** deliver under the ACCC Memorandum of Understanding (MoU) while maintaining the NCC's independent decision-making.

Key challenges over the medium term

- **New functions:** the NCC has been charged with new functions, including undertaking independent research and providing advice on measures to promote competition and support effective implementation and advancement of National Competition Policy, as well as the provision of public education on the benefits of competition and competition policy reform.
- **Workload variability and time-critical statutory processes:** applications and requests can be irregular, complex and resource intensive, while statutory time limits constrain delivery.
- **Market and policy complexity:** infrastructure access matters can involve evolving market conditions, significant stakeholder interests and complex legal and economic issues.
- **Inter-jurisdictional reform dependencies:** NCP assessment and advice is influenced by the timing, sequencing and evidentiary quality of jurisdictional reform activity.
- **Maintaining capability and resilience:** the NCC must sustain specialist expertise and governance arrangements while operating with staff and corporate support provided under the ACCC MoU.

Planned results and goals

- Provide recommendations and decisions within applicable statutory timeframes and in a form that meets the requirements of decision-making Ministers and other responsible authorities.
- Publish independent assessments and advice that support accountability for the delivery of nationally agreed competition reforms.
- Maintain contemporary, accessible public guidance and information resources to support stakeholders' understanding of NCC processes and statutory frameworks.
- Support confidence in access and reform processes through transparent consultation, clear reasons and sound governance.

Contribution to whole-of-government priorities

The NCC's work supports whole-of-government priorities to lift productivity and improve economic resilience by helping ensure infrastructure-dependent markets operate more efficiently, regulatory barriers are reduced over time through competition reforms, and nationally agreed reform commitments are implemented transparently and consistently across jurisdictions. More detailed operational information is set out in the NCC's corporate plan and published guidance and reports (see NCC website).

1.2 Entity resource statement

Table 1.1 shows the total resourcing 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. Amounts presented below are consistent with amounts presented in the Appropriation Bills themselves.

Table 1.1: National Competition Council resource statement – Budget estimates for 2026–27 as at Budget May 2026

	<i>2025–26 Estimated actual \$'000</i>	2026–27 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	3,431	3,432
Departmental appropriation (b)	1,684	3,254
Total departmental resourcing	5,115	6,686
Total resourcing for National Competition Council	5,115	6,686

	<i>2025–26</i>	2026–27
Average staffing level (number)	<i>1</i>	9

Third party payments from and on behalf of other entities

	<i>2025–26 Estimated actual \$'000</i>	2026–27 Estimate \$'000
Payments made by other entities on behalf of the NCC (disclosed above)	1,684	3,254
Payments made to other entities for the provision of services (disclosed above)	925	925

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

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

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

a) Appropriation Bill (No. 1) 2026–2027.

b) Excludes departmental capital budget (DCB).

1.3 Budget measures

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

Table 1.2: National Competition Council 2026–27 Budget measures

Part 1: Measures announced since the 2025–26 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Payment measures						
Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension (a)						
Departmental payments	1.1	-	-	-	-	(320)
Total		-	-	-	-	(320)
Total payment measures						
Departmental		-	-	-	-	(320)
Total		-	-	-	-	(320)

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 Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension is the Department of Finance. The full measure description and package details appear in the Budget Paper No. 2 under Cross Portfolio measures.

Part 2: Other measures not previously reported in a portfolio statement

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Payment measures						
Competition Reforms (a)						
Departmental payments	1.1	-	1,625	1,743	1,766	1,788
Total		-	1,625	1,743	1,766	1,788
Further Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses (b)						
Departmental payments	1.1	(87)	(174)	(176)	(174)	-
Total		(87)	(174)	(176)	(174)	-
Total payment measures						
Departmental		(87)	1,451	1,567	1,592	1,788
Total		(87)	1,451	1,567	1,592	1,788

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) Measure relates to a measure identified in the Mid-Year Economic and Fiscal Outlook 2025–26 unreported in a prior statement.
- b) Measure relates to a measure identified in the Mid-Year Economic and Fiscal Outlook 2025–26 unreported in a prior statement. The lead entity for the measure titled Further Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses is the Department of Finance. The full measure description and package details appear in the Mid-Year Economic and Fiscal Outlook 2025–26 under Cross Portfolio 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 NCC 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: Promote competition and support effective implementation and advancement of National Competition Policy including through independent research, advice and public education, and promote the efficient operation of, use of, and investment in, infrastructure through recommendations and decisions under the National Access Regime in Part IIIA of the Competition and Consumer Act 2010.

Table 2.1: Changes to the outcome and program structures since the last portfolio statement

Outcome changes

New Outcome 1	<i>Promote competition and support effective implementation and advancement of National Competition Policy including through independent research, advice and public education, and promote the efficient operation of, use of, and investment in, infrastructure through recommendations and decisions under the National Access Regime in Part IIIA of the Competition and Consumer Act 2010.</i>
Description of change:	New outcome, created for Budget 2026–27, supersedes the old Outcome 1. From 2026–27, the outcome statement for the NCC has been updated to reflect new functions of the NCC in support of its roles under a proposed revitalised National Competition Policy.
Old Statement:	<i>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.</i>

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Program 1.1: National Competition Council					
Departmental expenses					
Departmental appropriation	1,684	3,254	3,409	3,456	3,467
Expenses not requiring appropriation in the Budget year (a)	34	34	34	34	34
Departmental total	1,718	3,288	3,443	3,490	3,501
Total expenses for program 1.1	1,718	3,288	3,443	3,490	3,501
Total expenses for Outcome 1	1,718	3,288	3,443	3,490	3,501

	2025–26	2026–27
Average staffing level (number)	1	9

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.

Performance measures for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It is used by entities to describe the results they plan to achieve and the related key activities, as detailed in the current corporate plan (i.e. 2025–26), the context in which these activities are delivered, and how the performance of these activities will be measured. Where relevant, details of the 2026–27 Budget measures that have created new programs or materially changed existing programs are to be provided.

Table 2.1.2: Performance measures for Outcome 1

<p>Outcome 1 – Promote competition and support effective implementation and advancement of National Competition Policy including through independent research, advice and public education, and promote the efficient operation of, use of, and investment in, infrastructure through recommendations and decisions under the National Access Regime in Part IIIA of the Competition and Consumer Act 2010.</p>	
<p>Program 1.1- National Competition Council The NCC’s objectives are to support the implementation, monitoring and assessment of nationally agreed competition reforms, and to make decisions on infrastructure access issues that accord with statutory requirements (including time limits) and good regulatory practice. The NCC should ensure that advice meets requirements of decision-making Ministers, such that Australia achieves a consistent approach to national competition policy and access regulation that promotes effective competition.</p>	
<p>Key activities</p>	<p>Provide recommendations to designated Ministers on Part IIIA declaration applications and certification of State and Territory access regimes.</p> <p>Under the WA NGL, provide recommendations to designated Ministers on pipeline coverage, price regulation and greenfields incentives.</p> <p>Advise Parliament on the National Access Regime, including the form of regulation and classification of natural gas pipelines (CCA s29O).</p> <p>Provide recommendation to the Treasurer on jurisdictions’ NCP progress under the relevant Federation Funding Agreement (annual assessment reporting).</p> <p>On request, provide binding ex ante advice on reform implementation under the 2024 NCP Federation Funding Agreement.</p> <p>On request, provide expert advice on the National Competition Principles.</p> <p>Publish periodic thematic reviews of the National Competition Principles and consult with Parties in developing them.</p> <p>Deliver public education on the benefits of competition and competition policy reform.</p> <p>On request, provide reports and advice to the Commonwealth Minister under the NCP IGA and Federation Funding Agreement.</p>

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1- National Competition Council (continued)		
The NCC's objectives are to support the implementation, monitoring and assessment of nationally agreed competition reforms, and to make decisions on infrastructure access issues that accord with statutory requirements (including time limits) and good regulatory practice. The NCC should ensure that advice meets requirements of decision-making Ministers, such that Australia achieves a consistent approach to national competition policy and access regulation that promotes effective competition.		
Year	Performance measures	Expected performance results
Current Year 2025–26	Recommendations on declaration applications are made within statutory time limits (consideration period of 180 days, subject to 'clock stopping' provisions) and meet the advice requirements of Ministers.	No declaration applications were made in 2025–26 and the NCC 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 the advice requirements of Ministers.	No certification applications were made in 2025–26 and the NCC therefore was not required to make any recommendations.
	Recommendations and decisions under the National Gas Access (Western Australia) Law made within specified time limits and recommendations under the National Gas Law meet the advice requirements of Ministers.	No recommendations or decisions under the National Gas Access (Western Australia) Law were required to be made by the NCC during 2025–26.
	Accessible information on all access regulation matters for which the NCC is responsible is provided on the NCC website.	The NCC website contains 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.	Guides to declaration and certification under the NAR and all Council functions are all available on the Council's website.
	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 NCC'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 s290 of the CCA and is provided within the timeframe required by the PGPA Act (i.e. by the 15th day of the fourth month after the end of the reporting period).	The NCC's 2024–25 Annual Report was provided to the Treasurer within the timeframe required by the PGPA Act. The Annual Report met the requirements of s290 of the CCA.

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1- National Competition Council (continued)		
The NCC's objectives are to support the implementation, monitoring and assessment of nationally agreed competition reforms, and to make decisions on infrastructure access issues that accord with statutory requirements (including time limits) and good regulatory practice. The NCC should ensure that advice meets requirements of decision-making Ministers, such that Australia achieves a consistent approach to national competition policy and access regulation that promotes effective competition.		
Year	Performance measures	Planned performance results
Budget Year 2026–27	Recommendations on declaration applications are made within statutory time limits (consideration period of 180 days, subject to 'clock stopping' provisions) and meet the 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 the advice requirements of Ministers.	All recommendations are forecast to be made within the statutory time limits.
	Independent advice provided to the Australian Government on the extent to which jurisdictions have met National Competition Policy reform commitments.	Independent advice provided to Government in accordance with agreed timeframes.
Forward Estimates 2027–30	As per 2026–27.	As per 2026–27.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026–27 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 2026–27 and the forward years. The financial statements have been prepared on an Australian Accounting Standards basis.

