

Royal Australian Mint

SECTION 1: ENTITY OVERVIEW AND RESOURCES	341
1.1 Strategic direction statement	341
1.2 Entity resource statement	342
1.3 Budget measures.....	342
SECTION 2: OUTCOMES AND PLANNED PERFORMANCE	343
2.1 Budgeted expenses and performance for Outcome 1	344
SECTION 3: BUDGETED FINANCIAL STATEMENTS.....	347
3.1 Budgeted financial statements.....	347
3.2. Budgeted financial statements tables	348

Royal Australian Mint

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Royal Australian Mint (the Mint) is a listed entity operating under the *Public Governance, Performance and Accountability Act 2013*. The Mint's vision is to be an industry leader in delivering sustainable business that represents value to its stakeholders. Its goal is to meet the circulating coin and collector coin needs of Australia and selected international markets. The Mint is also the custodian of Australia's National Coin Collection and through the gallery as a national institution provides educational and Cultural experiences to local and overseas visitors.

2022-23 will incorporate a strategic plan, which acknowledges the long-term decline in the demand for circulating coin, the opportunities for growth in the collectible business, and how the Mint delivers public value as a National Institution. With a foundation based on a commitment to excellence, sustainability, safety and effective resource management, the following key strategies have been identified for inclusion in this plan:

- Optimisation of the return on core business;
- Profitable growth of the collector and investment business;
- Enhancement of the visitor experience as a National Institution; and
- Establishment as a custodian of value in future financial systems

As the sole supplier of Australia's circulating coin requirements, the Mint is responsible for the continuous review of Australian coinage and for providing advice to the Treasury and the Government on coin related issues.

Across the forward estimates, the Mint will be focussed on effectively managing its return to Commonwealth generated through seigniorage returns from circulation coin sales, surpluses from the collectible business and the provision of cultural and education services to the public.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the entity for its operations and to deliver programs and services on behalf of the government. The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the government or the public) and departmental (for the entity’s operations) classification.

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

Table 1.1: Royal Australian Mint resource statement – Budget estimates for 2022-23 as at Budget March 2022

	<i>2021-22 Estimated actual \$'000</i>	<i>2022-23 Estimate \$'000</i>
Departmental		
Special accounts (a)		
Opening balance	115,218	123,025
Non-appropriation receipts	150,821	163,296
<i>Total special accounts</i>	<i>266,039</i>	<i>286,321</i>
Total departmental resourcing	266,039	286,321
Total resourcing for the Royal Australian Mint	266,039	286,321
Average staffing level (number)	239	239

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

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

(a) Excludes trust money and “other CRF money” held in accounts like Other Trust Monies accounts (OTM), Services for Other Government and Non-agency Bodies accounts (SOG) or Services for Other Entities and Trust Monies accounts (SOETM)). For further information on special appropriations and special accounts, please refer to Budget Paper No. 4 – Agency Resourcing. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.

1.3 Budget measures

The 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 that contribute to government outcomes over the Budget and forward years.

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

Note:

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

The most recent corporate plan for Royal Australian Mint can be found at: <https://www.ramint.gov.au/corporate-plan>

The most recent annual performance statement can be found inside the latest annual report at: <https://www.ramint.gov.au/annual-reports>

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: The coinage needs of the Australian economy, collectors and foreign countries are met through the manufacture and sale of circulating coins, collector coins and other minted like products

Budgeted expenses for Outcome 1

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

Table 2.1: Budgeted expenses for Outcome 1

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1.1: Royal Australian Mint					
Administered expenses					
Special accounts					
Royal Australian Mint Special Account	34,967	27,553	33,072	33,003	33,003
Administered total	34,967	27,553	33,072	33,003	33,003
Departmental expenses					
Special accounts					
Royal Australian Mint Special Account	127,121	133,541	139,373	145,177	145,177
Departmental total	127,121	133,541	139,373	145,177	145,177
Total expenses for program 1.1	162,088	161,094	172,445	178,180	178,180
Total expenses for Outcome 1	162,088	161,094	172,445	178,180	178,180
	2021-22	2022-23			
Average staffing level (number)	239	239			

Table 2.2: Performance measure for Outcome 1

Table 2.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2021-22 Budget measures have created new programs or materially changed existing programs.

