



Budget

2019-20

Portfolio Budget Statements 2019-20 **Budget Related Paper No. 1.8**

Foreign Affairs and Trade Portfolio

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

© Commonwealth of Australia 2019

ISBN 978-1-74322-497-7

This publication is available for your use under a Creative Commons BY Attribution 3.0 Australia licence, with the exception of the Commonwealth Coat of Arms, the Foreign Affairs and Trade portfolio logo, photographs, images, signatures and where otherwise stated. The full licence terms are available from <http://creativecommons.org/licenses/by/3.0/au/legalcode>.



Use of Foreign Affairs and Trade portfolio material under a Creative Commons BY Attribution 3.0 Australia licence requires you to attribute the work (but not in any way that suggests that the Foreign Affairs and Trade portfolio endorses you or your use of the work).

Foreign Affairs and Trade portfolio material used 'as supplied'

Provided you have not modified or transformed Foreign Affairs and Trade portfolio material in any way including, for example, by changing the Foreign Affairs and Trade portfolio text; calculating percentage changes; graphing or charting data; or deriving new statistics from published Foreign Affairs and Trade portfolio statistics – then the Foreign Affairs and Trade portfolio prefers the following attribution:

Source: The Australian Government Foreign Affairs and Trade portfolio

Derivative material

If you have modified or transformed Foreign Affairs and Trade portfolio material, or derived new material from those of the Foreign Affairs and Trade portfolio in any way, then the Foreign Affairs and Trade portfolio prefers the following attribution:

Based on The Australian Government Foreign Affairs and Trade portfolio data

Use of the Coat of Arms

The terms under which the Coat of Arms can be used are set out on the Department of the Prime Minister and Cabinet website (see www.pmc.gov.au/government/commonwealth-coat-arms).

Other uses

Enquiries regarding this licence and any other use of this document are welcome at:

Mr Paul Wood, Chief Financial Officer, Department of Foreign Affairs and Trade.



MINISTER FOR FOREIGN AFFAIRS
MINISTER FOR TRADE, TOURISM AND INVESTMENT

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 Mr President
Dear Mr Speaker

We hereby submit Portfolio Budget Statements in support of the 2019-20 Budget for the Foreign Affairs and Trade portfolio.

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

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

Yours sincerely

A handwritten signature in blue ink that reads 'Marise Payne'.

Senator the Hon Marise Payne
Minister for Foreign Affairs

A handwritten signature in blue ink that reads 'Simon Birmingham'.

Senator the Hon Simon Birmingham
Minister for Trade, Tourism and
Investment

Abbreviations and conventions

The following notation may be used:

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

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

Enquiries

Should you have any enquiries regarding this publication please contact Mr Paul Wood, Chief Financial Officer, Department of Foreign Affairs and Trade, on (02) 6261 1240.

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

**USER GUIDE
TO THE
PORTFOLIO BUDGET STATEMENTS**

USER GUIDE

The purpose of the *2019-20 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) 2019-20 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2019-20 for the parliamentary departments). In this sense, the PB Statements are Budget related papers and are declared by the Appropriation Acts to be 'relevant documents' to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

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

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

The Enhanced Commonwealth Performance Framework

The following diagram outlines the key components of the enhanced 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.

Enhanced Commonwealth Performance Framework

Key components of relevant publications

Portfolio Budget Statements (April) *Portfolio based*

Supports Annual Appropriations. Informs Senators and Members of Parliament of the proposed allocation 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, particularly a **forecast of performance for the current year**.

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

Corporate Plan (August) *Entity based*

Primary planning document of a Commonwealth entity.

Sets out the **purposes** of the entity, the **activities** it will undertake to achieve its purposes and the **results** it expects to achieve over a minimum four year period.

Describes the **environment** in which the entity **operates**, the **capability** it requires to undertake **activities** and a discussion of **risk**.

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



Annual Performance Statement (October following year) *Entity based*

Included in the Commonwealth entity's Annual Report. Focuses on **recent performance**.

Reports on the **actual performance results** for the year against the **forecasts** made in the **corporate plan** and **Portfolio Budget Statements**, and provides other performance information relevant to the entity.

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

CONTENTS

PORTFOLIO OVERVIEW	1
Foreign Affairs and Trade Portfolio overview	3
ENTITY RESOURCES AND PLANNED PERFORMANCE	7
Department of Foreign Affairs and Trade (DFAT)	9
Australian Trade and Investment Commission (Austrade)	63
Australian Centre for International Agricultural Research (ACIAR)	99
Australian Secret Intelligence Service (ASIS)	125
Tourism Australia	139
PORTFOLIO GLOSSARY	165

PORTFOLIO OVERVIEW

FOREIGN AFFAIRS AND TRADE PORTFOLIO OVERVIEW

Minister(s) and portfolio responsibilities

The four portfolio ministers are:

- Senator the Hon Marise Payne, Minister for Foreign Affairs;
- Senator the Hon Simon Birmingham, Minister for Trade, Tourism and Investment;
- Senator the Hon Anne Ruston, Assistant Minister for International Development and the Pacific; and
- the Hon Mark Coulton MP, Assistant Minister for Trade, Tourism and Investment.

The portfolio consists of the Department of Foreign Affairs and Trade (DFAT, 'the department'), the Australian Trade and Investment Commission (Austrade), the Australian Secret Intelligence Service (ASIS), the Australian Centre for International Agricultural Research (ACIAR), Tourism Australia and the Export Finance and Insurance Corporation (Efic).

Department of Foreign Affairs and Trade

DFAT's purpose is to make Australia stronger, safer and more prosperous, to provide timely and responsive consular and passport services, and to ensure a secure Australian Government presence overseas.

To achieve this purpose, DFAT has three key outcomes (see *Figure 1: Foreign Affairs and Trade portfolio structure and outcomes*), and seven priority functions as detailed in DFAT's 2018–19 Corporate Plan as follows:

1. promote a stable and prosperous Indo-Pacific;
2. pursue economic, trade and investment opportunities;
3. keep Australia and Australians safe and secure;
4. deliver an innovative development assistance program;
5. advance global cooperation;
6. support Australians overseas; and
7. provide a secure and effective overseas presence.

DFAT's work is guided by the 2017 *Foreign Policy White Paper*, which sets out a comprehensive framework to advance Australia's security and prosperity in accordance with our values.

DFAT and its portfolio agency partners work with the broader Australian Public Service to promote a stable and prosperous regional and global environment by leveraging Australia's engagement with bilateral and regional partners and multilateral institutions.

Portfolio overview

Austrade

Austrade's purpose is to deliver quality trade and investment services to businesses to grow Australia's economic prosperity. Austrade works with exporters, investors, government and industry representatives to drive sustained long-term growth through exports and international expansion, and through the attraction of productive foreign investment. Austrade aims to reduce the time, cost and risk for its clients by providing authoritative commercial insights and information to help its clients make informed business decisions. Austrade collaborates closely with state and territory governments and other Commonwealth Government agencies, and informs and influences policy to support positive trade and investment outcomes.

Austrade, alongside DFAT, promotes the opportunities created by free trade agreements, and helps educate business on how to use free trade agreements to access new markets and grow their business. Austrade also administers the Export Market Development Grant scheme, and works on tourism policy, projects, programs and research to strengthen Australia's tourism industry and grow Australia's share of the international tourism market.

ASIS

Through ASIS, the portfolio will continue to enhance government understanding of the overseas environment affecting Australia's vital interests and take appropriate action, consistent with applicable legislation, to protect identified interests.

ACIAR

ACIAR supports Australia's national interests by contributing to sustainable economic growth, poverty reduction and enhanced regional stability, with a particular focus on economic and scientific diplomacy, healthier and better-nourished families, and women's economic empowerment. ACIAR's mandate is to amplify the impact of Australia's outstanding capabilities in agricultural science by brokering and investing in agricultural research partnerships in developing countries. ACIAR works with public and private research institutions to improve the productivity and sustainability of agricultural systems and the resilience of food systems in partner countries.

ACIAR's objectives reflect Australia's development policy and the *2030 Agenda for Sustainable Development* through supporting research collaboration while emphasising human capital building and private sector-led development, targeted at safer and more inclusive agrifood value chains and improved livelihoods in agriculture, forestry and fisheries.

Tourism Australia

Tourism Australia is Australia's national tourism marketing organisation. It works to promote Australia internationally as a compelling tourism destination for leisure and business events travel. The outcome of Tourism Australia's activities is to grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets.

Efic

Efic helps Australian companies exporting and investing overseas to gain access to finance and insurance services. Efic provides financial facilities for exporters, including loans, guarantees, bonds and political risk insurance, with a focus on small and medium enterprises and those seeking to do business in emerging markets. Efic will continue to work closely with DFAT and Austrade in the delivery of these services. Efic will also continue to manage the National Interest Account on behalf of the Australian Government, including the Defence Export Facility, and where directed, provide support to other Australian Government entities.

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

Figure 1: Department of Foreign Affairs and Trade portfolio structure and outcomes



ENTITY RESOURCES AND PLANNED PERFORMANCE

Department of Foreign Affairs and Trade (DFAT).....	9
Australian Trade and Investment Commission (Austrade)	63
Australian Centre for International Agricultural Research (ACIAR)	99
Australian Secret Intelligence Service (ASIS)	125
Tourism Australia.....	139

Department of Foreign Affairs and Trade (DFAT)

ENTITY RESOURCES AND PLANNED PERFORMANCE

DEPARTMENT OF FOREIGN AFFAIRS AND TRADE

SECTION 1: ENTITY OVERVIEW AND RESOURCES	13
1.1 Strategic direction statement	13
1.2 Entity resource statement	16
1.3 Budget measures.....	18
SECTION 2: OUTCOMES AND PLANNED PERFORMANCE	19
2.1 Budgeted expenses and performance for Outcome 1.....	20
2.2 Budgeted expenses and performance for Outcome 2.....	36
2.3 Budgeted expenses and performance for Outcome 3.....	43
SECTION 3: BUDGETED FINANCIAL STATEMENTS.....	48
3.1 Budgeted financial statements.....	48
3.2 Budgeted financial statements tables.....	50

DEPARTMENT OF FOREIGN AFFAIRS AND TRADE

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Department of Foreign Affairs and Trade ('the department') supports Australia's foreign, trade and investment, development and international security policy priorities. In 2019-20, the department will lead efforts across Government to maximise Australia's security and prosperity through implementation of the *2017 Foreign Policy White Paper* ('White Paper').

Australia faces an uncertain global environment, perhaps more so than any time since the end of the Second World War. The Indo-Pacific is in the midst of a major strategic realignment. The challenges Australia faces as the world moves to a new, more multipolar era are fundamental to the region's long-term prosperity and security, and Australia's future.

The White Paper describes a more contested and competitive world that presents opportunities for Australia to prosper but also brings risks to our interests. Its central narrative is one of change and uncertainty.

Since the White Paper's release, many of the international trends identified within it have intensified - rising nationalism and geo-political competition, anti-globalisation and trade protectionism, a shift in power in the Indo-Pacific without precedent in Australia's modern history, rapid technological advances that are changing the way economies and societies work, and mega trends such as climate change and urbanisation. These trends are testing Australia's policy settings and demanding new efforts in several areas.

The department's three outcomes detailed in this document, and seven priority functions outlined in the department's *2018-19 Corporate Plan* provide the roadmap for how we will deliver for Government and Australia.

The Indo-Pacific region includes our major economic partners and most complex bilateral relationships. Ensuring the region evolves peacefully, without an erosion of the fundamental principles on which the region's cooperative relations are based, is one of the department's central objectives. The department will promote an open, inclusive and prosperous region in which the rights of all states are respected.

Australia has committed to working closely with the United States towards this objective. Arising from AUSMIN 2018, an Australia-US joint work plan - which includes a range of diplomatic, security and economic initiatives - is advancing shared strategic interests in the region.

In our near region, we are stepping-up support for a more resilient Pacific and Timor-Leste. A high priority is the effective implementation of our Pacific 'step-up' initiatives. The department is expanding Australia's diplomatic presence to every Pacific Islands Forum member, with five new missions in the Cook Islands, French Polynesia, Niue, Palau and the Republic of Marshall Islands expected to open by 2020-21. The Australian Infrastructure Financing Facility for the Pacific (AIFFP) will support high priority infrastructure projects such as telecommunications, energy, transport and water in Pacific countries and Timor-Leste. Expansion of the Pacific Labour Scheme will support the economies of partner countries in our neighbourhood while supporting Australian businesses and farmers.

The Government is committed to a constructive relationship with China, founded on shared interests and mutual respect. Recognising that a well-grounded understanding of each other's society and systems is key to a long-term stable relationship, Australia will foster deeper connections between government, business and the community in both countries. The National Foundation for Australia-China Relations will be a central component of this.

Linkages between globalisation, technological change and new forms of production, consumption and trade are shaping economies and societies in profound ways. This presents Australia with significant trade and investment opportunities but also fuels protectionism and anti-globalisation. The department will maximise these opportunities by ensuring the lowest possible barriers to our trade and investment, standing firm against protectionism and working with Australian businesses to advance our commercial interests.

The department will work to implement the recently signed free trade agreements with Indonesia, Peru and Hong Kong, seek to conclude high quality agreements with the European Union and the Pacific Alliance, as well as the Regional Comprehensive Economic Partnership, and continue to work with industry groups and partners to address non-tariff barriers to Australian goods and services. Australia now has free trade deals with countries accounting for nearly 70 per cent of its two-way trade, up from 26 per cent in 2013. Another high priority is to increase the department's promotion and advocacy of the benefits to Australia of free trade and productive foreign investment, which support Australian businesses to grow and stay competitive in the international marketplace.

The stability and security of our region is vital and technological change, the reach and vulnerabilities of the internet and state fragility are among global trends amplifying threats to Australia. The Government's first duty is to do everything possible to keep Australians safe and protect our freedoms and our values. The department will work with Australia's partners to address threats and tackle international security challenges.

The world has changed and Australia's development assistance is changing too. Many developing countries are growing rapidly, with development assistance representing an increasingly small proportion of development finance. Australia's development

assistance is becoming more innovative to maximise its impact. Australia's development focus will remain on the Indo-Pacific as we can make the most difference in our immediate neighbourhood. Australia will continue to invest in the region's prosperity, security and stability by contributing to sustainable economic growth and poverty reduction.

At a time of strain on the multilateral system, Australia will promote and protect the international rules and institutions that support stability and prosperity and enable global cooperation to tackle global challenges. In an uncertain world, the strength and diversity of Australia's bilateral partnerships beyond the Indo-Pacific builds our influence and spreads risk. The department will continue to invest in these relationships.

The department continues to implement the New Colombo Plan, as it deepens Australia's relationships in the Indo-Pacific by offering young Australians opportunities to study abroad. This builds institutional and people-to-people links with the region.