The NCC is estimated to receive own source income of \$8,000 in 2026–27 being fees for applications made to it under the National Gas Access (Western Australia) Law.

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 2025 Compilation No. 5* 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

	2025–26 Estimated actual	2026–27 Budget	2027–28 Forward estimate	2028–29 Forward estimate	2029–30 Forward estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Employee benefits	118	1,387	1,403	1,424	1,442
Suppliers	1,600	1,901	2,040	2,066	2,059
Total expenses	1,718	3,288	3,443	3,490	3,501
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	(1,684)	(3,254)	(3,409)	(3,456)	(3,467)
Revenue from Government	1,684	3,254	3,409	3,456	3,467
Surplus/(deficit) attributable to the Australian Government	-	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	48	48	48	48	48
Trade and other receivables	3,432	3,432	3,432	3,432	3,432
Total financial assets	3,480	3,480	3,480	3,480	3,480
Non-financial assets					
Other non-financial assets	232	232	232	232	232
Total non-financial assets	232	232	232	232	232
Total assets	3,712	3,712	3,712	3,712	3,712
LIABILITIES					
Payables					
Other payables	3	3	3	3	3
Total payables	3	3	3	3	3
Total liabilities	3	3	3	3	3
Net assets	3,709	3,709	3,709	3,709	3,709
EQUITY*					
Parent entity interest					
Contributed equity	81	81	81	81	81
Retained surplus (accumulated deficit)	3,628	3,628	3,628	3,628	3,628
Total parent entity interest	3,709	3,709	3,709	3,709	3,709
Total equity	3,709	3,709	3,709	3,709	3,709

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 2026–27)

	Retained earnings \$'000	Contributed equity/capital \$'000	Total equity \$'000
Opening balance as at 1 July 2026			
Balance carried forward from previous period	3,628	81	3,709
Adjusted opening balance	3,628	81	3,709
Estimated closing balance as at 30 June 2027	3,628	81	3,709
Closing balance attributable to the Australian Government	3,628	81	3,709

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	1,684	3,254	3,409	3,456	3,467
Net GST received	157	187	201	203	203
Total cash received	1,841	3,441	3,610	3,659	3,670
Cash used					
Employees	118	1,387	1,403	1,424	1,442
Suppliers	1,566	1,867	2,006	2,032	2,025
Net GST paid	157	187	201	203	203
Total cash used	1,841	3,441	3,610	3,659	3,670
Net cash from/(used by) operating activities	-	-	-	-	-
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	48	48	48	48	48
Cash and cash equivalents at the end of the reporting period	48	48	48	48	48

Prepared on Australian Accounting Standards basis.

Table 3.5: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Fees and fines	8	8	8	8	8
Total non-taxation revenue	8	8	8	8	8
Total own-source revenue administered on behalf of Government	8	8	8	8	8
Net (cost of)/contribution by services	8	8	8	8	8
Total comprehensive income/(loss)	8	8	8	8	8

Prepared on Australian Accounting Standards basis.

Table 3.6: Schedule of budgeted administered cash flows (for the period ended 30 June)

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Fees	8	8	8	8	8
Total cash received	8	8	8	8	8
Net cash from/(used by) operating activities	8	8	8	8	8
Net increase/(decrease) in cash held	8	8	8	8	8
Cash and cash equivalents at beginning of reporting period					
Cash from Official Public Account for:					
- Transfers from other entities (Finance - Whole of Government)	(8)	(8)	(8)	(8)	(8)
Total cash from Official Public Account	(8)	(8)	(8)	(8)	(8)
Cash and cash equivalents at end of reporting period	-	-	-	-	-

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 priorities 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
- consistent with the above develop standards and guidance for assurance over sustainability information as well as continue to support implementation and education of assurance over sustainability information.
- monitor the Australian Assurance Environment and build and maintain 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 resourcing 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. Amounts presented below are consistent with amounts presented in the Appropriation Bills themselves.

Table 1.1: Office of the Auditing and Assurance Standards Board (AUASB) resource statement – Budget estimates for 2026–27 as at Budget May 2026

	2025–26 <i>Estimated actual</i> \$'000	2026–27 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	2,770	3,263
Departmental appropriation (b)	3,563	3,911
Departmental capital budget (c)	26	26
Total departmental annual appropriations	6,359	7,200
Total departmental resourcing	6,359	7,200
Total resourcing for AUASB	6,359	7,200
	2025–26	2026–27
Average staffing level (number)	12	13

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

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

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

- a) Appropriation Bill (No. 1) 2026–2027.
- 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

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

Table 1.2: Office of the Auditing and Assurance Standards Board 2026–27 Budget Measures

Part 1: Measures announced since the 2025–26 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Payment measures						
Protecting Investors and Strengthening the Superannuation System						
Departmental payments	1.1	-	295	553	408	52
Total		-	295	553	408	52
Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension (a)						
Departmental payments	1.1	-	-	-	-	(94)
Total		-	-	-	-	(94)
Total payment measures						
Departmental		-	295	553	408	(42)
Total		-	295	553	408	(42)

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 Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension is the Department of Finance. The full measure description and package details appear in the Budget Paper No. 2 under Cross Portfolio 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 AUASB can be found at:

https://auasb.gov.au/media/wttnoeu0/aasb-auasb_corporateplan2025-26_08-25.pdf.

The most recent annual performance statement can be found at:

https://auasb.gov.au/media/bnenawfr/aasb-auasb_annualreport2024-25.pdf.

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Formulating and making auditing, review and assurance standards for Australian entity financial reports and sustainability reports as well as for 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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Program 1.1: Office of the Auditing and Assurance Standards Board					
Departmental expenses					
Departmental appropriation	3,563	3,911	4,177	3,256	2,840
Expenses not requiring appropriation in the Budget year (a)	139	139	140	141	142
Departmental total	3,702	4,050	4,317	3,397	2,982
Total expenses for program 1.1	3,702	4,050	4,317	3,397	2,982
Total expenses for Outcome 1	3,702	4,050	4,317	3,397	2,982
	2025–26	2026–27			
Average staffing level (number)	12	13			

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

Partial funding for Mandating Climate-Related Financial Disclosures will be held in the Contingency Reserve pending finalisation of arrangements for the new Standards Body. Further information can be found in the 2023–24 MYEFO. Funding provided to AUASB for Mandating Climate-Related Financial Disclosures was \$1.4 million in 2026–27 and \$1.4 million in 2027–28.

Performance measures for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It is used by entities to describe the results they plan to achieve and the related key activities, as detailed in the current corporate plan (i.e. 2025–26), the context in which these activities are delivered, and how the performance of these activities will be measured. Where relevant, details of the 2026–27 Budget measures that have created new programs or materially changed existing programs are to be provided.

Table 2.1.2: Performance measures for Outcome 1

Outcome 1 - Formulating and making auditing, review and assurance standards for Australian entity financial reports and sustainability reports as well as for 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 (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. Consistent with the above develop standards and guidance for assurance over sustainability information consistent with international standards and continue to support implementation and education of assurance of sustainability information. Monitor the Australian Assurance Environment and build and maintain 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 2025–26	<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.

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1 – Office of the Auditing and Assurance Standards Board (continued)		
<p>The key strategies to achieve Outcome 1 are:</p> <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. 		
Year	Performance measures	Expected performance results
Current Year 2025–26 (continued)	<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. 	<ul style="list-style-type: none"> • 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. • 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
	<ul style="list-style-type: none"> • Issue Australian-specific 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-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.
	<ul style="list-style-type: none"> • Seek feedback on relevance, effectiveness and public interest of Australian-specific standards and guidance through stakeholder feedback, outreach programs and post-implementation reviews. 	<ul style="list-style-type: none"> • Communications plan developed and implemented for each new AUASB pronouncement. • Conduct post-implementation reviews of Australian specific AUASB Standards, within 3 years of their operative date.
	<ul style="list-style-type: none"> • Identify gaps in the AUASB Framework where guidance is required and issued Guidance Statements or Bulletins to address these. 	<ul style="list-style-type: none"> • Review and update other AUASB Framework Pronouncements, as required.

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1 – Office of the Auditing and Assurance Standards Board (continued)		
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. 		
Year	Performance measures	Expected performance results
Current Year 2025–26 (continued)	<ul style="list-style-type: none"> 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"> 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.
	<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. 	<ul style="list-style-type: none"> Identify and implement initiatives to collaborate on international auditing and assurance focus areas with other key standard-setters. Technical Team member to attend all IAASB meetings. IAASB papers reviewed by AUASB staff ahead of each AUASB and IAASB meeting.
	<ul style="list-style-type: none"> Provide input to the international standard setting process through responding to international pronouncements using input from Australian stakeholders. 	<ul style="list-style-type: none"> 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.
	<ul style="list-style-type: none"> Maintain harmonisation of auditing and assurance standards in Australia and New Zealand in accordance with relevant agreements and protocols. 	<ul style="list-style-type: none"> AUASB Chair participates in NZAuASB meetings as a member. 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.
	<ul style="list-style-type: none"> With the FRC, devise and complete activities to implement the FRC’s Audit Quality Action Plan and contribute to improved audit quality outcomes in the Australian auditing environment. 	<ul style="list-style-type: none"> Contribute to the development of the FRC Audit Quality Plan and deliver all AUASB Audit Quality activities as required.