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.			
Delivery	<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; and – Other custom minted products. • Maintenance of Australia’s National Coin Collection. • Cultural and education services to 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; and – Promote public understanding about the cultural and historical significance of coins. 		
Performance information			
Performance criteria	2022-23	2023-24	2024-26 and the forward estimates
Produce and deliver Australian circulating coins in a cost effective and timely manner	Seigniorage: \$13m Volume: 77mpcs	Seigniorage: \$15.6m Volume: 90mpcs	Seigniorage: \$12.4m Volume: 72mpcs
Optimum return on investment	Return on Net Assets: 30%	Return on Net Assets: 30%	Return on Net Assets: 30%
Collectibles orders placed are produced and delivered within agreed delivery time	Delivered on time and in full: 90%	Delivered on time and in full: 90%	Delivered on time and in full: 90%
Visitor satisfaction rating of Mint experience	Survey result: N/A (COVID-19 Impacted)	Survey result: 95%	Survey result: 95%
Visitor numbers	Visitors: 115,000 (COVID-19 Impacted)	Visitors: 164,500 (COVID-19 Impacted)	Visitors: 350,000

Performance information (continued)			
Performance criteria	2022-23	2023-24	2024-26 and the forward estimates
Provide a safe, secure and sustainable operational environment	Retain certification: Yes Major injuries: Nil Security breaches: Nil	Retain certification: Yes Major injuries: Nil Security breaches: Nil	Retain certification: Yes Major injuries: Nil Security breaches: Nil
Build on brand awareness	Net Promoter Score: 70%	Net Promoter Score: 70%	Net Promoter Score: 70%
Have engaged, motivated and committed staff	Staff satisfaction survey: 79%	Staff satisfaction survey: 80%	Staff satisfaction survey: 80%
Purposes	To produce and distribute circulating coins and minted products to meet the demands of the Australian economy, collectors and foreign countries.		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2022-23 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

The Mint has two streams of revenue. One stream comes from production and subsequent sale of circulating coins at face value to commercial banks. The second stream comes from sale of collectible products (numismatic, foreign circulating coins and other minted products).

The Mint's Departmental projected results for the 2022-23 and forward years reflect the Mint's focus on identifying opportunities in its collectible business (refer to table 3.1). The ongoing implementation of 'lean' principles will enable the Mint to manufacture its products in a more efficient manner which is expected to deliver a reduction in cost and improved business effectiveness.

An after-tax surplus is budgeted on the sale of collectible products of \$8 million which will contribute to the total return to Commonwealth.

The Administered surplus from seigniorage is expected to be \$27 million (refer to table 3.7).

3.2. Budgeted financial statements tables

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

	2021-22 <i>Estimated actual</i> \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	24,618	25,111	25,611	26,124	26,124
Suppliers	93,026	98,654	103,866	108,987	108,987
Depreciation and amortisation	7,208	7,488	7,588	7,758	7,758
Finance costs	999	999	999	999	999
Other expenses	1,270	1,289	1,309	1,309	1,309
Total expenses	127,121	133,541	139,373	145,177	145,177
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	149,719	162,164	170,828	174,540	174,540
Rental income	552	582	456	475	475
Royalties	100	100	100	100	100
Other	630	630	630	630	630
Total own-source revenue	151,001	163,476	172,014	175,745	175,745
Total own-source income	151,001	163,476	172,014	175,745	175,745
Net (cost of)/contribution by services	23,880	29,935	32,641	30,568	30,568
Notional income tax expense	7,164	8,980	9,792	9,170	9,170
Total comprehensive income/(loss) – as per the statement of comprehensive income	16,716	20,955	22,849	21,398	21,398

Prepared on Australian Accounting Standards basis.