The department continues to nurture Australia's soft power as a means to deliver on the Government's priorities. The Government launched a review into Australia's soft power in 2018. The review looked at the nature of influence in a contested and connected age; Australia's soft power strengths and challenges; the value of domestic partnerships in advancing soft power; and options to strengthen Australia's soft power policy settings. The findings of the review, expected to be released in 2019, will support the department's public diplomacy, communications, scholarships and visits programs.

Support for Australians overseas will remain one of the department's most important responsibilities as Australians are travelling overseas in unprecedented numbers. This has substantially increased both the demand for - and complexity of - passport and consular assistance. The department is one of the key agencies involved in the GovPass program, which is the creation of a digital identity for Australians and will enable them to access government services online. The Australian Passport Office will provide a face verification service to confirm the identity of GovPass clients.

Australia will continue to develop fit-for-purpose diplomatic capabilities built around a secure and effective overseas Australian Government presence. The department is investing in efficient and cost-effective technologies to support our overseas engagement and is ensuring our people have the skills they need to advance and protect Australia's national interests in a changing world.

The White Paper's emphasis on our domestic foundations - a strong, flexible economy, resilient institutions and a cohesive society - remains essential. So too is an adaptable, agile foreign policy which can respond to change and hedge against risks and uncertainties. The department will continue to work closely with portfolio agency partners, the broader Australian Public Service, business and development partners to advance Australia's national interests.

1.2 ENTITY RESOURCE STATEMENT

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

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

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

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

Table 1.1: Department of Foreign Affairs and Trade resource statement — Budget estimates for 2019-20 as at Budget April 2019

	<i>2018-19 (a)</i> <i>Estimated</i> <i>actual</i> \$'000	2019-20 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (b)		
Prior year appropriations available (c)	295,938	285,400
Departmental appropriation (d)	1,406,137	1,442,165
s74 External Revenue (e)	123,022	122,311
Departmental capital budget (f)	60,127	60,477
Annual appropriations - other services - non-operating (g)		
Prior year appropriations available (c)	21,438	5,920
Equity injection	22,182	43,546
Total departmental annual appropriations	<u>1,928,844</u>	<u>1,959,819</u>
Special accounts (h)		
Opening balance	357,325	299,702
Appropriation receipts (i)	78,728	78,486
Appropriation receipts from other entities (j)	36,645	32,057
Non-appropriation receipts	44,006	21,656
Total special accounts	<u>516,704</u>	<u>431,901</u>
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	<u>78,728</u>	<u>78,486</u>
Total departmental resourcing	<u>2,366,820</u>	<u>2,313,234</u>
Administered		
Annual appropriations - ordinary annual services (b)		
Outcome 1	3,836,822	3,970,458
Outcome 2	750	750
Administered capital budget (k)	504	528
Payments to corporate entities (l)	132,488	135,618
Annual appropriations - other services - non-operating (g)		
Administered assets and liabilities	-	605,072

Table continued on the following page.

Table 1.1: Department of Foreign Affairs and Trade resource statement — Budget estimates for 2019-20 as at Budget April 2019 (continued)

	2018-19 <i>Estimated actual</i> \$'000	2019-20 Estimate \$'000
Total administered annual appropriations	3,970,564	4,712,426
Total administered special appropriations	1,010	1,010
<i>less payments to corporate entities from annual appropriations</i>	132,488	135,618
Total administered resourcing	3,839,086	4,577,818
Total resourcing for DFAT	6,205,906	6,891,052
	2018-19	2019-20
Average staffing level (number)	5,613	5,810

Third party payments from and on behalf of other entities

	2018-19 <i>Estimated actual</i> \$'000	2019-20 Estimate \$'000
Receipts received from other entities for the provision of services (disclosed above in s74 External Revenue section above)	123,022	122,311
Payments made to corporate entities within the Portfolio Tourism Australia (annual appropriation)	132,488	135,618

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

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

- (a) Annual appropriation amounts appearing for 2018-19 do not include the Appropriation Bills (No. 3) and (No. 4) 2018-2019, as they had not been enacted at the time of publication.
- (b) Appropriation Bill (No. 1) 2019-20.
- (c) Excludes \$57.7m subject to administrative quarantine by Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act 2013)*.
- (d) Excludes Departmental Capital Budget (DCB).
- (e) Estimated External Revenue receipts under section 74 of the *PGPA Act 2013*.
- (f) DCBs are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (g) Appropriation Bill (No. 2) 2019-20.
- (h) Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to *Budget Paper No. 4 - Agency Resourcing*. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.
- (i) Amounts credited to the special account(s) from DFAT's annual appropriations.
- (j) Amounts credited to the special account(s) from another entity's annual and special appropriations.
- (k) Administered capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.10 for further details. For accounting purposes, this amount is designated as a 'contribution by owner'.
- (l) 'Corporate entities' are corporate Commonwealth entities and Commonwealth companies as defined under the *PGPA Act 2013*.

1.3 BUDGET MEASURES

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

**Table 1.2: Department of Foreign Affairs and Trade 2019-20 Budget measures
Part 1: Measures announced since the 2018-19 Mid-Year Economic and Fiscal
Outlook (MYEFO)**

	Program	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000
Expense measures						
Australian Infrastructure Financing Facility for the Pacific - additional resources	1.1					
Departmental expenses		-	2,945	3,122	3,296	3,332
Total		-	2,945	3,122	3,296	3,332
Continued Funding for GovPass - Trusted Digital Identity (a)	2.2					
Departmental expenses		-	-	-	-	-
Total		-	-	-	-	-
Countering Foreign Interference (b)	1.1					
Departmental expenses		-	-	-	-	-
Total		-	-	-	-	-
Total expense measures						
Departmental		-	2,945	3,122	3,296	3,332
Total		-	2,945	3,122	3,296	3,332
Capital measures						
Continued Funding for GovPass - Trusted Digital Identity (a)	1.1					
Departmental capital		-	-	-	-	-
Total		-	-	-	-	-
Total capital measures						
Departmental		-	-	-	-	-
Total		-	-	-	-	-

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

(a) The lead entity for this measure is the Digital Transformation Agency. The full measure description and package details appear in *Budget Paper No. 2* under the Prime Minister and Cabinet portfolio.

(b) The lead entity for this measure is the Department of Home Affairs. The full measure description and package details appear in *Budget Paper No. 2* under the Home Affairs 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 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 DFAT can be found at: <https://dfat.gov.au/about-us/publications/Documents/corporate-plan-2018-19.pdf>.

The most recent annual performance statement can be found at: <https://dfat.gov.au/about-us/publications/corporate/annual-reports/Documents/dfat-annual-report-2017-18.pdf>.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: The advancement of Australia's international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign, trade and international development policy priorities

Linked programs

Attorney-General's Department
Programs
<ul style="list-style-type: none"> • Program 1.1 – Attorney-General's Department Operating Expenses-Civil Justice and Legal Services • Program 1.2 – Attorney-General's Department Operating Expenses-National Security and Criminal Justice
Australian Centre for International Agricultural Research (ACIAR)
Programs
<ul style="list-style-type: none"> • Program 1.1 – International Agricultural Research For Development For More Productive and Sustainable Agriculture
Australian Federal Police (AFP)
Programs
<ul style="list-style-type: none"> • Program 1.2 – International Police Assistance
Austrade
Programs
<ul style="list-style-type: none"> • Program 1.1 – Promotion of Australia's Export and Other International Economic Interests • Program 1.2 – Programs to Promote Australia's Export and Other International Economic Interests
Department of Defence
Programs
<ul style="list-style-type: none"> • Program 2.8 – Australian Defence Force Headquarters
Department of Education and Training
Programs
<ul style="list-style-type: none"> • Program 2.7 – International Education Support

Table continued on the following page.

Linked programs (continued)

<p>Department of Home Affairs</p> <hr/> <p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Border Enforcement • Program 1.5 – Regional Cooperation • Program 1.7 – National Security and Criminal Justice • Program 1.9 – Counter-terrorism • Program 2.3 – Visas • Program 3.2 – Trade Facilitation and Industry Engagement
<p>Department of Human Services</p> <hr/> <p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Services to the Community-Social Security and Welfare
<p>Tourism Australia</p> <hr/> <p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Supporting Outcome 1 (Grow Demand and Industry Development)
<p>Contribution to Outcome 1 made by linked programs</p> <p>Australia maintains a whole-of-government approach in the pursuit of foreign, trade and investment, tourism, development and international security interests abroad. DFAT is widely supported by partner agencies in its associated leadership, advocacy and coordination roles at overseas missions.</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

Outcome 1: The advancement of Australia's international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign, trade and international development policy	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
Program 1.1: Foreign Affairs and Trade Operations					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	6,800	6,901	7,008	7,028	7,123
Special appropriations: <i>PGPA Act s77</i>	100	100	100	100	100
Expenses not requiring appropriation in the Budget year (a)	1,300	1,300	1,100	1,100	1,100
Administered total	8,200	8,301	8,208	8,228	8,323
Departmental expenses					
Departmental appropriations	582,383	566,753	582,872	586,750	587,903
s74 External Revenue (b)	112,728	112,228	97,228	97,228	97,228
Expenses not requiring appropriation in the Budget year (c)	139,037	143,064	145,241	134,885	140,034
Departmental total	834,148	822,045	825,341	818,863	825,165
Total expenses for program 1.1	842,348	830,346	833,549	827,091	833,488
Program 1.2: Official Development Assistance					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	3,205,265	3,151,642	3,190,665	3,220,285	3,332,002
Expenses not requiring appropriation in the Budget year (c)	500	500	500	500	500
Administered total	3,205,765	3,152,142	3,191,165	3,220,785	3,332,502
Departmental expenses					
Departmental appropriation	255,151	258,978	262,863	266,806	270,808
Departmental total	255,151	258,978	262,863	266,806	270,808
Total expenses for program 1.2	3,460,916	3,411,120	3,454,028	3,487,591	3,603,310

Table continued on the following page.

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
Program 1.3: Official Development Assistance - Multilateral Replenishments					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	76,670	227,794	446,502	-	76,670
Other services (Appropriation Bill No. 2)	-	605,072	-	-	-
Expenses not requiring appropriation in the Budget year (d)	-	328,939	-	-	-
Administered total	76,670	1,161,805	446,502	-	76,670
Total expenses for program 1.3	76,670	1,161,805	446,502	-	76,670
Program 1.4: Payments to International Organisations					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	445,026	503,384	525,010	556,186	579,619
Administered total	445,026	503,384	525,010	556,186	579,619
Total expenses for program 1.4	445,026	503,384	525,010	556,186	579,619
Program 1.5: New Colombo Plan - Transforming Regional Relationships					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	50,933	50,933	50,933	50,933	50,933
Administered total	50,933	50,933	50,933	50,933	50,933
Total expenses for program 1.5	50,933	50,933	50,933	50,933	50,933
Program 1.6: Public Information Services and Public Diplomacy					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	10,735	11,304	18,126	24,737	28,932
Administered total	10,735	11,304	18,126	24,737	28,932
Total expenses for program 1.6	10,735	11,304	18,126	24,737	28,932

Table continued on the following page.

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
Program 1.7: Programs to Promote Australia's International Tourism Interests					
Administered expenses					
Corporate Commonwealth Entity - Tourism Australia	135,141	135,618	138,041	142,403	147,136
Ordinary annual services (Appropriation Bill No. 1)	19,000	18,500	22,923	19,981	20,040
Administered total	154,141	154,118	160,964	162,384	167,176
Total expenses for program 1.7	154,141	154,118	160,964	162,384	167,176
Outcome 1 Totals by appropriation type					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1)	3,814,429	3,970,458	4,261,167	3,879,150	4,095,319
Special appropriations: <i>PGPA Act s77</i>	100	100	100	100	100
Corporate Commonwealth Entity	135,141	135,618	138,041	142,403	147,136
Other services (Appropriation Bill No. 2)	-	605,072	-	-	-
Expenses not requiring appropriation in the Budget year	1,800	330,739	1,600	1,600	1,600
Administered total	3,951,470	5,041,987	4,400,908	4,023,253	4,244,155
Departmental expenses					
Departmental appropriations	837,534	825,731	845,735	853,556	858,711
s74 External Revenue	112,728	112,228	97,228	97,228	97,228
Expenses not requiring appropriation in the Budget year	139,037	143,064	145,241	134,885	140,034
Departmental total	1,089,299	1,081,023	1,088,204	1,085,669	1,095,973
Total expenses for Outcome 1	5,040,769	6,123,010	5,489,112	5,108,922	5,340,128
	2018-19	2019-20			
Average staffing level (number)	3,699	3,832			

(a) Expenses not requiring appropriation in the Budget year relates to the Export Finance Insurance Corporation administrative fee.

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

(c) Expenses not requiring appropriation in the Budget year may include depreciation expenses, amortisation expenses; make good expenses, audit fees, concessional costs for loans, finance costs and impairment of financial instruments.

(d) Expenses not requiring appropriation in the Budget year relates to the concessional investment discount for the discounting of the investment component for the International Development Association.

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: Program components of Outcome 1**Program 1.1 Foreign Affairs and Trade Operations**

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
1.1.1 - Component 1: Foreign Affairs and Trade Operations					
Annual administered expenses:					
International Climate Change Engagement	3,000	3,000	3,000	3,000	3,000
Personal Benefits - Locally Engaged Staff pension schemes	2,789	2,872	2,961	2,961	3,035
Other Administered Items	1,011	1,029	1,047	1,067	1,088
Special appropriations: <i>PGPA Act s77</i>	100	100	100	100	100
Expenses not requiring appropriation in the Budget year					
Efic - National Interest Account Expenses	1,300	1,300	1,100	1,100	1,100
Departmental expenses					
Departmental appropriation	582,383	566,753	582,872	586,750	587,903
s74 External Revenue	112,728	112,228	97,228	97,228	97,228
Expenses not requiring appropriation in the Budget year	139,037	143,064	145,241	134,885	140,034
Total Component 1.1.1 expenses	842,348	830,346	833,549	827,091	833,488

Program 1.2 Official Development Assistance

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
1.2.1 - Component 2: Official Development Assistance					
Annual administered expenses:					
Country programs	1,651,410	1,563,191	1,426,600	1,380,651	1,382,651
Regional programs	793,825	713,359	788,401	897,951	1,009,963
Global programs	350,315	425,092	475,664	441,683	439,388
Humanitarian and emergency response programs	409,715	450,000	500,000	500,000	500,000
Expenses not requiring appropriation in the Budget year	500	500	500	500	500
Departmental expenses					
Departmental appropriation	255,151	258,978	262,863	266,806	270,808
Total Component 1.2.1 expenses	3,460,916	3,411,120	3,454,028	3,487,591	3,603,310

Table continued on the following page.

Table 2.1.2: Program components of Outcome 1 (continued)

Program 1.7 Programs to Promote Australia's International Tourism Interests

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
1.7.1 - Component 7: Programs to Promote Australia's International Tourism Interests					
Annual administered expenses:					
Corporate Commonwealth Entity - Tourism Australia	135,141	135,618	138,041	142,403	147,136
Asia Marketing Fund	14,000	14,000	19,923	19,981	20,040
Working Holiday Makers - employer registration and compliance	5,000	2,500	-	-	-
Implementing Sport 2030	-	2,000	3,000	-	-
Total Component 1.7.1 expenses	154,141	154,118	160,964	162,384	167,176

Table 2.1.3: Performance criteria for Outcome 1

Table 2.1.3 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019-20 Budget measures have created new programs or materially changed existing programs.