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1 – Office of the Auditing and Assurance Standards Board (continued)		
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. 		
Year	Performance measures	Expected performance results
Current Year 2025–26 (continued)	<ul style="list-style-type: none"> 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"> 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.
	<ul style="list-style-type: none"> Develop thought leadership and implement strategic projects to improve auditing and assurance practice in priority areas. 	<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.
	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Promote research opportunities in strategic priority areas through academic networks and conferences in accordance with the EISS strategy. Work with AUASB Research Scholars and other researchers to develop relevant and timely research reports on AUASB strategic priority areas. Communicate benefits of EISS Strategy to, and encourage broader participation from academic community at conferences and technical forums.
	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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.

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1 – Office of the Auditing and Assurance Standards Board (continued)		
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. 		
Year	Performance measures	Expected performance results
Current Year 2025–26 (continued)	<ul style="list-style-type: none"> • 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"> • 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.
	<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"> • Various AUASB publications and guidance for stakeholders including quarterly AUASB Update Newsletters, Board minutes and Board highlights and access to Board papers. • Meetings with stakeholders and roundtables for feedback on projects, consultation papers and exposure
Budget Year 2026–27	As per 2025–26	As per 2025–26
Forward Estimates 2027–29	As per 2026–27	As per 2026–27

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026–27 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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
EXPENSES					
Employee benefits	2,758	2,761	3,019	2,173	1,820
Suppliers	918	1,263	1,271	1,196	1,133
Depreciation and amortisation (a)	26	26	27	28	29
Total expenses	3,702	4,050	4,317	3,397	2,982
LESS:					
Gains					
Other	113	113	113	113	113
Total gains	113	113	113	113	113
Total own-source income	113	113	113	113	113
Net (cost of)/contribution by services	(3,589)	(3,937)	(4,204)	(3,284)	(2,869)
Revenue from Government	3,563	3,911	4,177	3,256	2,840
Surplus/(deficit) attributable to the Australian Government	(26)	(26)	(27)	(28)	(29)
Total comprehensive income/(loss)	(26)	(26)	(27)	(28)	(29)
Total comprehensive income/(loss) attributable to the Australian Government	(26)	(26)	(27)	(28)	(29)

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**

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(26)	(26)	(27)	(28)	(29)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	26	26	27	28	29
Net Cash Operating Surplus/ (Deficit)	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

- a) From 2010–11, the Government introduced net cash appropriation arrangements that provided non-corporate Commonwealth entities with a separate Departmental Capital Budget (DCB) under Appropriation Bill (No. 1). This replaced revenue appropriations provided under Appropriation Bill (No. 1) used for the depreciation/amortisation expenses. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.

Partial funding for Mandating Climate-Related Financial Disclosures will be held in the Contingency Reserve pending finalisation of arrangements for the new Standards Body. Further information can be found in the 2023–24 MYEFO. Funding provided to AUASB for Mandating Climate-Related Financial Disclosures was \$1.4 million in 2026–27 and \$1.4 million in 2027–28.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	39	39	39	39	39
Trade and other receivables	2,793	2,813	2,833	2,833	2,833
Total financial assets	2,832	2,852	2,872	2,872	2,872
Non-financial assets					
Intangibles	3	3	3	3	3
Other non-financial assets	72	72	72	72	72
Total non-financial assets	75	75	75	75	75
Total assets	2,907	2,927	2,947	2,947	2,947
LIABILITIES					
Payables					
Suppliers	105	95	85	85	85
Total payables	105	95	85	85	85
Provisions					
Employee provisions	357	387	417	417	417
Total provisions	357	387	417	417	417
Total liabilities	462	482	502	502	502
Net assets	2,445	2,445	2,445	2,445	2,445
EQUITY*					
Parent entity interest					
Contributed equity	426	452	479	507	536
Retained surplus (accumulated deficit)	2,019	1,993	1,966	1,938	1,909
Total equity	2,445	2,445	2,445	2,445	2,445

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 2026–27)

	Retained earnings \$'000	Contributed equity/capital \$'000	Total equity \$'000
Opening balance as at 1 July 2026			
Balance carried forward from previous period	2,019	426	2,445
Adjusted opening balance	2,019	426	2,445
Comprehensive income			
Surplus/(deficit) for the period	(26)	-	(26)
Total comprehensive income	(26)	-	(26)
Transactions with owners			
Contributions by owners			
Departmental Capital Budget (DCB)	-	26	26
Sub-total transactions with owners	-	26	26
Estimated closing balance as at 30 June 2027	1,993	452	2,445
Closing balance attributable to the Australian Government	1,993	452	2,445

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	3,543	3,891	4,157	3,256	2,840
Total cash received	3,543	3,891	4,157	3,256	2,840
Cash used					
Employees	2,728	2,731	2,989	2,173	1,820
Suppliers	815	1,160	1,168	1,083	1,020
Total cash used	3,543	3,891	4,157	3,256	2,840
Net cash from/(used by) operating activities	-	-	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	26	26	27	28	29
Total cash used	26	26	27	28	29
Net cash from/(used by) investing activities	(26)	(26)	(27)	(28)	(29)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	26	26	27	28	29
Total cash received	26	26	27	28	29
Net cash from/(used by) financing activities	26	26	27	28	29
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	39	39	39	39	39
Cash and cash equivalents at the end of the reporting period	39	39	39	39	39

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	26	26	27	28	29
Total new capital appropriations	26	26	27	28	29
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	26	26	27	28	29
Total items	26	26	27	28	29
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB (a)	26	26	27	28	29
TOTAL	26	26	27	28	29
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	26	26	27	28	29
Total cash used to acquire assets	26	26	27	28	29

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 2026–27)

	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2026		
Gross book value	239	239
Accumulated depreciation/ amortisation and impairment	(236)	(236)
Opening net book balance	3	3
Capital asset additions		
Estimated expenditure on new or replacement assets		
By purchase - appropriation equity (a)	26	26
Total additions	26	26
Other movements		
Depreciation/amortisation expense	(26)	(26)
Total other movements	(26)	(26)
As at 30 June 2027		
Gross book value	265	265
Accumulated depreciation/ amortisation and impairment	(262)	(262)
Closing net book balance	3	3

Prepared on Australian Accounting Standards basis.

- a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2026–2027, including Collection Development Acquisition Budgets (CDABs)

**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 Board (AASB) is an Australian Government entity under *the Australian Securities and Investments Commission Act 2001* (ASIC Act).

The strategic directions of the AASB are:

- 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’² 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 the International Accounting Standards Board (IASB), the International Sustainability Standards Board (ISSB), the 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

2 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:

- Formulating and making principles-based Australian accounting and sustainability standards, 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 resourcing 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. Amounts presented below are consistent with amounts presented in the Appropriation Bills themselves.

Table 1.1: Office of the Australian Accounting Standards Board (AASB) resource statement – Budget estimates for 2026–27 as at Budget May 2026

	2025–26 <i>Estimated actual</i> \$'000	2026–27 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	1,300	35
Departmental appropriation (c)	6,750	7,431
s74 External Revenue (d)	1,050	1,100
Departmental capital budget (e)	56	57
Total departmental annual appropriations	9,156	8,623
Total departmental resourcing	8,656	8,623
Total resourcing for AASB	8,656	8,623
	2025–26	2026–27
Average staffing level (number)	32	33

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

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

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

- a) Appropriation Bill (No. 1) 2026–2027.
- b) Excludes \$0.056 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'.

1.3 Budget measures

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

Table 1.2: Office of the Australian Accounting Standards Board 2026–27 Budget Measures

Part 1: Measures announced since the 2025–26 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Payment measures						
Productivity – additional measures						
Departmental payments	1.1	-	279	1,156	2,424	500
Total		-	279	1,156	2,424	500
Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension (a)						
Departmental payments	1.1	-	-	-	-	(108)
Total		-	-	-	-	(108)
Total payment measures						
Departmental		-	279	1,156	2,424	392
Total		-	279	1,156	2,424	392

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 Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension is the Department of Finance. The full measure description and package details appear in the Budget Paper No. 2 under Cross Portfolio 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 AASB can be found at:

https://aasb.gov.au/media/jlddx3bd/aasb-auasb_corporateplan2025-26_08-25.pdf

The most recent annual performance statement can be found at:

https://aasb.gov.au/media/emgkrixo/aasb-auasb_annualreport2024-25.pdf

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Formulating and making accounting standards, 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 or 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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Program 1.1: Office of the Australian Accounting Standards Board					
Departmental expenses					
Departmental appropriation	7,977	7,055	5,948	6,420	5,094
s74 External Revenue (b)	1,050	1,100	1,100	1,100	1,100
Expenses not requiring appropriation in the Budget year (a)	644	677	679	677	677
Departmental total	9,671	8,832	7,727	8,197	6,871
Total expenses for program 1.1	9,671	8,832	7,727	8,197	6,871
Total expenses for Outcome 1	9,671	8,832	7,727	8,197	6,871

	2025–26	2026–27
Average staffing level (number)	32	33

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

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

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

Partial funding for Mandating Climate-Related Financial Disclosures will be held in the Contingency Reserve pending finalisation of arrangements for the new Standards Body. Further information can be found in the 2023–24 MYEFO. Funding provided to AUASB for Mandating Climate-Related Financial Disclosures was \$1.4 million in 2026–27 and \$1.4 million in 2027–28.

Performance measures for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It is used by entities to describe the results they plan to achieve and the related key activities, as detailed in the current corporate plan (i.e. 2025–26), the context in which these activities are delivered, and how the performance of these activities will be measured. Where relevant, details of the 2026–27 Budget measures that have created new programs or materially changed existing programs are to be provided.