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

	2021-22 <i>Estimated actual</i> \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	121,461	137,073	145,948	168,704	168,704
Trade and other receivables	4,835	4,835	4,835	4,835	4,835
Total financial assets	126,296	141,908	150,783	173,539	173,539
Non-financial assets					
Buildings	50,279	48,961	47,663	46,385	46,385
Property, plant and equipment	14,808	13,396	10,907	6,289	6,289
Intangibles	1,871	2,078	2,262	1,592	1,592
Heritage and cultural	22,189	22,189	22,189	22,189	22,189
Inventories	58,290	59,023	65,763	71,648	71,648
Tax assets	1,484	1,484	1,484	1,484	1,484
Other non-financial assets	1,982	1,982	1,982	1,982	1,982
Total non-financial assets	150,903	149,113	152,250	151,569	151,569
Total assets	277,199	291,021	303,033	325,108	325,108
LIABILITIES					
Payables					
Suppliers	6,334	6,334	6,334	6,334	6,334
Tax liabilities	-	-	-	-	-
Other payables	54,350	55,992	54,164	54,958	54,958
Total payables	60,684	62,326	60,498	61,292	61,292
Interest bearing liabilities					
Leases	37,962	37,039	36,019	34,902	34,902
Total interest-bearing liabilities	37,962	37,039	36,019	34,902	34,902
Provisions					
Employee provisions	6,594	6,731	6,731	6,731	6,731
Other provisions	823	834	845	845	845
Total provisions	7,417	7,565	7,576	7,576	7,576
Total liabilities	106,063	106,930	104,093	103,770	103,770
Net assets	171,136	184,091	198,940	221,338	221,338
EQUITY*					
Parent entity interest					
Contributed equity	77,903	77,903	77,903	77,903	77,903
Reserves	40,616	40,616	40,616	40,616	40,616
Retained surplus (accumulated deficit)	52,617	65,572	80,421	102,819	102,819
Total equity	171,136	184,091	198,940	221,338	221,338

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 2022-23)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2021					
Balance carried forward from previous period	52,617	20,616	20,000	77,903	171,136
Opening balance	52,617	20,616	20,000	77,903	171,136
Comprehensive income					
Surplus/(deficit) for the period	20,955	-	-	-	20,955
Total comprehensive income	20,955	-	-	-	20,955
Distributions to owners					
Returns on capital:					
Dividends	(8,000)	-	-	-	(8,000)
Sub-total transactions with owners	(8,000)	-	-	-	(8,000)
Estimated closing balance as at 30 June 2021	65,572	20,616	20,000	77,903	184,091
Closing balance attributable to the Australian Government	65,572	20,616	20,000	77,903	184,091

Prepared on Australian Accounting Standards basis

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

	<i>2021-22 Estimated actual \$'000</i>	<i>2022-23 Budget \$'000</i>	<i>2023-24 Forward estimate \$'000</i>	<i>2024-25 Forward estimate \$'000</i>	<i>2025-26 Forward estimate \$'000</i>
OPERATING ACTIVITIES					
Cash received					
Sale of goods and rendering of services	179,856	188,246	171,284	175,015	175,015
Net GST received	9,440	9,450	9,450	9,450	9,450
Other	550	550	550	550	550
Total cash received	189,846	198,246	181,284	185,015	185,015
Cash used					
Employees	24,396	24,882	25,611	26,124	26,124
Suppliers	96,977	101,095	110,426	114,692	114,692
Net GST paid	9,440	9,450	9,450	9,450	9,450
Lease liability – Interest payments	988	988	988	988	988
Other	30,746	22,884	4,491	1,309	1,309
Total cash used	162,547	159,299	150,966	152,563	152,563
Net cash from/(used by) operating activities	27,299	38,947	30,318	32,452	32,452
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	7,877	4,200	3,200	398	398
Total cash used	7,877	4,200	3,200	398	398
Net cash from/(used by) investing activities	(7,877)	(4,200)	(3,200)	(398)	(398)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	1,576	1,688	1,805	1,922	1,922
Payments to Commonwealth – return of capital	11,603	17,447	16,438	7,376	7,376
Total cash used	13,179	19,135	18,243	9,298	9,298
Net cash from/(used by) financing activities	(13,179)	(19,135)	(18,243)	(9,298)	(9,298)
Net increase/(decrease) in cash held	6,243	15,612	8,875	22,756	22,756
Cash and cash equivalents at the beginning of the reporting period	115,218	121,461	137,073	145,948	145,948
Cash and cash equivalents at the end of the reporting period	121,461	137,073	145,948	168,704	168,704