Outcome 1 – The advancement of Australia’s international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign, trade and international development policy priorities		
Program 1.1 – Foreign Affairs and Trade Operations. The department will assist the Government to meet its foreign, trade and investment, development and international security policy priorities.		
Delivery	The department is making Australia stronger, safer and more prosperous through: <ul style="list-style-type: none"> • shaping a positive strategic and economic context for Australia in the Indo-Pacific region through deepened and diversified bilateral and multilateral relationships, influence and programs; • advocating and negotiating to open markets, resist protectionism and support the rules-based trading system; • supporting Australian businesses to secure opportunities globally, including through free trade agreements and removing non-tariff barriers, advancing regional trade and investment integration; • promoting and protecting the rules and institutions that support stability and prosperity, and enabling cooperation to tackle global challenges; • promoting a shared agenda for security and prosperity with Pacific Island countries and Timor-Leste through economic, security and development engagement; • contributing to domestic economic policy that improves Australia's international competitiveness; and • engaging with foreign services represented in Australia and ensuring their security and dignity. 	
Performance information		
Year	Performance criteria (a)	Targets
2018-19	<ul style="list-style-type: none"> • High level of satisfaction of Ministers and key stakeholders with the quality and timeliness of advice, briefing and support in relation to Australia’s international objectives. • The department’s whole-of-government coordination and leadership shape bilateral, regional and multilateral outcomes to advance interests of Australia and Australians. • Influential advocacy in favour of open markets, resisting protectionism and the rules-based trading system, internationally and domestically. • The diplomatic and consular corps posted or accredited to Australia are satisfied with the delivery of protocol services. 	Through case studies, reviews, surveys or other measures, DFAT will demonstrate whether these performance criteria are: <ul style="list-style-type: none"> • Achieved • On track • Not on track

Table continued on the following page.

Table 2.1.3: Performance criteria for Outcome 1 (continued)

2019-20	<ul style="list-style-type: none"> • The department's diplomatic efforts in the Indo-Pacific advance Australia's interests. • Australia's step-up in Pacific and Timor-Leste engagement supports stronger and more resilient economies, development outcomes and regional security. • Effective support to the global rules-based trading system and opening of markets. • Increased opportunities for Australian businesses. • Effective outcomes that promote Australia's security interests in: counter-terrorism; an open, free and secure cyberspace; confidence-building measures for space; reduction of weapons of mass destruction and conventional weapons risks, and countering foreign interference. • High-level of satisfaction of Ministers and key stakeholders with the quality and timeliness of advice, briefing and support provided by the department. • The diplomatic and consular corps posted or accredited to Australia are satisfied with the delivery of protocol services. 	<p>Through assessments, surveys, evaluations, audits or other measures, DFAT will demonstrate whether these performance criteria are:</p> <ul style="list-style-type: none"> • Achieved • On track • Not on track
2020-21 and beyond	As per 2019-20	As per 2019-20
Purposes	To make Australia stronger, safer and more prosperous, to provide timely and responsive consular and passport services, and to ensure a secure Australian Government presence overseas.	
<p>Material changes to Program 1.1 resulting from the following measures:</p> <ul style="list-style-type: none"> • Nil 		

(a) Further performance measures relevant to Program 1.1 can be found in DFAT's *2018-19 Corporate Plan* under Priority Functions: 1. Promote a stable and prosperous Indo-Pacific; 2. Pursue our economic, trade and investment opportunities; 3. Keep Australia and Australians safe and secure; 5. Advance global cooperation; and 7. Provide a secure and effective overseas presence.

Table 2.1.3: Performance criteria for Outcome 1 (continued)

Program 1.2 – Official Development Assistance promotes Australia’s national interests by contributing to sustainable and inclusive economic growth and poverty reduction.		
Delivery	The department will: <ul style="list-style-type: none"> • focus Australia’s development assistance predominately on the Indo-Pacific to promote Australia’s national interest in a stable and prosperous region; and • manage the development program effectively, efficiently and transparently to deliver results and value for money in line with the Australian development program’s performance framework, <i>Making Performance Count</i>. 	
Performance information		
Year	Performance criteria (a)	Targets
2018-19	<ul style="list-style-type: none"> • Achievement of significant development results and demonstrated organisational effectiveness, including progress towards the strategic targets contained in the Australian aid program’s performance framework, <i>Making Performance Count</i>. • Detailed reporting against the performance framework, including individual program and investment performance, will be published annually in the <i>Performance of Australian Aid</i> report. 	<p>Through case studies, reviews, surveys or other measures, DFAT will demonstrate whether these performance criteria are:</p> <ul style="list-style-type: none"> • Achieved • On track • Not on track
2019-20	<ul style="list-style-type: none"> • Australia’s interests are promoted by our development program. • The development program is effective, efficient and transparent. 	<p>Through assessments, surveys, evaluations, audits or other measures, DFAT will demonstrate whether these performance criteria are:</p> <ul style="list-style-type: none"> • Achieved • On track • Not on track <p>Specific targets:</p> <ul style="list-style-type: none"> • Investments promote sustainable and inclusive economic growth and poverty reduction • 90 per cent of country attributable development assistance spent in the Indo-Pacific • Indo-Pacific countries make progress towards achieving the Sustainable Development Goals

Table continued on the following page.

Table 2.1.3: Performance criteria for Outcome 1 (continued)

2019-20		<ul style="list-style-type: none"> At least 85 per cent of investments are assessed as satisfactory on both effectiveness and efficiency criteria in the Aid Quality Check process (b) All country and regional Aid Program Performance Reports published on the department's website annually
2020-21 and beyond	As per 2019-20	As per 2019-20
Purposes	To make Australia stronger, safer and more prosperous, to provide timely and responsive consular and passport services, and to ensure a secure Australian Government presence overseas.	
Material changes to Program 1.2 resulting from the following measures:		
<ul style="list-style-type: none"> Nil 		

- (a) Further performance measures relevant to Program 1.2 can be found in DFAT's *2018-19 Corporate Plan* under Priority Function 4: Deliver an innovative development assistance program.
- (b) The target of 85 per cent is under internal review and may be updated in 2019-20.

Table 2.1.3: Performance criteria for Outcome 1 (continued)

Program 1.3 – Official Development Assistance – Multilateral Replenishments assists developing countries by contributing to sustainable and inclusive economic growth and poverty reduction through contributions to multilateral organisations.		
Delivery	Australia's Official Development Assistance is advanced through the department's work with multilateral organisations. Their reach, leverage, specialisation and other strengths play a critical role in helping Australia to meet its international development objectives.	
Performance information		
Year	Performance criteria (a)	Targets
2018-19	<ul style="list-style-type: none"> Achievement of significant development results and demonstrated organisational effectiveness, including progress towards the strategic targets contained in the Australian aid program's performance framework, <i>Making Performance Count</i>. Detailed reporting against the performance framework, including for multilateral replenishments, will be published annually in the <i>Performance of Australian Aid</i> report. 	<p>Through case studies, reviews, surveys or other measures, DFAT will demonstrate whether these performance criteria are:</p> <ul style="list-style-type: none"> Achieved On track Not on track
2019-20	<ul style="list-style-type: none"> Australia's interests are promoted by our development program. 	<p>Through assessments, surveys, evaluations, audits or other measures, DFAT will demonstrate whether these performance criteria are:</p> <ul style="list-style-type: none"> Achieved On track Not on track <p>Specific targets:</p> <ul style="list-style-type: none"> Investments promote sustainable and inclusive economic growth and poverty reduction Indo-Pacific countries make progress towards achieving the Sustainable Development Goals
2020-21 and beyond	As per 2019-20	As per 2019-20
Purposes	To make Australia stronger, safer and more prosperous, to provide timely and responsive consular and passport services, and to ensure a secure Australian Government presence overseas.	
Material changes to Program 1.3 resulting from the following measures:		
<ul style="list-style-type: none"> Nil 		

(a) Further performance measures relevant to Program 1.3 can be found in DFAT's *2018-19 Corporate Plan* under Priority Function 4: Deliver an innovative development assistance program.

Table 2.1.3: Performance criteria for Outcome 1 (continued)

Program 1.4 – Payment to International Organisations advances Australia’s foreign, trade and investment, development and international security interests.		
Delivery	Australia uses its membership of and funding to international organisations to: <ul style="list-style-type: none"> • further Australia’s interests, including promoting and protecting the rules and institutions that support stability and prosperity, and enable cooperation to tackle global challenges; • pursue a regionally integrated and global approach to key cross-cutting and transnational issues that directly affect Australia’s interests; and • complement Australia’s bilateral development programs by contributing to sustainable and inclusive economic growth. 	
Performance information		
Year	Performance criteria (a)	Targets
2018-19	<ul style="list-style-type: none"> • The department’s contributions shape multilateral outcomes, institutions and norms to advance the interests of Australia and our Commonwealth partners. • High-quality whole-of-government leadership and coordination on multilateral issues and in multilateral forums. 	Through case studies, reviews, surveys or other measures, DFAT will demonstrate whether these performance criteria are: <ul style="list-style-type: none"> • Achieved • On track • Not on track
2019-20	<ul style="list-style-type: none"> • Australia’s diplomatic efforts and financial contributions help shape institutions, rules and forms of cooperation in line with our national interests. 	Through assessments, surveys, evaluations, audits or other measures, DFAT will demonstrate whether these performance criteria are: <ul style="list-style-type: none"> • Achieved • On track • Not on track
2020-21 and beyond	As per 2019-20	As per 2019-20
Purposes	To make Australia stronger, safer and more prosperous, to provide timely and responsive consular and passport services, and to ensure a secure Australian Government presence overseas.	
Material changes to Program 1.4 resulting from the following measures:		
<ul style="list-style-type: none"> • Nil 		

(a) Further performance measures relevant to Program 1.4 can be found in DFAT’s *2018-19 Corporate Plan* under Priority Functions: 1. Promote a stable and prosperous Indo-Pacific; 2. Pursue our economic, trade and investment opportunities; 3. Keep Australia and Australians safe and secure; and 5. Advance global cooperation.

Table 2.1.3: Performance criteria for Outcome 1 (continued)

Program 1.5 – New Colombo Plan – Transforming Regional Relationships advances Australia's interests and bilateral relationships through enduring people-to-people, institutional and business links with the Indo-Pacific region.		
Delivery	Increase Australia's engagement with the Indo-Pacific through the New Colombo Plan (NCP).	
Performance information		
Year	Performance criteria	Targets
2018-19	<ul style="list-style-type: none"> At least 10,000 Australian undergraduates supported to study in the Indo-Pacific region. NCP participants build relationships in the region and promote the value of the NCP experience. Universities, the private sector and partner governments support the implementation of the NCP. Alumni are engaged through networks that foster professional development and ongoing connections with the region. 	<p>Through case studies, reviews, surveys or other measures, DFAT will demonstrate whether these performance criteria are:</p> <ul style="list-style-type: none"> Achieved On track Not on track
2019-20	<ul style="list-style-type: none"> The New Colombo Plan delivers improved people-to-people, institutional and business links. 	<p>Through assessments, surveys, evaluations, audits or other measures, DFAT will demonstrate whether these performance criteria are:</p> <ul style="list-style-type: none"> Achieved On track Not on track <p>Specific targets:</p> <ul style="list-style-type: none"> At least 10,000 Australian undergraduates supported to study in the Indo-Pacific each year More high quality engagement with Australian universities, businesses, alumni and other stakeholders in the New Colombo Plan
2020-21 and beyond	As per 2019-20	As per 2019-20
Purposes	To make Australia stronger, safer and more prosperous, to provide timely and responsive consular and passport services, and to ensure a secure Australian Government presence overseas.	
Material changes to Program 1.5 resulting from the following measures:		
<ul style="list-style-type: none"> Nil 		

Table 2.1.3: Performance criteria for Outcome 1 (continued)

Program 1.6 – Public Information Services and Public Diplomacy projects a positive and contemporary image of Australia and promotes a clear understanding of government policies and objectives and engagement with the Indo-Pacific region through the department's soft power activities.		
Delivery	Project a positive and contemporary image of Australia, and promote a clear understanding of Australian policies, objectives and engagement with the Indo-Pacific region through the department's soft power activities.	
Performance information		
Year	Performance criteria	Targets
2018-19	<ul style="list-style-type: none"> Public diplomacy initiatives build links overseas to further Australia's interests and increase Australia's influence. Inform and influence media reporting on Australia. Management of domestic and international media enquiries, by volume and timeliness. 	Through case studies, reviews, surveys or other measures, DFAT will demonstrate whether these performance criteria are: <ul style="list-style-type: none"> Achieved On track Not on track
2019-20	<ul style="list-style-type: none"> Soft power initiatives advance Australia's interests and influence. 	Through assessments, surveys, evaluations, audits or other measures, DFAT will demonstrate whether these performance criteria are: <ul style="list-style-type: none"> Achieved On track Not on track
2020-21 and beyond	As per 2019-20	As per 2019-20
Purposes	To make Australia stronger, safer and more prosperous, to provide timely and responsive consular and passport services, and to ensure a secure Australian Government presence overseas.	
Material changes to Program 1.6 resulting from the following measures:		
<ul style="list-style-type: none"> Nil 		

Table 2.1.3: Performance criteria for Outcome 1 (continued)

Program 1.7 – Programs to Promote Australia’s International Tourism Interests.		
Delivery	The delivery of this program is the responsibility of Austrade and Tourism Australia.	
Performance information		
Year	Performance criteria	Targets
2018-19	Refer to Austrade’s <i>Outcomes and planned performance</i> section for 2018-19 for objectives, deliverables, performance criteria and targets. Refer to the Tourism Australia’s <i>Outcomes and planned performance</i> section for 2018-19 for objectives, deliverables, performance criteria and targets.	
2019-20	Refer to Austrade’s <i>Outcomes and planned performance</i> section for 2019-20 for objectives, deliverables, performance criteria and targets. Refer to the Tourism Australia’s <i>Outcomes and planned performance</i> section for 2019-20 for objectives, deliverables, performance criteria and targets.	
2020-21 and beyond	As per 2019-20	As per 2019-20
Purposes	To make Australia stronger, safer and more prosperous, to provide timely and responsive consular and passport services, and to ensure a secure Australian Government presence overseas.	
Material changes to Program 1.7 resulting from the following measures:		
<ul style="list-style-type: none"> • Nil 		

2.2 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 2

Outcome 2: The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas

Linked programs

Austrade
Programs <ul style="list-style-type: none">• Program 2.1 – Consular and Passport Services
Department of Human Services
Programs <ul style="list-style-type: none">• Program 1.1 – Services to the Community-Social Security and Welfare
Contribution to Outcome 2 made by linked programs <p>DFAT is supported by the Department of Human Services and Austrade in the delivery of high-quality consular services, including the provision of Australian passport information services and the repatriation of vulnerable Australians.</p>

Budgeted expenses for Outcome 2

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

Table 2.2.1: Budgeted expenses for Outcome 2

Outcome 2: The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
Program 2.1: Consular Services					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1) (a)	200	200	200	200	200
Special appropriations: <i>PGPA Act s77</i>	100	100	100	100	100
Administered total	300	300	300	300	300
Departmental expenses					
Departmental appropriation	100,128	106,925	107,050	107,132	107,212
Departmental total	100,128	106,925	107,050	107,132	107,212
Total expenses for program 2.1	100,428	107,225	107,350	107,432	107,512
Program 2.2: Passport Services					
Administered expenses					
Special appropriations: <i>PGPA Act s77</i>	810	810	810	810	810
Administered total	810	810	810	810	810
Departmental expenses					
Departmental appropriation	251,799	246,930	248,843	250,909	255,764
Departmental total	251,799	246,930	248,843	250,909	255,764
Total expenses for program 2.2	252,609	247,740	249,653	251,719	256,574

Table continued on the following page.