Table 2.1.2: Performance measures for Outcome 1

<p>Outcome 1 – Formulating and making accounting standards, 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 or sustainability-related information.</p>	
<p>Program 1.1 – Office of the Australian Accounting Standards Board The key strategies to achieve Outcome 1 are:</p> <ul style="list-style-type: none"> • Formulating and making principles-based Australian accounting and sustainability standards, 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 relate to this program.</p> <ul style="list-style-type: none"> • Develop, issue and maintain principles-based, Australian accounting and sustainability 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), the International Sustainability Standards Board (ISSB), the 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 measures for Outcome 1 (continued)

Program 1.1 – Office of the Australian Accounting Standards Board (continued)		
<p>The key strategies to achieve Outcome 1 are:</p> <ul style="list-style-type: none"> • Formulating and making principles-based Australian accounting and sustainability standards, 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 		
Year	Performance measures	Expected performance results
Current Year 2025–26	<ul style="list-style-type: none"> • Develop appropriate reporting frameworks for each of the three sectors – for-profit (e.g. listed and large proprietary companies), not-for-profit (e.g. charities) and public sector. 	<ul style="list-style-type: none"> • Develop appropriate frameworks for not-for-profit, private and public sector.
	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Annual program of standards issued, delivered to plan agreed with the Board. • IASB equivalent Standards issued within two 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.
	<ul style="list-style-type: none"> • Enhance profile domestically and internationally. • Maintain and enhance key international relationships with IASB, IPSASB, NZASB, AOSSG, ISSB, International Financial Reportings for NPOs. 	<ul style="list-style-type: none"> • Be viewed as experts as measured by stakeholder, IASB and IPSASB feedback.
	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Due process followed for all significant projects. • Positive feedback from the FRC and the stakeholders.

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1 – Office of the Australian Accounting Standards Board (continued)		
<p>The key strategies to achieve Outcome 1 are:</p> <ul style="list-style-type: none"> • Formulating and making principles-based Australian accounting and sustainability standards, 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 		
Year	Performance measures	Expected performance results
Current Year 2025–26 (continued)	<ul style="list-style-type: none"> • Post-implementation reviews conducted (PIR) for all significant projects to assess quality of standard-setting. 	<ul style="list-style-type: none"> • No significant changes needed. • PIR feedback is acted upon. • No evidence of 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.
	<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. 	<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.
	<ul style="list-style-type: none"> • Enhance stakeholder engagement. 	<ul style="list-style-type: none"> • 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).
	<ul style="list-style-type: none"> • Conduct Agenda consultations to determine projects and priorities. 	<ul style="list-style-type: none"> • Agenda consultation conducted at least every 5 years.

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1 – Office of the Australian Accounting Standards Board (continued)		
The key strategies to achieve Outcome 1 are: <ul style="list-style-type: none"> • Formulating and making principles-based Australian accounting and sustainability standards, 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 		
Year	Performance measures	Expected performance results
Current Year 2025–26 (continued)	<ul style="list-style-type: none"> • Develop and implement People and Culture strategy. 	<ul style="list-style-type: none"> • 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.
	<ul style="list-style-type: none"> • New starter processes improved to support flexible subject matter expert involvement. 	<ul style="list-style-type: none"> • New team members embedded successfully within six months of starting as measured by internal and external stakeholders' feedback (as appropriate).
	<ul style="list-style-type: none"> • Understand current capability (talent mapping). 	<ul style="list-style-type: none"> • Continuous review of external talent pool to timely identify when/where to buy or borrow capability.
	<ul style="list-style-type: none"> • Resource planning to develop skills and allocate them appropriately. 	<ul style="list-style-type: none"> • KPIs for all employees. • Leveraging diversity of skills and people as measured by employee and Board feedback and delivering an agreed program of work. • Retain core group of technical experts and leaders. • Fair allocation of workload measured by employee and Board feedback.
	<ul style="list-style-type: none"> • Develop and implement an IT strategy that enables flexible, seamless working via cloud. 	<ul style="list-style-type: none"> • IT supports flexible work including remote locations. • Plan to be monitored for additional improvement over coming financial years.
	<ul style="list-style-type: none"> • Continuous digital communications improvements to enhance stakeholder experience and engagement. 	<ul style="list-style-type: none"> • Continuous development of the AASB standards portal to improve user access.
	<ul style="list-style-type: none"> • Refresh strategy supporting operational excellence and regulatory compliance. 	<ul style="list-style-type: none"> • Regularly revisit current strategy to determine impact of implementation. • Comply with regulatory obligations.
	<ul style="list-style-type: none"> • Knowledge and information sharing support flexible subject matter expert involvement. 	<ul style="list-style-type: none"> • Key knowledge imparted across teams within 6 months of joining.
	<ul style="list-style-type: none"> • Continuous improvement of operational processes to achieve planned outcomes. 	<ul style="list-style-type: none"> • Review of operational processes on an ongoing basis.

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1 – Office of the Australian Accounting Standards Board (continued)		
<p>The key strategies to achieve Outcome 1 are:</p> <ul style="list-style-type: none"> • Formulating and making principles-based Australian accounting and sustainability standards, 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 		
Year	Performance measures	Expected performance results
Current Year 2025–26 (continued)	<ul style="list-style-type: none"> • 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"> • 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.
Budget Year 2026–27	As per 2025–26	As per 2025–26
Forward Estimates 2027–30	As per 2026–27	As per 2026–27

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026–27 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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
EXPENSES					
Employee benefits	6,232	7,200	5,545	4,173	4,105
Suppliers	2,691	870	1,441	3,309	2,076
Depreciation and amortisation (a)	644	677	679	677	677
Finance costs	104	85	62	38	13
Total expenses	9,671	8,832	7,727	8,197	6,871
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	550	550	550	550	550
Other	500	550	550	550	550
Total own-source revenue	1,050	1,100	1,100	1,100	1,100
Gains					
Other	113	149	150	150	150
Total gains	113	149	150	150	150
Total own-source income	1,163	1,249	1,250	1,250	1,250
Net (cost of)/contribution by services	(8,508)	(7,583)	(6,477)	(6,947)	(5,621)
Revenue from Government	6,750	7,431	6,417	6,933	4,955
Surplus/(deficit) attributable to the Australian Government	(1,758)	(152)	(60)	(14)	(666)
Total comprehensive income/(loss)	(1,758)	(152)	(60)	(14)	(666)
Total comprehensive income/(loss) attributable to the Australian Government	(1,758)	(152)	(60)	(14)	(666)

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(1,758)	(152)	(60)	(14)	(666)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	87	111	111	111	111
plus: depreciation/amortisation expenses for ROU assets (b)	557	566	568	566	566
less: lease principal repayments (b)	477	525	619	663	11
Net Cash Operating Surplus/ (Deficit)	(1,591)	-	-	-	-

Prepared on Australian Accounting Standards basis.

- a) From 2010–11, the Government introduced net cash appropriation arrangements that provided non-corporate Commonwealth entities with a separate Departmental Capital Budget (DCB) under Appropriation Bill (No. 1). This replaced revenue appropriations provided under Appropriation Bill (No. 1) used for the depreciation/amortisation expenses. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
- b) Applies leases under AASB 16 *Leases*.

Partial funding for Mandating Climate-Related Financial Disclosures will be held in the Contingency Reserve pending finalisation of arrangements for the new Standards Body. Further information can be found in the 2023–24 MYEFO. Funding provided to AUASB for Mandating Climate-Related Financial Disclosures was \$1.4 million in 2026–27 and \$1.4 million in 2027–28.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	410	450	450	450	450
Trade and other receivables	514	544	564	564	564
Total financial assets	924	994	1,014	1,014	1,014
Non-financial assets					
Land and buildings	2,281	1,715	1,147	581	15
Property, plant and equipment	181	91	37	(17)	(71)
Intangibles	15	51	51	51	51
Other non-financial assets	485	441	441	441	441
Total non-financial assets	2,962	2,298	1,676	1,056	436
Total assets	3,886	3,292	2,690	2,070	1,450
LIABILITIES					
Payables					
Suppliers	154	154	154	154	154
Other payables	323	319	319	319	319
Total payables	477	473	473	473	473
Interest bearing liabilities					
Leases	2,409	1,884	1,265	602	591
Total interest bearing liabilities	2,409	1,884	1,265	602	591
Provisions					
Employee provisions	1,036	1,066	1,086	1,086	1,086
Total provisions	1,036	1,066	1,086	1,086	1,086
Total liabilities	3,922	3,423	2,824	2,161	2,150
Net assets	(36)	(131)	(134)	(91)	(700)
EQUITY*					
Parent entity interest					
Contributed equity	967	1,024	1,081	1,138	1,195
Retained surplus (accumulated deficit)	(1,003)	(1,155)	(1,215)	(1,229)	(1,895)
Total parent entity interest	(36)	(131)	(134)	(91)	(700)
Total equity	(36)	(131)	(134)	(91)	(700)

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 2026–27)

	Retained earnings	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000
Opening balance as at 1 July 2026			
Balance carried forward from previous period	(1,003)	967	(36)
Adjusted opening balance	(1,003)	967	(36)
Comprehensive income			
Surplus/(deficit) for the period	(152)	-	(152)
Total comprehensive income	(152)	-	(152)
Transactions with owners			
Contributions by owners			
Departmental Capital Budget (DCB)	-	57	57
Sub-total transactions with owners	-	57	57
Estimated closing balance as at 30 June 2027	(1,155)	1,024	(131)
Closing balance attributable to the Australian Government	(1,155)	1,024	(131)

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	8,397	7,401	6,397	6,933	4,955
Sale of goods and rendering of services	550	550	550	550	550
Other	500	550	550	550	550
Total cash received	9,447	8,501	7,497	8,033	6,055
Cash used					
Employees	6,127	7,170	5,525	4,173	4,105
Suppliers	2,553	677	1,291	3,159	1,926
Interest payments on lease liability	104	85	62	38	13
Other	(25)	4	-	-	-
Total cash used	8,759	7,936	6,878	7,370	6,044
Net cash from/(used by) operating activities	688	565	619	663	11
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	132	57	57	57	57
Total cash used	132	57	57	57	57
Net cash from/(used by) investing activities	(132)	(57)	(57)	(57)	(57)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	56	57	57	57	57
Total cash received	56	57	57	57	57
Cash used					
Principal payments on lease liability	477	525	619	663	11
Total cash used	477	525	619	663	11
Net cash from/(used by) financing activities	(421)	(468)	(562)	(606)	46
Net increase/(decrease) in cash held	135	40	-	-	-
Cash and cash equivalents at the beginning of the reporting period	275	410	450	450	450
Cash and cash equivalents at the end of the reporting period	410	450	450	450	450