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources	7,000	8,500	8,500	7,000	7,000
TOTAL	7,000	8,500	8,500	7,000	7,000
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	7,000	8,500	8,500	7,000	7,000
Total cash used to acquire assets	7,000	8,500	8,500	7,000	7,000

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of departmental asset movements (Budget year 2022-23)

	Buildings \$'000	Other property, plant and equipment \$'000	Heritage and cultural \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2022					
Gross book value – ROU assets	41,716	-	-	-	41,716
Gross book value	18,590	23,405	22,189	9,277	73,461
Accumulated depreciation/ amortisation and impairment	(3,778)	(8,597)	-	(7,406)	(19,781)
Accumulated depreciation/ amortisation and impairment – ROU assets	(6,249)	-	-	-	(6,249)
Opening net book balance	50,279	14,808	22,189	1,871	89,147
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase – other	-	3,323	-	877	4,200
Total additions	-	3,323	-	877	4,200
Other movements					
Depreciation/amortisation expense – ROU	(2,083)	-	-	-	(2,083)
Depreciation/amortisation expense	-	(4,735)	-	(670)	(5,405)
Other – ROU assets	765	-	-	-	765
Total other movements	(1,318)	(4,735)	-	(670)	(6,723)
As at 30 June 2023					
Gross book value – ROU assets	42,481	-	-	-	42,481
Gross book value	18,590	26,728	22,189	10,154	77,661
Accumulated depreciation/ amortisation and impairment – ROU	(8,332)	-	-	-	(8,332)
Accumulated depreciation/ amortisation and impairment	(3,778)	(13,332)	-	(8,076)	(25,186)
Closing net book balance	48,961	13,396	22,189	2,078	86,624

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)

	2021-22 <i>Estimated actual</i> \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Suppliers	32,850	25,394	30,870	30,757	30,757
Other expenses	2,117	2,159	2,202	2,246	2,246
Total expenses administered on behalf of Government	34,967	27,553	33,072	33,003	33,003
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Sale of goods and rendering of services	74,184	55,000	63,493	60,341	60,341
Total non-taxation revenue	74,184	55,000	63,493	60,341	60,341
Total own-source revenue administered on behalf of Government	74,184	55,000	63,493	60,341	60,341
Total own-sourced income administered on behalf of Government	74,184	55,000	63,493	60,341	60,341
Net (cost of)/contribution by services	(39,217)	(27,447)	(30,421)	(27,338)	(27,338)
Surplus/(deficit)	39,217	27,447	30,421	27,338	27,338

Prepared on Australian Accounting Standards basis.

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

	2021-22 <i>Estimated actual</i> \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Trade and other receivables	52,755	40,985	38,053	34,970	34,970
Total financial assets	52,755	40,985	38,053	34,970	34,970
Non-financial assets					
Inventories	2,089	2,089	2,089	2,089	2,089
Total non-financial assets	2,089	2,089	2,089	2,089	2,089
Total assets administered on behalf of Government	54,844	43,074	40,142	37,059	37,059
Net assets/(liabilities)	54,844	43,074	40,142	37,059	37,059

Prepared on Australian Accounting Standards basis.

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

	<i>2021-22 Estimated actual \$'000</i>	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	32,079	39,217	33,353	30,421	30,421
Total cash received	32,079	39,217	33,353	30,421	30,421
Net cash from/(used by) operating activities					
	32,079	39,217	33,353	30,421	30,421
Net increase/(decrease) in cash held					
	32,079	39,217	33,353	30,421	30,421
Cash and cash equivalents at beginning of reporting period	-	-	-	-	-
Cash to Official Public Account for:					
- Special accounts	(32,079)	(39,217)	(33,353)	(30,421)	(30,421)
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.