DFAT Budget Statements

Table 2.2.1: Budgeted expenses for Outcome 2 (continued)

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
Outcome 2 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	200	200	200	200	200
Special appropriations: <i>PGPA Act s77</i>	910	910	910	910	910
Administered total	1,110	1,110	1,110	1,110	1,110
Departmental expenses					
Departmental appropriation	351,927	353,855	355,893	358,041	362,976
Departmental total	351,927	353,855	355,893	358,041	362,976
Total expenses for Outcome 2	353,037	354,965	357,003	359,151	364,086

	2018-19	2019-20
Average staffing level (number)	1,059	1,092

(a) This expense does not include \$0.6 million for Travellers' Emergency Loans as these are treated as receivables and form part of the receivables balance in Table 3.8

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

Table 2.2.3: Performance criteria for Outcome 2

Table 2.2.3 below details the performance criteria for each program associated with Outcome 2. It also summarises how each program is delivered and where 2019-20 Budget measures have created new programs or materially changed existing programs.

Outcome 2 – The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas		
Program 2.1 – Consular Services assist Australian travellers and Australians overseas through the provision of consular support services, including timely travel advice and contingency planning for crisis response.		
Delivery	The department assists Australians overseas through: <ul style="list-style-type: none"> • accessible and timely travel advice and consular information services; and • coordination of whole-of-government responses to overseas consular crises or incidents particularly those affecting, or threatening to affect, Australians or Australian interests overseas. 	
Performance information		
Year	Performance criteria	Targets
2018-19	<ul style="list-style-type: none"> • Timely and effective delivery of consular services to Australians overseas, including during crises. • Timely, effective and well-coordinated implementation of whole-of-government responses to large-scale crises overseas. • Timely and accurate information provided to the public, including on responding to incidents and updates to travel advice. 	Through case studies, reviews, surveys or other measures, DFAT will demonstrate whether these performance criteria are: <ul style="list-style-type: none"> • Achieved • On track • Not on track
2019-20	<ul style="list-style-type: none"> • A responsive consular service focussed on those most in need. • Australians empowered to help themselves overseas. • Preparedness to respond to overseas crises. • Effective coordination of whole-of-government responses to crises overseas. 	Through assessments, surveys, evaluations, audits or other measures, DFAT will demonstrate whether these performance criteria are: <ul style="list-style-type: none"> • Achieved • On track • Not on track Specific targets are: <ul style="list-style-type: none"> • 100 per cent of Travel Advisories reviewed biannually for posts in a volatile risk environment and/or where there are significant Australian interests

Table continued on the following page.

Table 2.2.3: Performance criteria for Outcome 2 (continued)

2019-20		<ul style="list-style-type: none"> 100 per cent of Travel Advisories reviewed and exercised annually for countries of resident accreditation
2020-21 and beyond	As per 2019-20	As per 2019-20
Purposes	To make Australia stronger, safer and more prosperous, to provide timely and responsive consular and passport services, and to ensure a secure Australian Government presence overseas.	
Material changes to Program 2.1 resulting from the following measures:		
<ul style="list-style-type: none"> Nil 		

Table 2.2.3: Performance criteria for Outcome 2 (continued)

Program 2.2 – Passport Services provide Australians access to secure international travel documentation through the delivery of high-quality passport services.		
Delivery	Provide Australians with high-quality passport services.	
Performance information		
Year	Performance criteria	Targets
2018-19	<ul style="list-style-type: none"> Percentage of passports processed within 10 business days. Percentage of priority passports processed within two business days. Client use of online passport application. Detection and prosecution of passport fraud. 	<p>Through case studies, reviews, surveys or other measures, DFAT will demonstrate whether these performance criteria are:</p> <ul style="list-style-type: none"> Achieved On track Not on track <p>Specific targets are:</p> <ul style="list-style-type: none"> 95 per cent of passports processed within 10 business days 98 per cent of priority passports processed within two business days 70 per cent of persons applying online 85 per cent satisfaction rate of overall passport service from client survey 85 per cent satisfaction rate with Australian Passport Information Service from client survey 100 per cent of identified high risk passport applications scrutinised by specialist staff 90 per cent of administrative investigations finalised within five business days 95 per cent of referrals to prosecuting authorities accepted for prosecution
2019-20	<ul style="list-style-type: none"> The department maintains a high standard in processing passport applications, investigating and prosecuting fraud. Clients are satisfied with passport services, including online services. Delivery of the R Series Passport by 2020-21. 	<p>Through assessments, surveys, evaluations, audits or other measures, DFAT will demonstrate whether these performance criteria are:</p> <ul style="list-style-type: none"> Achieved On track Not on track <p>Specific targets are:</p> <ul style="list-style-type: none"> 95 per cent of passports processed within 10 business days

Table continued on the following page.

Table 2.2.3: Performance criteria for Outcome 2 (continued)

2019-20		<ul style="list-style-type: none"> • 98 per cent of priority passports processed within two business days • 100 per cent of identified high risk passport applications scrutinised by specialist staff • An average of 90 per cent of administrative investigations finalised within five business days • 95 per cent of referrals to prosecuting authorities accepted for prosecution • 60 per cent of applications commenced online • 85 per cent satisfaction rate of overall passport service from client survey
2020-21 and beyond	As per 2019-20	As per 2019-20
Purposes	To make Australia stronger, safer and more prosperous, to provide timely and responsive consular and passport services, and to ensure a secure Australian Government presence overseas.	
<p>Material changes to Program 2.2 resulting from the following measures:</p> <ul style="list-style-type: none"> • Nil 		

2.3 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 3

Outcome 3: A secure Australian Government presence overseas through the provision of security services and information and communication technology infrastructure, and the management of the Commonwealth's overseas property estate

Budgeted expenses for Outcome 3

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

Table 2.3.1: Budgeted expenses for Outcome 3

Outcome 3: A secure Australian Government presence overseas through the provision of security services and information and communication technology infrastructure, and the management of the Commonwealth's overseas property estate	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
Program 3.1: Foreign Affairs and Trade Security and IT					
Departmental expenses					
Departmental appropriation	226,681	262,579	251,683	148,832	148,997
Departmental total	226,681	262,579	251,683	148,832	148,997
Total expenses for program 3.1	226,681	262,579	251,683	148,832	148,997
Program 3.2: Overseas Property					
Expenses not requiring appropriation in the Budget year (a)	28,803	28,383	24,915	25,413	26,762
Departmental total	28,803	28,383	24,915	25,413	26,762
Total expenses for program 3.2	28,803	28,383	24,915	25,413	26,762

Table continued on the following page.

Table 2.3.1: Budgeted expenses for Outcome 3 (continued)

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
Outcome 3 Totals by appropriation type					
Departmental expenses					
Departmental appropriation	226,681	262,579	251,683	148,832	148,997
Expenses not requiring appropriation in the Budget year (a)	28,803	28,383	24,915	25,413	26,762
Departmental total	255,484	290,962	276,598	174,245	175,759
Total expenses for Outcome 3	255,484	290,962	276,598	174,245	175,759

	2018-19	2019-20
Average staffing level (number)	855	886

(a) Expenses not requiring appropriation in the Budget year may include depreciation expenses, amortisation expenses, make good expenses, audit fees, concessional costs for loans, finance costs and impairment of financial instruments.

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

Table 2.3.3: Performance criteria for Outcome 3

Table 2.3.3 below details the performance criteria for each program associated with Outcome 3. It also summarises how each program is delivered and where 2019-20 Budget measures have created new programs or materially changed existing programs.

Outcome 3 – A secure Australian Government presence overseas through the provision of security services and information and communications technology infrastructure, and the management of the Commonwealth’s overseas property estate		
Program 3.1 – Foreign Affairs and Trade Security and IT		
Delivery	The department is delivering security services and ICT through: <ul style="list-style-type: none"> strengthening protective security measures commensurate with the evolving international security environment; contemporary and innovative security training and communications program, and widespread use of the DFAT Security Framework, contributing to a robust security culture across the department’s global network; and delivering and maintaining accessible, reliable and secure ICT systems and infrastructure that meet Australian Government requirements. 	
Performance information		
Year	Performance criteria	Targets
2018-19	<ul style="list-style-type: none"> Positive engagement by staff reflected in breach data, contact reporting, security incident reporting, and staff engagement with security awareness materials. Application of the DFAT Security Framework risk management tools by staff in Australia and overseas. Development of a fit-for-purpose ICT global network that supports the Hub-and-Spoke operating model. Maturing the department’s cyber security posture. Establishing new service provisioning models and emerging technologies to deliver improved ICT capabilities that are sustainable, affordable and fit-for-purpose. 	Through case studies, reviews, surveys or other measures, DFAT will demonstrate whether these performance criteria are: <ul style="list-style-type: none"> Achieved On track Not on track
2019-20	<ul style="list-style-type: none"> Effective security culture and practices guided by the DFAT Security Framework. Staff engagement with security materials and products, and evidence of risk-based decision making on security issues using the DFAT Security Framework security risk management tools. Fit-for-purpose and secure ICT systems. 	Through assessments, surveys, evaluations, audits or other measures, DFAT will demonstrate whether these performance criteria are: <ul style="list-style-type: none"> Achieved On track Not on track
2020-21 and beyond	As per 2019-20	As per 2019-20

Table continued on the following page.

Table 2.3.3: Performance criteria for Outcome 3 (continued)

Purposes	To make Australia stronger, safer and more prosperous, to provide timely and responsive consular and passport services, and to ensure a secure Australian Government presence overseas.
Material changes to Program 3.1 resulting from the following measures:	
<ul style="list-style-type: none">• Nil	

Table 2.3.3: Performance criteria for Outcome 3 (continued)

Program 3.2 – Overseas Property		
Delivery	The department will deliver a secure Australian Government presence overseas through efficient and effective management of the overseas estate that meets the Government's requirements and maintains property conditions and building services.	
Performance information		
Year	Performance criteria	Targets
2018-19	<ul style="list-style-type: none"> The construction and refurbishment of departmental overseas property completed within agreed timeframes and budgets. Maintain asset management plans for all owned properties in the estate. Satisfaction ratings with the performance of the service provider and the Overseas Property Office. 	<p>Through case studies, reviews, surveys or other measures, DFAT will demonstrate whether these performance criteria are:</p> <ul style="list-style-type: none"> Achieved On track Not on track <p>Specific targets are:</p> <ul style="list-style-type: none"> Greater than 80 per cent satisfaction ratings of the service provider and Overseas Property Office Completion of the Major Construction Project in Nairobi, leading to occupancy of the new chancery
2019-20	<ul style="list-style-type: none"> The construction and refurbishment of departmental overseas property estate completed to agreed quality standards to meet government requirements and deliver operational efficiencies. Asset Management Plans are in place for all owned properties in the overseas estate. Satisfaction ratings with the performance of the service provider and the Overseas Property Office. 	<p>Through assessments, surveys, evaluations, audits or other measures, DFAT will demonstrate whether these performance criteria are:</p> <ul style="list-style-type: none"> Achieved On track Not on track <p>Specific targets are (a):</p> <ul style="list-style-type: none"> Greater than 80 per cent satisfaction ratings of the service provider and Overseas Property Office
2020-21 and beyond	As per 2019-20	As per 2019-20
Purposes	To make Australia stronger, safer and more prosperous, to provide timely and responsive consular and passport services, and to ensure a secure Australian Government presence overseas.	
Material changes to Program 3.2 resulting from the following measures:		
<ul style="list-style-type: none"> Nil 		

(a) The 2019-20 specific target "Construction and practical completion of the new building as part of the Major Construction Project in Washington", originally included in DFAT's 2018-19 Portfolio Budget Statement, is not included. The 2019-20 performance measure "The construction and refurbishment of departmental overseas property estate completed to agreed quality standards to meet government requirements and deliver operational efficiencies", covers all major construction projects, including Washington.

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Explanatory notes and analysis of budgeted financial statements

There are no differences between the resource information presented in the Budget papers and in DFAT's Portfolio Budget Statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The total budgeted revenue from government in 2019-20 is \$1,442.2 million, which represents an increase of \$26.0 million in appropriations from 2018-19 as shown in Table 3.1. The increase is primarily attributable to:

- parameter adjustments for overseas and domestic inflation;
- foreign exchange movements; and
- funding for new measures.

The Income Statement shows a budgeted deficit in 2019-20 of \$127.7 million due to the removal of appropriation funding for depreciation and amortisation funding under the Net Cash funding arrangements. Adjusting for the changed funding arrangements, the operating result attributable to the department is a surplus of \$58.2 million, all of which relates to the Overseas Property Special Account (OPSA).

Budgeted Departmental Balance Sheet

The department will receive an equity injection of \$43.5 million in 2019-20 for the purchase or construction of new assets. The department will also receive \$60.5 million through its Departmental Capital Budget to fund the replacement of existing assets.

For 2019-20, the department's non-financial asset position is budgeted to be \$3,983.3 million at year-end. The major asset component is \$3,363.3 million for Land and Buildings.

Schedule of Budgeted Income and Expenses Administered on behalf of the Government

In 2019-20, the department will receive administered appropriation of \$3,972.7 million (excluding capital funding) for programs administered on behalf of the Government. The increase in appropriations of \$133.7 million from 2018-19 is due primarily to an increase in the DFAT component of the Australian Aid Program.

Administered expenses for 'International Development Assistance' are budgeted at \$3,151.6 million, a decrease of \$53.6 million from the 2018-19 estimated actual.

Administered expenses for 'Multilateral Replenishments' are budgeted at \$556.7 million, an increase of \$480.1 million from the 2018-19 estimated actual due to a new multilateral replenishment being negotiated.

Schedule of Budgeted Assets and Liabilities Administered on behalf of the Government

Administered assets and liabilities administered on behalf of the Government are budgeted at \$3,026.6 million and \$1,914.2 million respectively for the year ending 30 June 2019.