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	56	57	57	57	57
Total new capital appropriations	56	57	57	57	57
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	56	57	57	57	57
Total items	56	57	57	57	57
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB (a)	56	57	57	57	57
TOTAL	56	57	57	57	57
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	56	57	57	57	57
Total cash used to acquire assets	56	57	57	57	57

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 2026–27)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2026				
Gross book value	-	457	248	705
Gross book value - ROU assets	3,832	-	-	3,832
Accumulated depreciation/amortisation and impairment	(24)	(276)	(233)	(533)
Accumulated depreciation/amortisation and impairment - ROU assets	(1,527)	-	-	(1,527)
Opening net book balance	2,281	181	15	2,477
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	-	-	57	57
Total additions	-	-	57	57
Other movements				
Depreciation/amortisation expense	-	(90)	(21)	(111)
Depreciation/amortisation on ROU assets	(566)	-	-	(566)
Total other movements	(566)	(90)	(21)	(677)
As at 30 June 2027				
Gross book value	-	457	305	762
Gross book value - ROU assets	3,832	-	-	3,832
Accumulated depreciation/ amortisation and impairment	(24)	(366)	(254)	(644)
Accumulated depreciation/amortisation and impairment - ROU assets	(2,093)	-	-	(2,093)
Closing net book balance	1,715	91	51	1,857

Prepared on Australian Accounting Standards basis.

- a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2026–2027, including Collection Development Acquisition Budgets (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 PC) is the Australian Government's independent research and advisory body on a range of economic, social and environmental issues affecting the welfare of all Australians. Its activities cover all levels of government responsibility – Federal, State and Territory and Local.

As a review and advisory body, the PC does not have responsibility for implementing government policies or programs. It carries out inquiry, research, reporting, secretariat and incidental functions prescribed under the *Productivity Commission Act 1998*.

The PC contributes to well-informed policy decision-making and public understanding on matters relating to Australia's economic performance and community wellbeing. The PC has four broad components of work:

- government commissioned projects
- PC-initiated research
- performance reporting and other services to government bodies
- competitive neutrality complaints activity.

In November 2023 the Government provided the PC with a Statement of Expectations and the PC has continued to work on delivering to this over 2025–26. The Statement of Expectations, and the PC's resulting Statement of Intent, acknowledge the features of the PC's structure and operations that are critical to our unique contribution to policy: our independence, transparency and providing a community-wide perspective.

In 2026–27, the PC will continue to provide timely advice and policy ideas for government on productivity and industry developments through its program of ongoing reporting and inquiries. At May 2026, the PC has 4 commissioned inquiries including:

1. GST distribution reforms, which will assess whether the 2018 GST distribution changes are working as intended and their fiscal impacts on states/territories and the Commonwealth, and identify options to strengthen federal financial relations to support long-term fiscal sustainability and better outcomes.
2. Determinants of regional airfares, which will consider how to support a competitive, reliable and affordable aviation network for passenger flights outside Australia's major cities.
3. Fabricated structural steel safeguards, which will consider whether safeguard measures for imported fabricated structural steel products are justified and appropriate to protect Australian industry.

4. National Water Reform 2026 - the PC's fourth inquiry on governments' progress under the National Water Initiative. The inquiry will also advise on ways to promote a more sustainable water service industry to inform further work by governments to refresh Australia's water policy.

The PC also has one commissioned study which is considering the impacts of heavy vehicle reform. This study aims to increase transport productivity for all heavy vehicles and support the uptake of heavy zero emissions vehicles. All inquiries and the study listed above, will further embed the PC's role in working closely with all levels of government to deliver policy options that are implementable across Australia's diverse communities, jurisdictions and across regional Australia.

The PC organises its inquiry and research work within seven streams: Aboriginal and Torres Strait Islander Policy, Climate Change and Energy, Environment and Water, Productivity, Industry and Trade, Data and Digital, and Health and Social Care. Through these streams, the PC maintains relationships with key sector stakeholders and conducts PC-initiated research where opportunities arise. The PC has also continued to enhance its communication and engagement capabilities to ensure contemporary, high-quality engagement with the community on work in progress and work outputs.

The PC will continue to produce the annual *Report on Government Services*, on behalf of the Steering Committee for the Review of Government Service Provision. The Report on Government Services provides cross jurisdictional information on the performance of government services, including access to services and timeliness; service quality and safety; and costs to governments and individuals.

As part of its functions under the *National Agreement on Closing the Gap*, the PC has developed, and will continue to maintain and enhance, a publicly accessible dashboard and annual data compilation report. These products are underpinned by an information repository to inform reporting on progress towards the targets in the National Agreement on Closing the Gap. Throughout 2026–27, the PC will continue to strengthen its connections with Aboriginal and Torres Strait Islander peak bodies and communities as it conducts the second review of the National Agreement on Closing the Gap.

The PC will also continue to provide investigative and advice functions for businesses with concerns about competing with Australian Government agencies. An autonomous office located within the PC, the Australian Government Competitive Neutrality Complaints Office (AGCNCO), receives and investigates complaints and advises the Treasurer on the application of competitive neutrality arrangements. The AGCNCO also provides informal advice on, and assists agencies with, implementing competitive neutrality requirements. As of May 2026 the PC has no active competitive neutrality related complaints under consideration.

The PC will continue to meet its legislated obligations to provide independent advice to government on industry assistance and trade developments including the release of the annual Trade and Assistance Review.

1.2 Entity resource statement

Table 1.1 shows the total resourcing 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. Amounts presented below are consistent with amounts presented in the Appropriation Bills themselves.

Table 1.1: Productivity Commission resource statement – Budget estimates for 2026–27 as at Budget May 2026

	2025–26 <i>Estimated actual</i> \$'000	2026–27 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	34,303	27,519
Departmental appropriation (c)	37,895	38,481
s74 External Revenue (d)	200	200
Departmental capital budget (e)	887	1,605
Total departmental annual appropriations	73,285	67,805
Total departmental resourcing	73,285	67,805
Total resourcing for the Productivity Commission	73,285	67,805
	2025–26	2026–27
Average staffing level (number)	170	170

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

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

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

- a) Appropriation Bill (No. 1) 2026–2027.
- b) Excludes \$0.7 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 and Administered payments to other jurisdictions are not separately identified in Appropriation Bill (No. 1) and Supply 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

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

Table 1.2: Productivity Commission 2026–27 Budget measures

Part 1: Measures announced since the 2025–26 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Payment measures						
Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension (a)						
Departmental payments	1.1	-	-	-	-	(253)
Total		-	-	-	-	(253)
Total payment measures						
Departmental		-	-	-	-	(253)
Total		-	-	-	-	(253)

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 Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension is the Department of Finance. The full measure description and package details appear in the Budget Paper No. 2 under Cross Portfolio measures.

Part 2: Other measures not previously reported in a portfolio statement

	Program	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000
Payment measures						
Further Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses (a)						
Departmental payments	1.1	(291)	(395)	(360)	(219)	-
Total		(291)	(395)	(360)	(219)	-
Total payment measures						
Departmental		(291)	(395)	(360)	(219)	-
Total		(291)	(395)	(360)	(219)	-

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.

a) The lead entity for the measure titled Further Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses is the Department of Finance. The full measure description and package details appear in the 2025–26 MYEFO under Cross Portfolio 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 Productivity Commission can be found at: <https://www.pc.gov.au/about/corporate-plan>.

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

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Program 1.1: Productivity Commission					
Departmental expenses					
Departmental appropriation	41,313	35,870	36,909	37,562	38,403
s74 External Revenue (a)	200	200	200	230	230
Expenses not requiring appropriation in the Budget year (b)	3,424	3,353	2,995	3,116	2,408
Departmental total	44,937	39,423	40,104	40,908	41,041
Total expenses for program 1.1	44,937	39,423	40,104	40,908	41,041
Total expenses for Outcome 1	44,937	39,423	40,104	40,908	41,041

	2025–26	2026–27
Average staffing level (number)	170	170

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

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

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

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

Performance measures for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It is used by entities to describe the results they plan to achieve and the related key activities, as detailed in the current corporate plan (i.e. 2025–29), the context in which these activities are delivered, and how the performance of these activities will be measured. Where relevant, details of the 2026–27 Budget measures that have created new programs or materially changed existing programs are to be provided.

Table 2.1.2: Performance measures 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.	
Program 1.1 – Productivity Commission The Commission provides governments and the Australian community with information and advice that informs policy decisions to improve Australians’ wellbeing.	
Key activities (a)	The Productivity Commission delivers Program 1.1 by using its resources to undertake the following key activities that achieve its key strategic goals: <ul style="list-style-type: none"> • conducting public inquiries on major economic, social and environmental policy issues and in relation to different sectors of the economy • conducting PC-initiated research on topical policy issues • producing the annual Report on Government Services on behalf of the Steering Committee for the Review of Government Service Provision • reporting on progress against the targets in the National Agreement on Closing the Gap • advising on the competitive neutrality of Australian Government business activities • delivering on responsibilities under a number of Acts, including the <i>Water Act 2007</i>.