Administered assets are expected to increase in 2019-20 by \$31.4 million.

Administered liabilities are expected to increase in 2019-20 by \$362.1million from the 2018-19 estimated actual due to a new multilateral replenishment being negotiated.

Schedule of Budgeted Administered Cash Flows

Administered cash receipts are primarily comprised of receipts from passport and consular services and are budgeted at \$569.7 million, an increase of \$47.7 million.

Administered cash used in 2019-20 is estimated to decrease by \$65.5 million compared to 2018-19. This is due primarily to the decrease in expenditure on DFAT's component of the Australian Aid Program for Multilateral Replenishments.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
EXPENSES					
Employee benefits	786,940	808,342	816,408	796,002	809,584
Suppliers	723,591	730,435	715,792	642,936	640,062
Depreciation and amortisation (a)	181,778	185,883	188,495	179,017	185,062
Losses from asset sales	4,401	1,180	-	-	-
Total expenses	1,696,710	1,725,840	1,720,695	1,617,955	1,634,708
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	142,514	144,060	141,998	141,928	142,404
Other revenue	11,258	11,258	11,258	11,258	11,258
Total own-source revenue	153,772	155,318	153,256	153,186	153,662
Gains					
Other gains	674	674	674	674	674
Total gains	674	674	674	674	674
Total own-source income	154,446	155,992	153,930	153,860	154,336
Net (cost of)/contribution by services	(1,542,264)	(1,569,848)	(1,566,765)	(1,464,095)	(1,480,372)
Revenue from Government	1,416,142	1,442,165	1,453,311	1,360,429	1,370,684
Surplus/(deficit) attributable to the Australian Government	(126,122)	(127,683)	(113,454)	(103,666)	(109,688)
OTHER COMPREHENSIVE INCOME					
Total comprehensive income/(loss) attributable to the Australian Government	(126,122)	(127,683)	(113,454)	(103,666)	(109,688)

Table continued on the following page.

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)**Note: Impact of net cash appropriation arrangements**

	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	55,656	58,200	75,041	75,351	75,374
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	181,778	185,883	188,495	179,017	185,062
Total comprehensive income/(loss) - as per the statement of comprehensive income	(126,122)	(127,683)	(113,454)	(103,666)	(109,688)

Prepared on Australian Accounting Standards basis.

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

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	348,309	256,798	178,524	155,129	148,210
Trade and other receivables	506,906	503,574	503,574	503,574	503,574
Total financial assets	855,215	760,372	682,098	658,703	651,784
Non-financial assets					
Land and buildings	3,321,642	3,363,300	3,385,279	3,390,009	3,388,775
Property, plant and equipment	359,872	375,322	448,497	509,231	506,749
Intangibles	124,192	130,232	133,679	129,376	114,640
Inventories	46,383	46,383	46,383	46,383	46,383
Other non-financial assets	67,136	68,023	68,023	68,023	68,023
Total non-financial assets	3,919,225	3,983,260	4,081,861	4,143,022	4,124,570
Total assets	4,774,440	4,743,632	4,763,959	4,801,725	4,776,354
LIABILITIES					
Payables					
Suppliers	109,152	110,302	110,302	110,302	110,302
Other payables	58,208	58,208	58,208	58,208	58,208
Total payables	167,360	168,510	168,510	168,510	168,510
Provisions					
Employee provisions	229,233	231,444	231,444	231,444	231,444
Other provisions	17,924	18,038	18,038	18,038	18,038
Total provisions	247,157	249,482	249,482	249,482	249,482
Total liabilities	414,517	417,992	417,992	417,992	417,992
Net assets	4,359,923	4,325,640	4,345,967	4,383,733	4,358,362
EQUITY*					
Parent entity interest					
Contributed equity	2,782,711	2,886,734	3,036,205	3,192,853	3,292,454
Reserves	1,735,829	1,735,829	1,735,829	1,735,829	1,735,829
Retained surplus (accumulated deficit)	(158,617)	(296,923)	(426,067)	(544,949)	(669,921)
Total parent entity interest	4,359,923	4,325,640	4,345,967	4,383,733	4,358,362
Total equity	4,359,923	4,325,640	4,345,967	4,383,733	4,358,362

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 2019-20)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2019					
Balance carried forward from previous period	(158,617)	1,735,829	-	2,782,711	4,359,923
Adjusted opening balance	(158,617)	1,735,829	-	2,782,711	4,359,923
Comprehensive income					
Surplus/(deficit) for the period	(127,683)	-	-	-	(127,683)
Total comprehensive income	(127,683)	-	-	-	(127,683)
of which:					
Attributable to the Australian Government	-	-	-	-	-
Transactions with owners					
Distributions to owners					
Returns on capital:					
Dividends	-	-	-	-	-
Contributions by owners					
Equity injection - Appropriation	-	-	-	43,546	43,546
Departmental Capital Budget (DCB)	-	-	-	60,477	60,477
Transfers to Official Public Account	(10,623)	-	-	-	(10,623)
Sub-total transactions with owners	(10,623)	-	-	104,023	93,400
Estimated closing balance as at 30 June 2020	(296,923)	1,735,829	-	2,886,734	4,325,640
Closing balance attributable to the Australian Government	(296,923)	1,735,829	-	2,886,734	4,325,640

Prepared on Australian Accounting Standards basis.

*The non-controlling interest disclosure is not required if an entity does not have non-controlling interests.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations and Special Account cash transferred from Official Public Account (OPA)	1,424,604	1,435,414	1,452,468	1,360,429	1,370,684
Sale of goods and rendering of services	136,916	154,143	142,841	141,928	142,404
Net GST received	41,088	41,098	41,108	41,118	41,324
Other	11,258	11,258	11,258	11,258	11,258
Total cash received	1,613,866	1,641,913	1,647,675	1,554,733	1,565,670
Cash used					
Employees	784,750	806,131	816,408	796,002	809,584
Suppliers	773,460	777,582	756,226	683,380	680,712
Transfers to the OPA	39,607	10,623	15,690	15,216	15,284
Total cash used	1,597,817	1,594,336	1,588,324	1,494,598	1,505,580
Net cash from/(used by) operating activities	16,049	47,577	59,351	60,135	60,090
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	44,008	11,803	-	-	-
Total cash received	44,008	11,803	-	-	-
Cash used					
Purchase of property, plant and equipment and intangibles	296,193	260,834	287,096	240,178	166,610
Total cash used	296,193	260,834	287,096	240,178	166,610
Net cash from/(used by) investing activities	(252,185)	(249,031)	(287,096)	(240,178)	(166,610)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	185,702	109,943	149,471	156,648	99,601
Total cash received	185,702	109,943	149,471	156,648	99,601
Cash used					
Dividends paid	7,200	-	-	-	-
Total cash used	7,200	-	-	-	-
Net cash from/(used by) financing activities	178,502	109,943	149,471	156,648	99,601
Net increase/(decrease) in cash held	(57,634)	(91,511)	(78,274)	(23,395)	(6,919)
Cash and cash equivalents at the beginning of the reporting period	405,943	348,309	256,798	178,524	155,129
Cash and cash equivalents at the end of the reporting period	348,309	256,798	178,524	155,129	148,210

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	60,127	60,477	61,141	61,782	62,425
Equity injections - Bill 2	104,137	43,546	88,330	94,866	37,176
Total new capital appropriations	164,264	104,023	149,471	156,648	99,601
Provided for:					
Purchase of non-financial assets	164,264	104,023	149,471	156,648	99,601
Total items	164,264	104,023	149,471	156,648	99,601
PURCHASE OF NON-FINANCIAL ASSETS					
ASSETS					
Funded by capital appropriations (a)	125,575	49,466	88,330	94,866	37,176
Funded by capital appropriation - DCB (b)	60,127	60,477	61,141	61,782	62,425
Funded internally from departmental resources (c)	110,491	150,891	137,625	83,530	67,009
TOTAL	296,193	260,834	287,096	240,178	166,610
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	296,193	260,834	287,096	240,178	166,610
Total cash used to acquire assets	296,193	260,834	287,096	240,178	166,610

Prepared on Australian Accounting Standards basis.

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

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

(c) Includes the following sources of funding:

- internally developed assets; and
- proceeds from the sale of assets.

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

	Land	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2019					
Gross book value	1,778,915	1,794,912	457,758	233,331	4,264,916
Accumulated depreciation/ amortisation and impairment	-	(252,185)	(97,886)	(109,139)	(459,210)
Opening net book balance	1,778,915	1,542,727	359,872	124,192	3,805,706
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase - appropriation equity (a)	-	38,455	11,011	-	49,466
By purchase - appropriation ordinary annual services (b)	-	150,771	46,097	14,500	211,368
Total additions	-	189,226	57,108	14,500	260,834
Other movements					
Depreciation/amortisation expense	-	(135,765)	(41,658)	(8,460)	(185,883)
Disposals (c)	(8,963)	(2,840)	-	-	(11,803)
Total other movements	(8,963)	(138,605)	(41,658)	(8,460)	(197,686)
As at 30 June 2020					
Gross book value	1,769,952	1,981,298	514,866	247,831	4,513,947
Accumulated depreciation/ amortisation and impairment	-	(387,950)	(139,544)	(117,599)	(645,093)
Closing net book balance	1,769,952	1,593,348	375,322	130,232	3,868,854

Prepared on Australian Accounting Standards basis.

- (a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2019-20.
- (b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2019-20 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)

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
EXPENSES					
International Development Assistance	3,205,265	3,151,642	3,190,665	3,220,285	3,332,002
Multilateral Replenishments	76,670	556,733	446,502	-	76,670
Other grants and contributions	529,905	588,350	621,239	656,104	683,812
Export Finance and Insurance Corporation (Efic)	1,300	1,300	1,100	1,100	1,100
Other expenses	3,799	3,882	3,971	3,971	4,045
Payments to corporate Commonwealth entities - Tourism Australia	135,141	135,618	138,041	142,403	147,136
Depreciation and Amortisation (a)	500	500	500	500	500
Total expenses administered on behalf of Government	3,952,580	4,438,025	4,402,018	4,024,363	4,245,265
LESS:					
OWN-SOURCE INCOME					
Non-taxation revenue					
Fees and charges	617,443	569,712	585,214	604,414	635,161
AIPRD Loans	12,697	12,999	13,254	13,572	13,921
Efic National Interest Account (NIA)	33,456	31,774	30,080	29,259	27,668
Efic dividend	6,941	7,700	8,600	10,000	11,400
Efic competitive neutrality	8,838	9,947	11,567	13,087	13,087
Return of prior year administered expenses	33,478	34,559	35,249	36,149	37,053
Other revenue and gains	255	255	255	255	255
Total non-taxation revenue	713,108	666,946	684,219	706,736	738,545
Total own-source revenue administered on behalf of Government	713,108	666,946	684,219	706,736	738,545
Net (cost of)/contribution by services	3,239,472	3,771,079	3,717,799	3,317,627	3,506,720
Total comprehensive income/(loss)	(3,239,472)	(3,771,079)	(3,717,799)	(3,317,627)	(3,506,720)

Prepared on Australian Accounting Standards basis.

- (a) From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Administered Capital Budget, or ACB) provided through Bill 1 equity appropriations. For information regarding ACBs, please refer to Table 3.10 Administered Capital Budget Statement.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	40,101	27,666	12,756	10,458	10,458
AIFRD loans	159,088	162,336	165,839	169,660	173,830
Multilateral investments	2,291,000	2,331,000	2,331,000	2,331,000	2,331,000
Investments in portfolio entities	465,164	465,164	465,164	465,164	465,164
Trade and other receivables	36,750	37,300	37,850	38,400	38,950
Total financial assets	2,992,103	3,023,466	3,012,609	3,014,682	3,019,402
Non-financial assets					
Property, plant and equipment	19	19	19	19	19
Intangibles	3,050	3,078	3,106	3,134	3,162
Other non-financial assets	64	64	64	64	64
Total non-financial assets	3,133	3,161	3,189	3,217	3,245
Total assets administered on behalf of Government	2,995,236	3,026,627	3,015,798	3,017,899	3,022,647
LIABILITIES					
Payables					
Multilateral replenishments	1,242,590	1,604,677	1,688,628	1,359,843	1,097,874
Other payables	229,957	229,957	229,957	229,957	229,957
Total payables	1,472,547	1,834,634	1,918,585	1,589,800	1,327,831
Provisions					
Employee provisions	79,611	79,611	79,611	79,611	79,611
Total provisions	79,611	79,611	79,611	79,611	79,611
Total liabilities administered on behalf of Government	1,552,158	1,914,245	1,998,196	1,669,411	1,407,442
Net assets/(liabilities)	1,443,078	1,112,382	1,017,602	1,348,488	1,615,205

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Fees and charges	617,443	569,712	585,214	604,414	635,161
GST received	92,500	92,523	92,546	92,570	92,593
Return of prior year administered expenses	33,478	34,559	35,249	36,149	37,053
Efic dividend and competitive neutrality	15,779	17,647	20,167	23,087	24,487
Efic NIA	33,456	31,774	30,080	29,259	27,668
Other	255	255	255	255	255
Total cash received	792,911	746,470	763,511	785,734	817,217
Cash used					
International development assistance	3,485,048	3,360,599	3,484,564	3,513,158	3,638,586
Other grants and contributions	529,905	588,350	621,239	656,104	683,812
Payment to Corporate Commonwealth entities - Tourism Australia	135,141	135,618	138,041	142,403	147,136
Other	3,799	3,882	3,971	3,971	4,045
Total cash used	4,153,893	4,088,449	4,247,815	4,315,636	4,473,579
Net cash from/(used by) operating activities	(3,360,982)	(3,341,979)	(3,484,304)	(3,529,902)	(3,656,362)
INVESTING ACTIVITIES					
Cash received					
Repayments of AIPRD loans	9,751	9,751	9,751	9,751	9,751
Total cash received	9,751	9,751	9,751	9,751	9,751
Cash used					
Purchase of intangibles	504	528	528	528	528
Loans made	550	550	550	550	550
Other investing cash payments for policy purposes	288,396	119,512	162,338	129,542	125,748
Total cash used	289,450	120,590	163,416	130,620	126,826
Net cash from/(used by) investing activities	(279,699)	(110,839)	(153,665)	(120,869)	(117,075)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	504	528	528	528	528
Total cash received	504	528	528	528	528
Net cash from/(used by) financing activities	504	528	528	528	528
Net increase/(decrease) in cash held	(3,640,681)	(3,452,818)	(3,637,969)	(3,650,771)	(3,773,437)
Cash and cash equivalents at beginning of reporting period	10,458	40,101	27,666	12,756	10,458
Cash from Official Public Account for:					
- Appropriations and special accounts	4,472,986	4,196,604	4,396,321	4,443,958	4,507,812
Cash to Official Public Account for:					
- Appropriations and special accounts	(802,662)	(756,221)	(773,262)	(795,485)	(734,375)
Cash and cash equivalents at end of reporting period	40,101	27,666	12,756	10,458	10,458

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (ACB)	504	528	528	528	528
Administered Assets and Liabilities - Bill 2	-	605,072	-	-	-
Total new capital appropriations	504	605,600	528	528	528
Provided for:					
Purchase of non-financial assets	504	528	528	528	528
Other Items	-	605,072	-	-	-
Total items	504	605,600	528	528	528
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - ACB (a)	504	528	528	528	528
TOTAL	504	528	528	528	528
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total accrual purchases	504	528	528	528	528
Total cash used to acquire assets	504	528	528	528	528

Prepared on Australian Accounting Standards basis.

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

Table 3.11: Statement of administered asset movements (Budget year 2019-20)

	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2019			
Gross book value	24	12,722	12,746
Accumulated depreciation/amortisation and impairment	(5)	(9,672)	(9,677)
Opening net book balance	19	3,050	3,069
CAPITAL ASSET ADDITIONS			
Estimated expenditure on new or replacement assets			
By purchase - appropriation ordinary annual services (a)	-	528	528
Total additions	-	528	528
Other movements			
Depreciation/amortisation expense	-	(500)	(500)
Total other movements	-	(500)	(500)
As at 30 June 2020			
Gross book value	24	13,250	13,274
Accumulated depreciation/amortisation and impairment	(5)	(10,172)	(10,177)
Closing net book balance	19	3,078	3,097

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2019-20 for depreciation/amortisation expenses, ACBs or other operational expenses.

Australian Trade and Investment Commission (Austrade)

ENTITY RESOURCES AND PLANNED PERFORMANCE

AUSTRALIAN TRADE AND INVESTMENT COMMISSION (AUSTRADE)

SECTION 1: ENTITY OVERVIEW AND RESOURCES	67
1.1 Strategic direction statement	67
1.2 Entity resource statement	70
1.3 Budget measures.....	72
SECTION 2: OUTCOMES AND PLANNED PERFORMANCE	73
2.1 Budgeted expenses and performance for Outcome 1.....	74
2.2 Budgeted expenses and performance for Outcome 2.....	82
SECTION 3: BUDGETED FINANCIAL STATEMENTS.....	85
3.1 Budgeted financial statements.....	85
3.2 Budgeted financial statements tables	88

AUSTRALIAN TRADE AND INVESTMENT COMMISSION (AUSTRADE)

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Australian Trade and Investment Commission (Austrade) is the Australian Government's promotion agency for international trade, and for attracting productive foreign investment to Australia. Austrade's purpose is to deliver quality trade and investment services to businesses to grow Australia's prosperity. It does this by supporting Australian business across all industries, at all stages of their international journey. More specifically, Austrade helps them capitalise on international opportunities and understand risk. Australian businesses that succeed internationally, and productive investment that is attracted to Australia, contribute to the growth of Australian prosperity.

Austrade uses its badge of government to connect Australian business to the world and the world to Australian business. In some of its overseas locations, Austrade also delivers consular and passport services on behalf of the Australian Government to Australian citizens overseas.

Austrade's outcomes are:

- to contribute to Australia's economic prosperity by promoting Australia's export and other international economic interests through the provision of information, advice and services to business, associations, institutions and governments; and
- the protection and welfare of Australians abroad through timely and responsive consular and passport services in specific locations overseas.

A more detailed description of Austrade's purpose and how it intends to achieve it is set out in the corporate plan and strategy. Austrade's *2019-20 Corporate Plan* will cover the four year period to June 2023.

The international economic environment continues to be marked by a high level of political and policy uncertainty. Economic conditions in Australia's major export markets and investment sources are broadly favourable, despite indications of a slowdown in demand from China. Recent shifts away from free trade in some of Australia's largest trading partners are also concerning. The uncertainty that characterises export markets, coupled with sustained high levels of geopolitical risk, also have an impact on the environment for attracting productive international investment into Australia.

Austrade Budget Statements

To overcome these challenges, Austrade uses its international network and expertise to gather market information. It transforms this data into authoritative intelligence and advice for its clients: Australian exporters and businesses seeking to expand internationally, potential overseas investors into Australia and overseas businesses that would like to buy Australian products. The rapidly changing environment, and clients' evolving needs, mean that Austrade is constantly revising what it offers clients, and how it operates.

In line with the Austrade Strategy 2018-2022, over the four year period commencing FY2019-20, Austrade's objectives are to:

- **increase trade and investment outcomes:** help clients with exporting and international expansion, and help attract productive foreign investment into Australia;
- **increase awareness of Australian capability:** work with clients and partners in priority industry sectors to promote Australian capability internationally;
- **enhance client services:** broaden Austrade's reach, and design and implement services that maximise clients' experiences and Austrade's value-add;
- **partner for success:** collaborate, co-design and deliver seamless export and investment services;
- **embrace digital first:** deliver services and operations through intuitive, client-focused, and integrated digital platforms which optimise efficiencies, information dissemination and collaboration;
- **expand Austrade's policy influence:** inform and influence policy that supports positive trade and investment outcomes; and
- **develop Austrade's workforce and capability:** build Austrade's talent and capability to deliver outcomes effectively and efficiently.

Austrade will assist clients by connecting Australian businesses to overseas opportunities, and work with them to achieve commercial outcomes. Austrade will also help its clients by providing financial assistance for exporters through programs like the Export Market Development Grants scheme, and by supporting Australia's regional exporters through the TradeStart network.

Austrade will work with tourism operators and state and territory partners to strengthen Australia's tourism industry. This includes investing in nationally and regionally iconic tourism projects to promote Australia's international tourism interests, create jobs and diversify local economies. The development of iconic tourism products aligns with the current Tourism 2020 strategy and Austrade's continued development of the next long term tourism strategy, Beyond Tourism 2020.

Austrade will work with partners across industry and government to develop and implement a compelling, unifying and future focused nation brand for Australia that reinforces our global reputation as an internationally competitive investment destination, a great place to visit, a quality provider of education and a trusted exporter of premium quality goods and services.

Austrade will strengthen its client service delivery by enhancing the services it provides, including the introduction of a universal service offering to broaden its reach. The delivery of Austrade's services will be improved by integrated digital platforms that will make the best use of the information it holds, and improve organisational efficiency.

Austrade will develop its use of agile working models and human-centred design to deliver outcomes effectively and efficiently. Austrade will also contribute to economic diplomacy and protect the welfare of Australian citizens abroad through timely and responsive consular and passport services in specific locations.

1.2 ENTITY RESOURCE STATEMENT

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

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

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

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

Table 1.1: Austrade resource statement — Budget estimates for 2019-20 as at Budget April 2019

	2018-19 (a) <i>Estimated actual</i> \$'000	2019-20 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (b)		
Prior year appropriations available	52,525	57,169
Departmental appropriation (c)	201,686	202,499
s74 External Revenue (d)	27,400	27,400
Departmental capital budget (e)	14,135	14,188
Annual appropriations - other services - non-operating (f)		
Prior year appropriations available	677	1,401
Equity injection	1,401	535
Total departmental annual appropriations	<u>297,824</u>	<u>303,192</u>
Total departmental resourcing	297,824	303,192
Administered		
Annual appropriations - ordinary annual services (b)		
Prior year appropriations available	4,225	4,225
Outcome 1	140,871	168,650
Total administered annual appropriations	<u>145,096</u>	<u>172,875</u>
Total administered resourcing	145,096	172,875
Total resourcing for Austrade	442,920	476,067
	<u>2018-19</u>	<u>2019-20</u>
Average staffing level (number)	940	1,028

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

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

- (a) Annual appropriation amounts appearing for 2018-19 do not include the Appropriation Bills (No. 3) and (No. 4) 2018-2019, as they had not been enacted at the time of publication.
- (b) Appropriation Bill (No. 1) 2019-20.
- (c) Excludes Departmental Capital Budget (DCB).
- (d) Estimated External Revenue receipts under section 74 of the *PGPA Act 2013*.
- (e) DCBs are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (f) Appropriation Bill (No. 2) 2019-20.

1.3 BUDGET MEASURES

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

**Table 1.2: Austrade 2019-20 Budget measures
Part 1: Measures announced since the 2018-19 Mid-Year Economic and Fiscal Outlook (MYEFO)**

	Program	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	
Expense measures							
Supporting Australian Exports							
	Administered expenses	1.2	-	20,000	20,000	20,000	-
	Departmental expenses	1.1	-	1,000	-	-	-
	Total		-	21,000	20,000	20,000	-
Enhancing National Tourism Icons							
	Administered expenses	1.1	-	10,000	20,000	20,000	-
	Total		-	10,000	20,000	20,000	-
Total expense measures							
	Administered		-	30,000	40,000	40,000	-
	Departmental		-	1,000	-	-	-
	Total		-	31,000	40,000	40,000	-

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

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 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 Austrade can be found at:

<https://www.austrade.gov.au/ArticleDocuments/1358/Austrade-Corporate-Plan-2018-19.pdf.aspx>.

Austrade also has its Strategy 2018–2022 document at:

<https://www.austrade.gov.au/ArticleDocuments/6513/Austrade-Strategy-2018-2022-Final.pdf.aspx>.

The most recent annual performance statement can be found at:

<https://www.austrade.gov.au/AR-201718/part-2-report-performance/australian-trade-and-investment-commission-annual-performance-statement.html>.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Contribute to Australia’s economic prosperity by promoting Australia’s export and other international economic interests through the provision of information, advice and services to business, associations, institutions and government

Linked programs

<p>Department of Foreign Affairs and Trade</p> <hr/> <p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Foreign Affairs and Trade Operations • Program 1.6 – Public Information Services and Public Diplomacy • Program 1.7 – Programs to Promote Australia’s International Tourism Interests
<p>Contribution to Outcome 1 made by linked programs</p> <p>DFAT and Austrade work closely across a number of areas. This cooperation results in stronger economic ties, and includes the maximisation of trade and investment opportunities for Australia through the promotion of free trade agreements. It also contributes to the projection of a positive image of Australia as a destination for business, investment, tourism and study.</p>
<p>Department of Industry, Innovation and Science (DIIS)</p> <hr/> <p>Programs</p> <ul style="list-style-type: none"> • Program 1 – Supporting Science and Commercialisation • Program 2 – Growing Business Investment and Improving Business Capability • Program 3 – Program Support
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of Industry, Innovation and Science co-operates with Austrade on the Government’s Global Innovation Strategy, established under the National Innovation and Science Agenda. This includes the Landing Pads and the Inbound Innovation Forum.</p> <p>Austrade is implementing more business friendly information on different land tenure arrangements, the promotion of northern Australia as investor ready and open for business, and developing pathways to commercialise tropical research opportunities under the White Paper on Developing Northern Australia. The Department of Industry, Innovation and Science oversees implementation of the White Paper.</p>

Table continued on the following page.

Linked programs (continued)

Department of Education and Training (DET)
Programs
<ul style="list-style-type: none"> • Program 2.7 – International Education Support
Contribution to Outcome 1 made by linked program
The National Strategy for International Education, led by the Department of Education and Training, seeks to strengthen the fundamentals of the international education sector and complements Austrade’s focus through <i>Australian International Education 2025</i> on enabling the sector’s ongoing international growth.
Department of Agriculture and Water Resources
Programs
<ul style="list-style-type: none"> • Program 1.13 – International Market Access • Program 2.1 – Biosecurity and Export Services
Contribution to Outcome 1 and 2 made by linked programs
The Department of Agriculture and Water Resources works to achieve the best outcomes for Australian agricultural, fisheries and forestry exports. The Department also undertakes activities to preserve Australia’s favourable animal and plant health status, helping maintain overseas markets.
Tourism Australia
Programs
<ul style="list-style-type: none"> • Program 1 - Supporting Outcome 1 (Grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets)
Contribution to Outcome 1 made by linked program
Austrade provides research and policy support to Tourism Australia’s activities of promoting the export of Australian tourism services. These exports contribute to Australia’s prosperity.
Department of Defence
Programs
<ul style="list-style-type: none"> • Program 2.1 – Strategic Policy and Intelligence
Contribution to Outcome 1 made by linked program
The Government’s Defence Export Strategy is being implemented by the Department of Defence through the Australian Defence Export Office. This is providing a whole-of-government coordinated approach to supporting Australian defence industry to grow exports.

Table continued on the following page.

Linked programs (continued)

Department of Infrastructure, Regional Development and Cities
Programs <ul style="list-style-type: none">• Program 3.1 – Regional Development
Contribution to Outcome 1 made by linked program <p>The Department of Infrastructure, Regional Development and Cities supports tourism demand-driving infrastructure in Australia’s regions through the Government’s Building Better Regions Fund.</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

Outcome 1:					
Contribute to Australia's economic prosperity by promoting Australia's export and other international economic interests through the provision of information, advice and services to business, associations, institutions and government					
	2018-19	2019-20	2020-21	2021-22	2022-23
	Estimated	Budget	Forward	Forward	Forward
	actual		estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Program 1.1: Promotion of Australia's export and other international economic interests					
Departmental expenses					
Departmental appropriation	193,128	192,991	192,145	193,038	195,591
s74 External Revenue (a)	27,400	27,400	27,400	27,400	27,400
Special accounts					
Services for Other Entities and Trust Moneys Special Account	128	-	-	-	-
Expenses not requiring appropriation in the Budget year (b)					
	13,000	15,069	16,500	15,686	15,686
Departmental total	233,656	235,460	236,045	236,124	238,677
Total expenses for program 1.1	233,656	235,460	236,045	236,124	238,677
Program 1.2: Programs to promote Australia's exports and other international economic interests					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	140,871	168,650	177,900	177,900	137,900
Administered total	140,871	168,650	177,900	177,900	137,900
Total expenses for program 1.2	140,871	168,650	177,900	177,900	137,900

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	140,871	168,650	177,900	177,900	137,900
Administered total	140,871	168,650	177,900	177,900	137,900
Departmental expenses					
Departmental appropriation	193,128	192,991	192,145	193,038	195,591
s74 External Revenue (a)	27,400	27,400	27,400	27,400	27,400
Special accounts	128	-	-	-	-
Expenses not requiring appropriation in the Budget year (b)	13,000	15,069	16,500	15,686	15,686
Departmental total	233,656	235,460	236,045	236,124	238,677
Total expenses for Outcome 1	374,527	404,110	413,945	414,024	376,577

	2018-19	2019-20
Average staffing level (number)	903	991

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

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

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

Table 2.1.2: Program components of Outcome 1

Program 1.2: Programs to promote Australia's exports and other international economic interests					
	2018-19	2019-20	2020-21	2021-22	2022-23
	Estimated	Budget	Forw ard	Forw ard	Forw ard
	actual		estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
1.2.1 - Component 1: Export Market Development Grants scheme					
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1)	137,900	157,900	157,900	157,900	137,900
Total component 1 expenses	137,900	157,900	157,900	157,900	137,900
1.2.2 - Component 2: Free Trade Agreement Promotion					
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1)	750	750	-	-	-
Total component 2 expenses	750	750	-	-	-
1.2.3 - Component 3: Developing Northern Australia - positioning the north as a leader in tropical health					
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1)	2,221	-	-	-	-
Total component 3 expenses	2,221	-	-	-	-
1.2.4 - Component 4: National Tourism Icons Program					
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1)	-	10,000	20,000	20,000	-
Total component 4 expenses	-	10,000	20,000	20,000	-
Total program expenses	140,871	168,650	177,900	177,900	137,900

Table 2.1.3: Performance criteria for Outcome 1

Table 2.1.3 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019-20 Budget measures have created new programs or materially changed existing programs.