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1 – Productivity Commission (continued)		
The Commission provides governments and the Australian community with information and advice that informs policy decisions to improve Australians' wellbeing.		
Year	Performance measures	Expected performance results
Current Year 2025–26	Providing a valuable source of robust evidence-based analysis	<p>Target: >80% of respondents in the Annual Stakeholder Surveys consider the Commission's work high quality Expected actual: This performance measure will be assessed through the end of cycle stakeholder feedback survey for reporting in the Annual Performance Statements 2025–26. Target expected to be met.</p> <p>Target: >6 inquiry or commissioned study draft or final reports released Expected actual: 14 Target exceeded.</p> <p>Target: >10 papers released, including research papers, productivity bulletins, Trade and Assistance Review reports and other ongoing products Expected actual: 10 Target expected to be met.</p> <p>Target: 100% of commissioned work completed on time Expected actual: 100% Target expected to be met.</p> <p>Target: 100% of ongoing products delivered on time and to agreed scope Expected actual: 100% Target expected to be met.</p> <p>Target: 180,000 report downloads Expected actual: 254,098 Target exceeded.</p> <p>Target: >250 academic citations Expected actual: 171 Target at risk.</p> <p>Target: >20-international engagements Expected actual: 23 Target exceeded.</p> <p>Target: 100% Modelling results and methodology are made available for 100% publicly released reports Expected actual: 100% Target expected to be met.</p> <p>Target: 100% of released chart and table data made available in a usable and accessible format (excel or CSV files) Expected actual: 100% Target expected to be met.</p>

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1 – Productivity Commission (continued)		
The Commission provides governments and the Australian community with information and advice that informs policy decisions to improve Australians' wellbeing.		
Year	Performance measures	Expected performance results
Current Year 2025–26 (continued)	Generating effective public debate	<p>Target: >12,000 media mentions Expected actual: 12,154 Target exceeded.</p> <p>Target: >20 Op-eds released per year Expected actual: 7 Target at risk.</p> <p>Target: >32,000 social media followers Expected actual: 26,371 Target expected to be met.</p> <p>Target: >150 speeches and panels per year, by Commissioners and Senior Executive Service (SES) Expected actual: 152 Target exceeded.</p> <p>Target: >155 parliamentary mentions Expected actual: 62 Target at risk.</p> <p>Target: >5 parliamentary hearings Expected actual: 1 Target at risk.</p>

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1 – Productivity Commission (continued)		
The Commission provides governments and the Australian community with information and advice that informs policy decisions to improve Australians' wellbeing.		
Year	Performance measures	Expected performance results
Current Year 2025–26 (continued)	Engaging effectively with the government and community	<p>Target: >80% of respondents in Annual Stakeholder Survey find PC reports easy to read and engaging. Expected actual: This performance measure will be assessed through the end of cycle stakeholder feedback survey for reporting in the Annual Performance Statements 2025–26. Target expected to be met.</p> <p>Target: Web Content Accessibility Guidelines (WCAG) level AA compliance standards met Expected actual: Performance measure removed (a)</p> <p>Target: >2,000,000 website page views Expected actual: 1,115,442 Target at risk.</p> <p>Target: >500 submissions received Expected actual: 2047 Target exceeded.</p> <p>Target: >1,000 meetings held with the community and other external stakeholders, by Commissioners or SES, related to work outputs (publications) or policy issues Expected actual: 442 Target at risk.</p> <p>Target: Australian Government is offered briefings at the completion of all commissioned inquiries and reviews 100% Expected actual: 100% Target expected to be met.</p> <p>Target: 100% of inquiries / commissioned studies consider preparation an Aboriginal and Torres Strait Islander engagement plan Expected actual: 100% Target expected to be met.</p> <p>Target: >90% of people agree the PC provides enough opportunities to engage with and provide input into its work Expected actual: This performance measure will be assessed through the end of cycle stakeholder feedback survey for reporting in the Annual Performance Statements 2025–26. Target expected to be met.</p> <p>Target: >90% of people agree the PC provides enough time for meaningful consultation and engagement. Expected actual: This performance measure will be assessed through the end of cycle stakeholder feedback survey for reporting in the Annual Performance Statements 2025–26. Target expected to be met.</p> <p>Target: >10 public events held Expected actual: 10 Target met.</p>

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1 – Productivity Commission (continued)		
The Commission provides governments and the Australian community with information and advice that informs policy decisions to improve Australians' wellbeing.		
Year	Performance measures	Planned performance results
Budget Year 2026–27	Providing a valuable source of robust evidence-based analysis	Target: <ul style="list-style-type: none"> • >80% of people agree the PC generates research, analysis and advice that is robust, evidence-based and independent • >6 research papers, commissioned inquiry / study draft or final reports released • >10 papers released, including productivity bulletins, Trade and Assistance Review reports, Closing the Gap reports and the Report on Government Services • 100% of commissioned work completed on time • 100% of ongoing products delivered on time. (b) • 180,000 report downloads • >200 academic citations • >15 international engagements • 100% of modelling results and methodology made available on www.pc.gov.au • 100% of released chart and table data made available in a usable and accessible format (excel or CSV files)
	Generating effective public debate	Target: <ul style="list-style-type: none"> • >12,000 media mentions • >20 articles and opinion pieces released per year • >32,000 social media followers • >150 speeches and panels, by Commissioners and Senior Executive Service (SES) • >100 parliamentary mentions • >5 parliamentary hearings
	Engaging effectively with the government and community	Target: <ul style="list-style-type: none"> • >80% of people agree the PC's publications, reports and papers are engaging and easy to read • >2,000,000 website page views • >500 submissions received • >1,000 meetings held with the community and other external stakeholders, by Commissioners or SES, related to work outputs (publications) or policy issues • Australian Government is offered briefings at the completion of all commissioned inquiries and reviews 100% • 100% of inquiries / commissioned studies consider preparation of an Aboriginal and Torres Strait Islander Engagement Plan and report on considerations to a Commission Meeting • >90% of people agree the PC provides enough opportunities to engage with and provide input into its work • >90% of people agree the PC provides enough time for meaningful consultation and engagement • >10 public events held

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1 – Productivity Commission (continued)		
The Commission provides governments and the Australian community with information and advice that informs policy decisions to improve Australians' wellbeing.		
Year	Performance measures	Planned performance results
Forward Estimates 2027–28	As per 2026–27	Build on 2026–27 performance results

- a) This performance measure has been removed because a target cannot be meaningfully set, given the PC's commitment to achieving and maintaining WCAG compliance
- b) Given the discretionary nature of *'scope'*, *'agreed scope'* has been removed from the performance measure to give a more accurate representation of performance.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026–27 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 financial statements have been prepared on an Australian Accounting Standards basis.

The Productivity Commission is budgeting for an operating loss in 2025–26 due to a voluntary redundancy process to reduce ASL and expenditure for future years.

The Productivity Commission is budgeting for a break-even result in 2026–27 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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
EXPENSES					
Employee benefits	36,109	32,659	33,860	35,689	37,161
Suppliers	5,395	3,436	3,150	1,978	1,437
Depreciation and amortisation (a)	3,374	3,303	2,945	3,066	2,358
Finance costs	59	25	149	175	85
Total expenses	44,937	39,423	40,104	40,908	41,041
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	200	200	200	230	230
Other	50	50	50	50	50
Total own-source revenue	250	250	250	280	280
Total own-source income	250	250	250	280	280
Net (cost of)/contribution by services	(44,687)	(39,173)	(39,854)	(40,628)	(40,761)
Revenue from Government	37,895	38,481	38,874	39,448	40,204
Surplus/(deficit) attributable to the Australian Government	(6,792)	(692)	(980)	(1,180)	(557)
Total comprehensive income/(loss)	(6,792)	(692)	(980)	(1,180)	(557)
Total comprehensive income/(loss) attributable to the Australian Government	(6,792)	(692)	(980)	(1,180)	(557)

Note: Impact of net cash appropriation arrangements

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(6,792)	(692)	(980)	(1,180)	(557)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	1,180	1,109	980	872	737
plus: depreciation/amortisation expenses for ROU assets (b)	2,194	2,194	1,965	2,194	1,621
less: lease principal repayments (b)	2,224	2,611	1,965	1,886	1,801
Net Cash Operating Surplus/(Deficit)	(5,642)	-	-	-	-

Prepared on Australian Accounting Standards basis.

- a) From 2010–11, the Government introduced net cash appropriation arrangements that provided non-corporate Commonwealth entities with a separate Departmental Capital Budget (DCB) under Appropriation Bill (No. 1). This replaced revenue appropriations provided under Appropriation Bill (No. 1) used for the depreciation/amortisation expenses. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
- b) Applies to leases under AASB 16 *Leases*.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	441	441	441	441	441
Trade and other receivables	27,811	27,900	28,578	28,578	29,679
Total financial assets	28,252	28,341	29,019	29,019	30,120
Non-financial assets					
Land and buildings	8,048	6,806	12,476	9,720	7,783
Property, plant and equipment	2,031	1,575	2,076	2,689	3,203
Other non-financial assets	399	310	310	310	310
Total non-financial assets	10,478	8,691	14,862	12,719	11,296
Total assets	38,730	37,032	43,881	41,738	41,416
LIABILITIES					
Payables					
Suppliers	282	282	282	282	282
Other payables	911	911	1,589	1,589	1,589
Total payables	1,193	1,193	1,871	1,871	1,871
Interest bearing liabilities					
Leases	7,338	4,727	10,965	9,079	7,278
Total interest bearing liabilities	7,338	4,727	10,965	9,079	7,278
Provisions					
Employee provisions	8,868	8,868	8,868	8,868	9,969
Total provisions	8,868	8,868	8,868	8,868	9,969
Total liabilities	17,399	14,788	21,704	19,818	19,118
Net assets	21,331	22,244	22,177	21,920	22,298
EQUITY*					
Parent entity interest					
Contributed equity	14,886	16,491	17,404	18,327	19,262
Reserves	2,149	2,149	2,149	2,149	2,149
Retained surplus (accumulated deficit)	4,296	3,604	2,624	1,444	887
Total parent entity interest	21,331	22,244	22,177	21,920	22,298
Total equity	21,331	22,244	22,177	21,920	22,298

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 2026–27)

	Retained earnings	Asset revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2026				
Balance carried forward from previous period	4,296	2,149	14,886	21,331
Adjusted opening balance	4,296	2,149	14,886	21,331
Comprehensive income				
Surplus/(deficit) for the period	(692)	-	-	(692)
Total comprehensive income	(692)	-	-	(692)
Transactions with owners				
Contributions by owners				
Departmental Capital Budget (DCB)	-	-	1,605	1,605
Sub-total transactions with owners	-	-	1,605	1,605
Estimated closing balance as at 30 June 2027	3,604	2,149	16,491	22,244
Closing balance attributable to the Australian Government	3,604	2,149	16,491	22,244

Prepared on Australian Accounting Standards basis

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	43,417	38,481	38,196	39,448	39,103
Sale of goods and rendering of services	200	200	200	230	230
Total cash received	43,617	38,681	38,396	39,678	39,333
Cash used					
Employees	35,989	32,659	33,182	35,689	36,060
Suppliers	5,259	3,297	3,100	1,928	1,387
Interest payments on lease liability	59	25	149	175	85
Total cash used	41,307	35,981	36,431	37,792	37,532
Net cash from/(used by) operating activities	2,310	2,700	1,965	1,886	1,801
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	887	1,605	913	923	935
Total cash used	887	1,605	913	923	935
Net cash from/(used by) investing activities	(887)	(1,605)	(913)	(923)	(935)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	801	1,516	913	923	935
Total cash received	801	1,516	913	923	935
Cash used					
Principal payments on lease liability	2,224	2,611	1,965	1,886	1,801
Total cash used	2,224	2,611	1,965	1,886	1,801
Net cash from/(used by) financing activities	(1,423)	(1,095)	(1,052)	(963)	(866)
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	441	441	441	441	441
Cash and cash equivalents at the end of the reporting period	441	441	441	441	441

Prepared on Australian Accounting Standards basis

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	887	1,605	913	923	935
Total new capital appropriations	887	1,605	913	923	935
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	887	1,605	913	923	935
Total items	887	1,605	913	923	935
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB (a)	887	1,605	913	923	935
TOTAL	887	1,605	913	923	935
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	887	1,605	913	923	935
Total cash used to acquire assets	887	1,605	913	923	935

Prepared on Australian Accounting Standards basis.

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

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

Table 3.6: Statement of departmental asset movements (Budget year 2026–27)

	Buildings \$'000	Other property, plant and equipment \$'000	Total \$'000
As at 1 July 2026			
Gross book value	2,561	2,591	5,152
Gross book value - ROU assets	20,058	-	20,058
Accumulated depreciation/amortisation and impairment	(649)	(560)	(1,209)
Accumulated depreciation/amortisation and impairment - ROU assets	(13,922)	-	(13,922)
Opening net book balance	8,048	2,031	10,079
Capital asset additions			
Estimated expenditure on new or replacement assets			
By purchase - appropriation equity (a)	1,602	3	1,605
Total additions	1,602	3	1,605
Other movements			
Depreciation/amortisation expense	(650)	(459)	(1,109)
Depreciation/amortisation on ROU assets	(2,194)	-	(2,194)
Total other movements	(2,844)	(459)	(3,303)
As at 30 June 2027			
Gross book value	4,163	2,594	6,757
Gross book value - ROU assets	20,058	-	20,058
Accumulated depreciation/amortisation and impairment	(1,299)	(1,019)	(2,318)
Accumulated depreciation/amortisation and impairment - ROU assets	(16,116)	-	(16,116)
Closing net book balance	6,806	1,575	8,381

Prepared on Australian Accounting Standards basis.

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

a) 'Appropriation equity' refers to equity injection appropriations provided through Appropriation Bill (No. 2) 2026–2027 and includes Collection Development Acquisition Budgets (CDABs).

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 makes coins and other minted products to serve the needs of the Australian economy, foreign countries, investors and collectors. As the stewards of a thriving cultural institution, the Mint showcases Australian stories through the national coin collection and a world-class museum and gallery experience.

In 2026–27 the Mint will continue a strategic direction that acknowledges the Mint faces an increasingly dynamic environment that requires balancing wide-ranging economic structural changes, such as a declining use of cash and a rise in digital payments. The Mint is focussed on investing and building capability in the following areas:

- Optimising the commercial strategy and activities to improve profitability
- Strengthening the customer experience and sales activities, including digital capability and capacity
- Uplifting safe and sustainable manufacturing of coins and minted products
- Protecting, growing and promoting the National Coin Collection for future generations of Australians and overseas visitors with experiences that acknowledge and commemorate Australia's culture and history.

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 resourcing 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. Amounts presented below are consistent with amounts presented in the Appropriation Bills themselves.

Table 1.1: Royal Australian Mint resource statement – Budget estimates for 2026–27 as at Budget May 2026

	<i>2025–26 Estimated actual \$'000</i>	2026–27 Estimate \$'000
Departmental		
Special accounts (a)		
Opening balance	119,219	135,401
Non-appropriation receipts	135,371	114,590
Total special accounts	254,590	249,991
Total departmental resourcing	254,590	249,991
Total resourcing for the Royal Australian Mint	254,590	249,991
	<i>2025–26</i>	2026–27
Average staffing level (number)	278	280

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

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

- 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 2.1.1 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.

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 Mint can be found at:
<https://www.ramint.gov.au/about-us/corporate-publications>.

The most recent annual performance statement can be found at:
<https://www.ramint.gov.au/about-us/compliance-and-reporting/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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
Program 1.1: Royal Australian Mint					
Administered expenses					
Special accounts					
Royal Australian Mint Special Account 2023	43,279	25,987	31,500	32,808	32,808
Administered total	43,279	25,987	31,500	32,808	32,808
Departmental expenses					
Special accounts					
Royal Australian Mint Special Account 2023	104,475	104,139	111,076	112,990	115,019
Departmental total	104,475	104,139	111,076	112,990	115,019
Total expenses for program 1.1	147,754	130,126	142,576	145,798	147,827
Total expenses for Outcome 1	147,754	130,126	142,576	145,798	147,827

	2025–26	2026–27
Average staffing level (number)	278	280

Annual appropriation amounts reported are inclusive of Supply Bill arrangements.

Performance measures for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It is used by entities to describe the results they plan to achieve and the related key activities, as detailed in the current corporate plan (i.e. 2025–26), the context in which these activities are delivered, and how the performance of these activities will be measured. Where relevant, details of the 2026–27 Budget measures that have created new programs or materially changed existing programs are to be provided.

Table 2.1.2: Performance measures 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.		
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 	
Year	Performance measures	Expected performance results
Current Year 2025–26	Volume of domestic circulating coins sold year-on-year	Target: 78,000,000 pieces Assessment: On track
	Volume of foreign circulating coins sold year-on-year	Target: 25,000,000 pieces Assessment: On track
	Proportion of domestic and foreign circulating coins delivered in full and on time	Target: 90% Assessment: On track
	The amount of annual Seigniorage returned to the Commonwealth year-on-year	Target: \$11,500,000 Assessment: On track
	Proportion of achievement of milestones against the National Coin Collection (NCC) Plan	Target: 50% Assessment: Pending
	Growth in visitation year-on-year	Target: 360,000 visitors Assessment: On track

Table 2.1.2: Performance measures for Outcome 1 (continued)

Program 1.1 – Royal Australian Mint (continued)		
To produce and distribute circulating coins and minted products to meet the demands of the Australian economy, collectors and foreign countries.		
Year	Performance measures	Planned performance results
Budget Year 2026–27	Volume of domestic circulating coins sold year-on-year	Target: 70,000,000 pieces
	Volume of foreign circulating coins sold year-on-year	Target: 25,000,000 pieces Assessment: On track
	Proportion of domestic and foreign circulating coins delivered in full and on time	Target: 90%
	The amount of annual Seigniorage returned to the Commonwealth year-on-year	Target: \$11,500,000
	Proportion of achievement of milestones against the National Coin Collection (NCC) Plan	Target: 75-100%
	Growth in visitation year-on-year	Target: 365,000 visitors
Forward Estimates 2027–30	Growth in visitation year-on-year	2027–28: Target: 375,000 visitors 2028–30: as per 2026–27
	All other measures, as per 2026–27	As per 2026–27
Material changes to Program 1.1 resulting from 2026–27 Budget Measures: Nil		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026–27 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 is no material differences between entity resourcing and financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

Under Program 1.1, the Mint collects administered receipts from the production and subsequent sale of Australian circulating coins at face value to commercial banks, which is returned to Consolidated Revenue as Seigniorage. In addition, the Mint collects revenue from the sale of foreign circulating coins and collectible products (numismatic and other minted products).

The Mint retains surplus from the sale of foreign circulating coins and collectible products in its Special Account to fund future operations, which includes allowances for future replacement of assets and capital expenditure for improved capability.

3.2 Budgeted financial statements tables

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
EXPENSES					
Employee benefits	32,152	35,558	36,542	37,784	39,069
Suppliers	55,499	56,886	58,137	59,474	60,842
Depreciation and amortisation (a)	5,384	6,002	11,392	10,695	10,103
Finance costs	514	1,429	1,429	1,461	1,429
Other expenses	10,926	4,264	3,576	3,576	3,576
Total expenses	104,475	104,139	111,076	112,990	115,019
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	122,974	112,556	118,184	124,093	130,298
Rental income	328	224	224	224	224
Other	150	460	460	460	460
Total own-source revenue	123,452	113,240	118,868	124,777	130,982
Total own-source income	123,452	113,240	118,868	124,777	130,982
Net (cost of)/contribution by services	18,977	9,101	7,792	11,787	15,963
Notional income tax expense	6,547	2,217	2,404	3,603	4,856
Surplus/(deficit) attributable to the Australian Government	12,430	6,884	5,388	8,184	11,107
Total comprehensive income/(loss)	12,430	6,884	5,388	8,184	11,107
Total comprehensive income/(loss) attributable to the Australian Government	12,430	6,884	5,388	8,184	11,107

Prepared on Australian Accounting Standards basis.