Outcome 1 – Contribute to Australia’s economic prosperity by promoting Australia’s export and other international economic interests through the provision of information, advice and services to business, associations, institutions and government		
Program 1.1 – Promotion of Australia’s export and other international economic interests		
Delivery	Austrade: <ul style="list-style-type: none"> • connects export-ready Australian businesses to overseas opportunities and works with them to achieve commercial outcomes • wins productive foreign investment • promotes Australian capability internationally • works with priority industry sectors to drive sustained long-term growth of Australian exports • reduces the time, cost and risk for its clients • provides authoritative commercial insights and information to help clients make informed business decisions • informs and influences policy to support positive trade and investment outcomes, including for tourism and international education • supports Australia’s regional exporters through the TradeStart network 	
Performance information		
Year	Performance criteria (a)	Targets
2018–19	High level of satisfaction for Ministers, Australian business community, institutions and key partners with Austrade’s services.	Forecast: Austrade expects this level of satisfaction to be at least 70%, as measured in surveys and feedback (<i>from 2018–19 PB Statements</i>) Austrade expects this level of satisfaction to be at least 85%, as measured in surveys and feedback (<i>from 2018–19 Corporate Plan</i>).
2019–20	High level of satisfaction for Ministers, Australian business community, institutions and key partners with Austrade’s services.	Forecast: Austrade expects this level of satisfaction to be at least 85%, as measured in surveys and feedback.
2020-21 and beyond	As per 2019–20	As per 2019–20
Purposes	The purpose of the Australian Trade and Investment Commission (Austrade) is to deliver quality trade and investment services to businesses to grow Australia’s prosperity.	

(a) Austrade’s 2018–19 Corporate Plan contained 2018–19 targets for this performance criterion that were updated after publication of the 2018–19 Portfolio Budget Statements. These updated targets are used for 2019–20 and the periods thereafter. Austrade’s 2018–19 Annual Performance Statement will report against both the target from the PB Statements and that from the Corporate Plan.

Table 2.1.3: Performance criteria for Outcome 1

Program 1.2 – Programs to promote Australia’s export and other international economic interests		
Delivery	Austrade administers programs that support Australian businesses’ engagement in international business. It provides financial assistance for exporters through programs like the Export Market Development Grant (EMDG).	
Performance information		
Year	Performance criteria (a)	Targets
2018–19	EMDG recipients report that the receipt of a grant encouraged them to increase their export promotion activities Proportion of seminar and roadshow attendees reporting an increased understanding of how to use and benefit from free trade agreements	Forecast: Austrade expects at least 70% of EMDG recipients to report that receiving a grant in 2018–19 encouraged them to increase their export promotion activities Forecast: Austrade expects at least 85% of seminar and roadshow attendees to report increased understanding of how to use and benefit from FTAs in 2018–19, as measured by feedback forms.
2019–20	EMDG recipients report that the receipt of a grant encouraged them to increase their export promotion activities	Forecast: Austrade expects at least 70% of EMDG recipients to report that receiving a grant in 2019–20 encouraged them to increase their export promotion activities
2020–21 and beyond	As per 2019–20	As per 2019–20
Purposes	The purpose of the Australian Trade and Investment Commission (Austrade) is to deliver quality trade and investment services to businesses to grow Australia’s prosperity.	

2.2 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 2

Outcome 2: The protection and welfare of Australians abroad through timely and responsive consular and passport services in specific locations overseas

Linked programs

Department of Foreign Affairs and Trade
Programs <ul style="list-style-type: none">• Program 2.1 – Consular Services• Program 2.2 – Passport Services• Program 3.1 – Foreign Affairs and Trade Security and IT• Program 3.2 – Overseas Property
Contribution to Outcome 2 made by linked programs <p>Where Austrade has overseas locations that complement those of DFAT, Austrade provides consular and passport services to Australians in those locations. DFAT ensures a secure Austrade presence overseas for personnel, assets and information.</p>

Budgeted expenses for Outcome 2

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

Table 2.2.1: Budgeted expenses for Outcome 2

Outcome 2: The protection and welfare of Australians abroad through timely and responsive consular and passport services in specific locations overseas					
	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
Program 2.1: Consular Services					
Departmental expenses					
Departmental appropriation	9,342	9,508	9,562	9,617	9,682
Departmental total	9,342	9,508	9,562	9,617	9,682
Total expenses for program 2.1	9,342	9,508	9,562	9,617	9,682
Outcome 2 Totals by appropriation type					
	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
Departmental expenses					
Departmental appropriation	9,342	9,508	9,562	9,617	9,682
Departmental total	9,342	9,508	9,562	9,617	9,682
Total expenses for Outcome 2	9,342	9,508	9,562	9,617	9,682
	2018-19	2019-20			
Average staffing level (number)	37	37			

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

Table 2.2.3: Performance criteria for Outcome 2

Table 2.2.3 below details the performance criteria for each program associated with Outcome 2. It also summarises how each program is delivered and where 2019-20 Budget measures have created new programs or materially changed existing programs.

Outcome 2 – The protection and welfare of Australians abroad through timely and responsive consular and passport services in specific locations overseas		
Program 2.1 – Consular and Passport Services		
Delivery	In overseas locations where Austrade has designated consular management responsibilities, Austrade will continue to place a high priority on helping Australians through the delivery of effective consular services, efficient passport services and practical contingency planning, in accordance with DFAT’s Consular Services and Passports Client Services charters	
Performance information		
Year	Performance criteria (a)	Targets
2018–19	Timely and effective delivery of consular and passport services to Australians overseas	Meets DFAT’s standards for provision of consular and passport services (<i>from 2018–19 PB Statements</i>) 97% of routine passport applications are processed accurately as per Australian Passport Office benchmark (<i>from 2018–19 Corporate Plan</i>)
2019–20	Effective delivery of consular and passport services to Australians overseas	97% of routine passport applications are processed accurately as per Australian Passport Office benchmark
2020–21 and beyond	As per 2019–20	As per 2019–20
Purposes	Austrade helps Australian citizens overseas by providing consular and passport services in designated locations.	

(a) Note that the wording of the performance criterion has changed from 2019–20 to exclude the word ‘timely’, because while Austrade process the applications, the delivery of the passport is to a large extent subject to factors outside Austrade’s control. Austrade’s *2018–19 Corporate Plan* contained 2018–19 targets for this performance criterion that were updated after publication of the 2018–19 Portfolio Budget Statements. These updated targets are used for 2019–20 and the periods thereafter. Austrade’s 2018–19 Annual Performance Statement will report against both the target from the PB Statements and that from the *Corporate Plan*.

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

There has been no difference between the resource information presented in the Budget Papers and in Austrade's Portfolio Budget Statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

An analysis of Austrade's budgeted financial statements, as reflected in the departmental financial statements and administered schedules, is provided below.

Departmental financial statements

The Departmental financial statements represent the assets, liabilities, revenues and expenses which are controlled by Austrade. Departmental expenses include employee and supplier expenses and other administrative costs which are incurred by Austrade in undertaking its operations.

Budgeted departmental comprehensive income statement

This statement provides estimated actual financial results for 2018-19 and the estimated revenue and expenses for 2019-20 and forward years.

Total income in 2019-20 is estimated to be \$229.9 million, which represents nil net change in appropriations from the 2018-19 estimated actual shown at Table 3.1. The nil net change in appropriation is primarily a result of:

- increased funding for promoting Australian exports – a net increase of \$1.0 million;
- decreased funding for the Nation Brand – a net decrease of \$1.2 million;
- increased savings target for the Foreign Affairs and Trade Portfolio Savings – a net decrease of \$0.5 million;
- termination of Australia Week Events funding – a net decrease of \$2.8 million;
- increased funding for the Australian Trade and Defence Office in West Jerusalem – a net increase of \$0.4 million;

Austrade Budget Statements

- foreign exchange adjustments – a net increase of \$2.8 million.

Austrade is receiving funding of \$14.2 million to fund the Departmental Capital Budget which is treated as an equity injection. An additional \$0.5 million of capital expenditure is available from the existing equity injection.

Total estimated expenses for 2019-20 are in line with 2018-19 estimated actual expenses.

Budgeted departmental balance sheet

This statement discloses the estimated end of year financial position for Austrade. Austrade's budgeted net asset position at the end of 2019-20 of \$64.7 million represents a decrease of \$0.3 million from the 2018-19 estimated actual in Table 3.2.

Departmental statement of changes in equity — summary of movement

This statement shows changes in equity resulting from the net impact of movements in accumulated results, assets revaluation and other reserves, and contributed equity.

Total equity at the end of 2019-20 is estimated to be \$64.7 million, a decrease of \$0.3 million.

Budgeted departmental statement of cash flows

This statement shows the extent and nature of cash flows as a result of Austrade's operating, investing and financing activities. Austrade's cash balance at the end of 2019-20 is estimated to be \$5.5 million.

Departmental capital budget statement

This statement shows all planned departmental capital expenditure on non-financial assets, whether funded through capital appropriations, additional equity, borrowings, or funds from internal sources.

Departmental statement of asset movements

This statement shows budgeted acquisitions and disposals of non-financial assets during the budget year.

Schedule of administered activity

Details of transactions administered by Austrade on behalf of the Government are shown in the following schedules to the financial statements.

Schedule of budgeted income and expenses administered on behalf of the Government

This schedule discloses revenue and expenses administered on behalf of the Government.

Administered expenses of \$168.7 million for 2019-20 relate to the EMDG Scheme (\$157.9 million), Enhancing National Tourism Icons (\$10.0 million) and Free Trade Agreement Promotion (\$0.8 million). The EMDG Scheme is comprised of \$151.0 million in grant expenditure and \$6.9 million in expenditure for the costs of administration on behalf of the Government.

Schedule of budgeted assets and liabilities administered on behalf of the Government

This schedule identifies the assets and liabilities administered on behalf of the Government.

Total administered assets and liabilities for 2019-20 are estimated at \$0.1 million and \$11.9 million respectively.

Schedule of budgeted administered cash flows

This schedule shows cash flows administered on behalf of the Government. All cash received is expected to be expended on the relevant programs.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
EXPENSES					
Employee benefits	145,927	147,448	147,448	147,448	147,925
Suppliers	84,071	82,451	81,659	82,607	84,748
Depreciation and amortisation (a)	13,000	15,069	16,500	15,686	15,686
Total expenses	242,998	244,968	245,607	245,741	248,359
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	24,200	24,200	24,200	24,200	24,200
Rental income	200	200	200	200	200
Other	3,000	3,000	3,000	3,000	3,000
Total own-source revenue	27,400	27,400	27,400	27,400	27,400
Total own-source income	27,400	27,400	27,400	27,400	27,400
Net (cost of)/contribution by services	(215,598)	(217,568)	(218,207)	(218,341)	(220,959)
Revenue from Government	202,470	202,499	201,707	202,655	205,273
Surplus/(deficit) attributable to the Australian Government	(13,128)	(15,069)	(16,500)	(15,686)	(15,686)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income/(loss)	(13,128)	(15,069)	(16,500)	(15,686)	(15,686)
Total comprehensive income/(loss) attributable to the Australian Government	(13,128)	(15,069)	(16,500)	(15,686)	(15,686)

Table continued on the following page.

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

Note: Impact of net cash appropriation arrangements

	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	(128)	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	13,000	15,069	16,500	15,686	15,686
Total comprehensive income/(loss) - as per the statement of comprehensive income	(13,128)	(15,069)	(16,500)	(15,686)	(15,686)

Prepared on Australian Accounting Standards basis.

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

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	5,500	5,500	5,500	5,500	5,500
Trade and other receivables	56,334	54,334	54,334	54,334	54,334
Total financial assets	61,834	59,834	59,834	59,834	59,834
Non-financial assets					
Land and buildings	12,411	10,411	8,886	6,418	3,972
Property, plant and equipment	10,470	10,470	8,373	8,212	8,029
Intangibles	29,674	33,328	35,710	36,981	38,375
Other non-financial assets	5,551	5,551	5,551	5,551	5,551
Total non-financial assets	58,106	59,760	58,520	57,162	55,927
Total assets	119,940	119,594	118,354	116,996	115,761
LIABILITIES					
Payables					
Suppliers	13,513	13,513	13,513	13,513	13,513
Other payables	5,207	5,207	5,207	5,207	5,207
Total payables	18,720	18,720	18,720	18,720	18,720
Provisions					
Employee provisions	36,157	36,157	36,157	36,157	36,157
Other provisions	50	50	50	50	50
Total provisions	36,207	36,207	36,207	36,207	36,207
Total liabilities	54,927	54,927	54,927	54,927	54,927
Net assets	65,013	64,667	63,427	62,069	60,834
EQUITY*					
Parent entity interest					
Contributed equity	131,562	146,285	161,545	175,873	190,324
Reserves	33,717	33,717	33,717	33,717	33,717
Retained surplus (accumulated deficit)	(100,266)	(115,335)	(131,835)	(147,521)	(163,207)
Total parent entity interest	65,013	64,667	63,427	62,069	60,834
Total equity	65,013	64,667	63,427	62,069	60,834

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 2019-20)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2019				
Balance carried forward from previous period	(100,266)	33,717	131,562	65,013
Adjusted opening balance	(100,266)	33,717	131,562	65,013
Comprehensive income				
Other comprehensive income	-	-	-	-
Surplus/(deficit) for the period	(15,069)	-	-	(15,069)
Total comprehensive income	(15,069)	-	-	(15,069)
of which:				
Attributable to the Australian Government	(15,069)	-	-	(15,069)
Contributions by owners				
Equity injection - Appropriation	-	-	535	535
Departmental Capital Budget (DCB)	-	-	14,188	14,188
Estimated closing balance as at 30 June 2020	(115,335)	33,717	146,285	64,667
Less: non-controlling interests*	-	-	-	-
Closing balance attributable to the Australian Government	(115,335)	33,717	146,285	64,667

Prepared on Australian Accounting Standards basis.