- a) From 2010–11, the Government introduced net cash appropriation arrangements that provided non corporate Commonwealth entities with a separate Departmental Capital Budget (DCB) under Appropriation Bill (No. 1). This replaced revenue appropriations provided under Appropriation Bill (No. 1) used for the depreciation/amortisation expenses. 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)

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	135,413	115,499	106,329	109,248	121,747
Trade and other receivables	4,959	4,162	4,162	4,162	4,162
Total financial assets	140,372	119,661	110,491	113,410	125,909
Non-financial assets					
Land and buildings	43,341	42,254	41,167	40,080	38,993
Property, plant and equipment	16,526	32,628	40,890	39,049	37,800
Intangibles	4,157	3,890	3,623	3,356	3,089
Inventories	30,138	30,138	30,138	30,138	30,138
Heritage and cultural	61,634	62,474	63,232	64,042	64,870
Tax assets	3,052	3,052	3,052	3,052	3,052
Other non-financial assets	5,103	5,103	5,103	5,103	5,103
Total non-financial assets	163,951	179,539	187,205	184,820	183,045
Total assets	304,323	299,200	297,696	298,230	308,954
LIABILITIES					
Payables					
Suppliers	6,750	6,750	6,750	6,750	6,750
Tax liabilities	562	562	562	562	562
Other payables	40,482	36,168	31,183	25,440	26,964
Total payables	47,794	43,480	38,495	32,752	34,276
Interest bearing liabilities					
Leases	30,988	28,857	26,726	24,595	22,464
Total interest bearing liabilities	30,988	28,857	26,726	24,595	22,464
Provisions					
Employee provisions	7,316	7,553	7,553	7,553	7,553
Other provisions	2,579	2,579	2,579	2,579	2,579
Total provisions	9,895	10,132	10,132	10,132	10,132
Total liabilities	88,677	82,469	75,353	67,479	66,872
Net assets	215,646	216,731	222,343	230,751	242,082
EQUITY*					
Parent entity interest					
Contributed equity	77,903	77,903	77,903	77,903	77,903
Reserves	49,843	49,843	49,843	49,843	49,843
Retained surplus (accumulated deficit)	87,900	88,985	94,597	103,005	114,336
Total parent entity interest	215,646	216,731	222,343	230,751	242,082
Total equity	215,646	216,731	222,343	230,751	242,082

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 2026–27)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2026					
Balance carried forward from previous period	87,900	29,829	20,014	77,903	215,646
Adjusted opening balance	87,900	29,829	20,014	77,903	215,646
Other comprehensive income					
Surplus/(deficit) for the period	6,884	-	-	-	6,884
Total comprehensive income	6,884	-	-	-	6,884
of which:					
Attributable to the Australian Government	6,884	-	-	-	6,884
Transactions with owners					
Distributions to owners					
Returns on capital:					
Dividends	(5,799)	-	-	-	(5,799)
Sub-total transactions with owners	(5,799)	-	-	-	(5,799)
Estimated closing balance as at 30 June 2027	88,985	29,829	20,014	77,903	216,731
Closing balance attributable to the Australian Government	88,985	29,829	20,014	77,903	216,731

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sale of goods and rendering of services	130,302	112,780	118,408	124,317	130,522
Net GST received	6,237	1,700	219	229	242
Total cash received	136,539	114,480	118,627	124,546	130,764
Cash used					
Employees	31,921	35,296	36,516	37,756	39,040
Suppliers	55,559	58,064	58,545	59,934	61,320
Borrowing costs	(436)	376	376	376	376
Net GST paid	2,998	3,531	-	-	-
Interest payments on lease liability	950	950	950	950	950
Other	10,173	45	9,681	10,775	3,576
Total cash used	101,165	98,262	106,068	109,791	105,262
Net cash from/(used by) operating activities	35,374	16,218	12,559	14,755	25,502
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	11,224	20,750	18,403	7,635	7,603
Total cash used	11,224	20,750	18,403	7,635	7,603
Net cash from/(used by) investing activities	(11,224)	(20,750)	(18,403)	(7,635)	(7,603)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	2,010	2,131	2,131	2,131	2,131
Dividends paid	5,946	13,251	1,195	2,070	3,269
Total cash used	7,956	15,382	3,326	4,201	5,400
Net cash from/(used by) financing activities	(7,956)	(15,382)	(3,326)	(4,201)	(5,400)
Net increase/(decrease) in cash held	16,194	(19,914)	(9,170)	2,919	12,499
Cash and cash equivalents at the beginning of the reporting period	119,219	135,413	115,499	106,329	109,248
Cash and cash equivalents at the end of the reporting period	135,413	115,499	106,329	109,248	121,747

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources	11,224	20,750	18,403	7,635	7,603
TOTAL	11,224	20,750	18,403	7,635	7,603
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	11,224	20,750	18,403	7,635	7,603
Total cash used to acquire assets	11,224	20,750	18,403	7,635	7,603

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of departmental asset movements (Budget year 2026–27)

	Buildings \$'000	Other property, plant and equipment \$'000	Heritage and cultural \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2026					
Gross book value	24,240	19,391	62,474	9,835	115,940
Gross book value - ROU assets	42,760	-	-	-	42,760
Accumulated depreciation/amortisation and impairment	(10,804)	(2,930)	-	(5,678)	(19,412)
Accumulated depreciation/amortisation and impairment - ROU assets	(12,855)	65	-	-	(12,790)
Opening net book balance	43,341	16,526	62,474	4,157	126,498
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase - other	-	20,750	-	-	20,750
Total additions	-	20,750	-	-	20,750
Other movements					
Depreciation/amortisation expense	(1,087)	(4,648)	-	(267)	(6,002)
Total other movements	(1,087)	(4,648)	-	(267)	(6,002)
As at 30 June 2027					
Gross book value	24,240	40,141	62,474	9,835	136,690
Gross book value - ROU assets	42,760	-	-	-	42,760
Accumulated depreciation/amortisation and impairment	(11,891)	(7,578)	-	(5,945)	(25,414)
Accumulated depreciation/amortisation and impairment - ROU assets	(12,855)	65	-	-	(12,790)
Closing net book balance	42,254	32,628	62,474	3,890	141,246

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)

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
EXPENSES					
Suppliers	43,279	25,987	31,500	32,808	32,808
Total expenses administered on behalf of Government	43,279	25,987	31,500	32,808	32,808
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Sale of goods and rendering of services	50,655	56,228	53,878	45,927	45,927
Total non-taxation revenue	50,655	56,228	53,878	45,927	45,927
Total own-source revenue administered on behalf of Government	50,655	56,228	53,878	45,927	45,927
Total comprehensive income/(loss)	7,376	30,241	22,378	13,119	13,119

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
ASSETS					
Financial assets					
Trade and other receivables	26,209	30,241	22,378	13,119	13,119
Total financial assets	26,209	30,241	22,378	13,119	13,119
Non-financial assets					
Inventories	1,976	2,388	2,800	2,800	2,800
Total non-financial assets	1,976	2,388	2,800	2,800	2,800
Total assets administered on behalf of Government	28,185	32,629	25,178	15,919	15,919
Net assets/(liabilities)	28,185	32,629	25,178	15,919	15,919

Prepared on Australian Accounting Standards basis.

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

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	10,129	52,196	61,741	55,186	45,927
Total cash received	10,129	52,196	61,741	55,186	45,927
Net cash from/(used by) operating activities	10,129	52,196	61,741	55,186	45,927
Net increase/(decrease) in cash held	10,129	52,196	61,741	55,186	45,927
Cash to Official Public Account for:					
- Special accounts	(10,129)	(52,196)	(61,741)	(55,186)	(45,927)
<i>Total cash to Official Public Account</i>	<i>(10,129)</i>	<i>(52,196)</i>	<i>(61,741)</i>	<i>(55,186)</i>	<i>(45,927)</i>
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 two 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.
Appropriation Bills (Nos. 5 and 6)	If an amount provided in Appropriation Acts (Nos. 1, 2, 3 or 4) is not enough to meet approved expenditure in a financial year, supplementary appropriation may be sought in Appropriation Bills (Nos. 5 or 6). Once these Bills are passed by the Parliament and given Royal Assent, they become the Appropriation Acts (Nos. 5 and 6). They are also commonly referred to as the Supplementary 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.

Term	Meaning
Budget Paper 1 (BP1)	Budget Strategy and Outlook – Provides information and analysis on whole-of-government expenditure and revenue.
Budget Paper 2 (BP2)	Budget Measures – Provides a description of each budget measure by portfolio.
Budget Paper 3 (BP3)	Federal Financial Relations – Provides information and analysis on federal funding provided to the states and territories.
Budget Paper 4 (BP4)	Agency Resourcing – Details total resourcing available to agencies.
Capital expenditure	Expenditure by an entity on capital projects; for example, purchasing a building.
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.

Term	Meaning
Forward estimates period	The three years following the Budget year. For example if 2024–25 is the Budget year, 2025–26 is forward year 1, 2026–27 is forward year 2 and 2027–28 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.
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 Minister for Finance advising of timing changes to funding requirements. If agreed by the Minister for Finance, there will be a change 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	Sometimes called 'capital' costs.
Official Public Account (OPA)	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.

Term	Meaning
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.
Right of use (ROU) asset	Right of use (ROU) assets are the future economic benefits controlled by an entity leasing underlying non-financial assets. Entities are required to recognise ROU assets under AASB 16 <i>Leases</i> .
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 Minister for Finance (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.
Supply Bills	Supply Bills are Appropriation Bills that propose appropriations for interim funding, usually used in situations where the main Budget Bills are unlikely to pass in time for the new financial year (e.g. if an election would interrupt the normal Budget cycle).



Budget

2026–27

PORTFOLIO BUDGET STATEMENTS 2026–27
BUDGET RELATED PAPER NO. 1.15

TREASURY PORTFOLIO