*The non-controlling interest disclosure is not required if an entity does not have non-controlling interests.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	201,228	204,499	201,707	202,655	205,273
Sale of goods and rendering of services	24,400	24,400	24,400	24,400	24,400
Other	3,000	3,000	3,000	3,000	3,000
Total cash received	228,628	231,899	229,107	230,055	232,673
Cash used					
Employees	145,927	147,448	147,448	147,448	147,925
Suppliers	84,071	82,451	81,659	82,607	84,748
Total cash used	229,998	229,899	229,107	230,055	232,673
Net cash from/(used by) operating activities	(1,370)	2,000	-	-	-
INVESTING ACTIVITIES					
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment and intangibles	13,866	16,723	15,260	14,328	14,451
Total cash used	13,866	16,723	15,260	14,328	14,451
Net cash from/(used by) investing activities	(13,866)	(16,723)	(15,260)	(14,328)	(14,451)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	15,866	14,723	15,260	14,328	14,451
Total cash received	15,866	14,723	15,260	14,328	14,451
Total cash used	-	-	-	-	-
Net cash from/(used by) financing activities	15,866	14,723	15,260	14,328	14,451
Net increase/(decrease) in cash held	630	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	4,870	5,500	5,500	5,500	5,500
Cash and cash equivalents at the end of the reporting period	5,500	5,500	5,500	5,500	5,500

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	14,135	14,188	14,217	14,328	14,451
Equity injections - Bill 2	1,731	535	1,043	-	-
Total new capital appropriations	15,866	14,723	15,260	14,328	14,451
Provided for:					
Purchase of non-financial assets	15,866	14,723	15,260	14,328	14,451
Total items	15,866	14,723	15,260	14,328	14,451
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	1,731	535	1,043	-	-
Funded by capital appropriation - DCB (b)	12,135	16,188	14,217	14,328	14,451
TOTAL	13,866	16,723	15,260	14,328	14,451
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	13,866	16,723	15,260	14,328	14,451
Total cash used to acquire assets	13,866	16,723	15,260	14,328	14,451

Prepared on Australian Accounting Standards basis.

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

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

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

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2019				
Gross book value	16,909	23,623	90,453	130,985
Accumulated depreciation/ amortisation and impairment	(4,498)	(13,153)	(60,779)	(78,430)
Opening net book balance	12,411	10,470	29,674	52,555
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	535	-	-	535
By purchase - appropriation ordinary annual services (b)	1,465	4,000	10,723	16,188
Total additions	2,000	4,000	10,723	16,723
Other movements				
Depreciation/amortisation expense	(4,000)	(4,000)	(7,069)	(15,069)
Total Other movements				
As at 30 June 2020				
Gross book value	18,909	27,623	101,176	147,708
Accumulated depreciation/ amortisation and impairment	(8,498)	(17,153)	(67,848)	(93,499)
Closing net book balance	10,411	10,470	33,328	54,209

Prepared on Australian Accounting Standards basis.

- (a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2019-20.
- (b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2019-20 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)

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
EXPENSES					
Employee benefits	5,253	5,253	5,253	5,253	5,253
Suppliers	1,642	1,642	1,642	1,642	1,642
Grants	133,976	161,755	171,005	171,005	131,005
Total expenses administered on behalf of Government	140,871	168,650	177,900	177,900	137,900
LESS:					
OWN-SOURCE INCOME					
Total own-sourced income administered on behalf of Government	-	-	-	-	-
Net (cost of)/contribution by services	140,871	168,650	177,900	177,900	137,900
Total comprehensive income/(loss)	(140,871)	(168,650)	(177,900)	(177,900)	(137,900)

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	-	-	-	-	-
Trade and other receivables	92	92	92	92	92
Total financial assets	92	92	92	92	92
Total assets administered on behalf of Government	92	92	92	92	92
LIABILITIES					
Payables					
Suppliers	91	91	91	91	91
Grants	9,594	9,594	9,594	9,594	9,594
Other payables	35	35	35	35	35
Total payables	9,720	9,720	9,720	9,720	9,720
Provisions					
Employee provisions	2,178	2,178	2,178	2,178	2,178
Total provisions	2,178	2,178	2,178	2,178	2,178
Total liabilities administered on behalf of Government	11,898	11,898	11,898	11,898	11,898
Net assets/(liabilities)	(11,806)	(11,806)	(11,806)	(11,806)	(11,806)

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Total cash received	-	-	-	-	-
Cash used					
Grant	134,051	161,755	171,005	171,005	131,005
Suppliers	1,642	1,642	1,642	1,642	1,642
Employees	5,253	5,253	5,253	5,253	5,253
Total cash used	140,946	168,650	177,900	177,900	137,900
Net cash from/(used by) operating activities	140,946	168,650	177,900	177,900	137,900
Net increase/(decrease) in cash held	(140,946)	(168,650)	(177,900)	(177,900)	(137,900)
Cash and cash equivalents at beginning of reporting period	75	-	-	-	-
Cash from Official Public Account for:					
- Appropriations	140,871	168,650	177,900	177,900	137,900
Total cash from Official Public Account	140,871	168,650	177,900	177,900	137,900
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

**Australian Centre for
International Agricultural
Research (ACIAR)**

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

AUSTRALIAN CENTRE FOR INTERNATIONAL AGRICULTURAL RESEARCH (ACIAR)

SECTION 1: ENTITY OVERVIEW AND RESOURCES	103
1.1 Strategic direction statement	103
1.2 Entity resource statement	105
SECTION 2: OUTCOMES AND PLANNED PERFORMANCE	107
2.1 Budgeted expenses and performance for Outcome 1	108
SECTION 3: BUDGETED FINANCIAL STATEMENTS	112
3.1 Budgeted financial statements	112
3.2 Budgeted financial statements tables	114

AUSTRALIAN CENTRE FOR INTERNATIONAL AGRICULTURAL RESEARCH (ACIAR)

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Australian Centre for International Agricultural Research (ACIAR) contributes to poverty reduction and improved livelihoods through more productive and sustainable agriculture emerging from collaborative international research.

ACIAR's mandate is to amplify the impact of Australia's outstanding capabilities in agricultural science by brokering and funding agricultural research for development partnerships in developing countries. The agency works with public and private research institutions to improve the productivity and sustainability of agricultural systems and the resilience of food systems in partner countries.

ACIAR supports Australia's national interests by contributing to sustainable economic growth, poverty reduction and enhanced regional stability, with a particular focus on economic diplomacy and women's economic empowerment. ACIAR's work aligns closely with Australia's development assistance program, supporting research collaboration while emphasising human capacity building and private sector-led development, targeted at improved livelihoods in agriculture, forestry and fisheries. Our research portfolio encompasses:

- key agriculture sectors – crops, fisheries, forestry, horticulture and livestock;
- science and disciplines supporting these sectors – agronomy, plant genetics, livestock production, agribusiness, social sciences, soil and land management, water and climate; and
- assessment of achievements to guide future investment – impact evaluation.

Our work aims to contribute to poverty reduction and improved regional security, with a particular focus on Papua New Guinea and Pacific Island countries, and in partner countries in East Asia, South and West Asia and Eastern and Southern Africa.

ACIAR builds the knowledge base that underpins six strategic development objectives:

- food security and poverty reduction;
- natural resources and climate change;
- human health and nutrition;
- gender equity and women's empowerment;
- inclusive value chains; and
- scientific and policy capacity building.

ACIAR Budget Statements

These objectives are consistent with ACIAR's purpose under the enabling legislation and reflect the Australian Government's policy imperatives articulated in the Australian Overseas Development Assistance policy framework and the United Nations' Agenda 2030 Sustainable Development Goals.

Around 65 per cent of our research expenditure is implemented through bilateral arrangements between ACIAR and partner countries in the Indo-Pacific region. In 2019-20, ACIAR will continue to develop long-term agreements for research collaboration in the Indo-Pacific region, with a focus on the Pacific. In most countries and regions, these agreements will put into effect a program of research collaboration that is more consolidated geographically and thematically. They will also detail the intent for co-investment by some countries. We will continue to maintain permanent representation in 10 countries.

As a part of our statutory mandate, ACIAR manages Australia's investment in the global agricultural research system, chief among which is the CGIAR. ACIAR represents Australia on the CGIAR System Council. ACIAR will strengthen its regional research support to other multilateral institutions, including the Asia-Pacific Association of Agricultural Research Institutions, the Centre for Agriculture and Bioscience International, the World Vegetable Centre and the Pacific Community to promote and support collaborative research initiatives that progress our six strategic objectives.

ACIAR will grow its research co-investments with larger donors such as DFAT, the Canadian International Development Research Centre and Syngenta Foundation for Sustainable Agriculture and seek to engage with other private sector donors where appropriate.

1.2 ENTITY RESOURCE STATEMENT

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

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

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

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

Table 1.1: ACIAR resource statement — Budget estimates for 2019-20 as at Budget April 2019

	2018-19 (a) Estimated actual \$'000	2019-20 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (b)		
Prior year appropriations available	3,682	3,500
Departmental appropriation	9,302	9,312
s74 External Revenue (c)	2,233	1,954
Departmental capital budget (d)	245	243
Total departmental resourcing	<u>15,462</u>	<u>15,009</u>
Administered		
Annual appropriations - ordinary annual services (b)		
Prior year appropriations available	2,423	1,000
Outcome 1	97,966	92,151
Total administered annual appropriations	<u>100,389</u>	<u>93,151</u>
Special accounts (e)		
Opening balance	13,171	28,562
Appropriation receipts	15,391	17,567
Total special account receipts	<u>28,562</u>	<u>46,129</u>
Total resourcing for ACIAR	<u>144,413</u>	<u>154,289</u>
	<u>2018-19</u>	<u>2019-20</u>
Average staffing level (number)	78	78

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

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

- (a) Annual appropriation amounts appearing for 2018-19 do not include the Appropriation Bills (No. 3) and (No. 4) 2018-2019, as they had not been enacted at the time of publication.
- (b) Appropriation Bill (No. 1) 2019-20.
- (c) Estimated External Revenue receipts under section 74 of the *PGPA Act 2013*.
- (d) Departmental Capital Budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (e) Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to *Budget Paper No. 4 – Agency Resourcing*. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.

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 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 ACIAR can be found at:

<https://www.aciar.gov.au/publication/Corporate-Plan-2018-19>.

The most recent annual performance statement can be found at:

<https://www.aciar.gov.au/publication/Annual-Report-2017-18>.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: To achieve more productive and sustainable agricultural systems for the benefit of developing countries and Australia through international agricultural research and training partnerships

Linked programs

Department of Foreign Affairs and Trade

Programs

- Program 1.2 - Official Development Assistance

Contribution to Outcome 1 made by linked program

ACIAR manages a range of co-investments with DFAT including research and capacity building. These investments enable ACIAR to leverage resources and access complementary expertise. ACIAR overseas offices are located within Australian High Commissions/Embassies and work in close collaboration with DFAT.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
Program 1: International Agricultural Research and Development					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	97,966	92,151	93,942	95,470	97,014
Special accounts	19,666	19,261	17,507	13,178	10,227
Administered total	117,632	111,412	111,449	108,648	107,241
Departmental expenses					
Departmental appropriations ⁷⁴ External Revenue (a)	9,302	9,312	9,376	9,441	9,504
Expenses not requiring appropriation in the Budget year (b)	2,233	1,954	2,072	2,160	2,040
	519	543	558	565	599
Departmental total	12,054	11,809	12,006	12,166	12,143
Total expenses for program 1.1	129,686	123,221	123,455	120,814	119,384
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	97,966	92,151	93,942	95,470	97,014
Special accounts	19,666	19,261	17,507	13,178	10,227
Administered total	117,632	111,412	111,449	108,648	107,241
Departmental expenses					
Departmental appropriations ⁷⁴ External Revenue (a)	9,302	9,312	9,376	9,441	9,504
Expenses not requiring appropriation in the Budget year (b)	2,233	1,954	2,072	2,160	2,040
	519	543	558	565	599
Departmental total	12,054	11,809	12,006	12,166	12,143
Total expenses for Outcome 1	129,686	123,221	123,455	120,814	119,384
	2018-19	2019-20			
Average staffing level (number)	78	78			

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

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

Table 2.1.3: Performance criteria for Outcome 1

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

Outcome 1 – To achieve more productive and sustainable agricultural systems for the benefit of developing countries and Australia through international agricultural research and training partnerships		
Program 1 – International agricultural research for development for more productive and sustainable agriculture		
Delivery	ACIAR is an investor, broker, facilitator and manager of strategic partnerships in agricultural research for development, and an evaluator and communicator of research findings. The partnership model ensures that partner countries have input into and ownership of research priorities and the delivery of research programs. This approach maximises the relevance of the research undertaken and the likelihood that research outputs and findings will be used and will make a difference to those countries and to Australia. ACIAR has a well established Impact Evaluation Program that helps us to refine our priorities, learn lessons from current and past projects, and report accurately to the Minister, the Parliament and the wider Australian public.	
Performance information		
Year	Performance criteria (a)	Targets
2018-19	<i>Food security and poverty reduction</i>	<i>Improved food security and reduced poverty among smallholder farmers and rural communities</i>
	<i>Natural resources and climate change</i>	<i>Managing natural resources and producing food more sustainably, adapting to climate variability and mitigating climate change</i>
	<i>Human health and nutrition</i>	<i>Enhancing human nutrition and reducing risks to human health</i>
	<i>Gender equity and women’s empowerment</i>	<i>Improving gender equity and empowerment of women and girls</i>
	<i>Inclusive value chains</i>	<i>Fostering more inclusive agrifood and forestry market chains, engaging the private sector where possible</i>
	<i>Capacity Building</i>	<i>Building scientific and policy capability within our partner countries</i>

Table continued on the following page.

Table 2.1.3: Performance criteria for Outcome 1 (continued)

2019-20	<p>Delivery in line with the <i>ACIAR 10 Year Strategy 2018-2027</i> of:</p> <ul style="list-style-type: none"> • Bilateral country research partnerships through ten research programs • Multilateral research collaborations and co-investment with development partners through the Global Program • Capacity building programs targeted to agricultural researchers in partner countries 	<p>Through case studies (quantitative and qualitative), mid- and end-project reviews, long-term adoption studies and impact pathway analyses, ACIAR will measure the extent to which these performance criteria are:</p> <ul style="list-style-type: none"> • Achieved • On track • Not on track
2020-21 and beyond	As per 2019-20	As per 2019-20
Purposes	To contribute to reducing poverty and improving the livelihoods of many in the Indo-Pacific region through more productive and sustainable agriculture emerging from collaborative international research.	

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

There are no differences between the resource information presented in the Budget papers and in ACIAR's portfolio Budget Statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

Departmental financial statements

The Departmental financial statements represent the assets, liabilities, revenues and expenses which are controlled by ACIAR. Departmental expenses include employee and supplier expenses and other administrative costs which are incurred by ACIAR in undertaking its operations.

Budgeted departmental comprehensive income statement

The total budgeted revenue from government in 2019-20 is \$9.31 million, which represents an increase of \$0.01 million in appropriations from 2018-19 as shown in Table 3.1. The increase is primarily attributable to parameter adjustments for overseas and domestic inflation.

The Income Statement shows a budgeted deficit in 2019-20 of \$0.51 million due to the removal of appropriation funding for depreciation and amortisation funding under the Net Cash funding arrangements.

Budgeted departmental balance sheet

The statement discloses the estimated end of year financial position for ACIAR. ACIAR's budgeted net asset position of \$3.40 million at the end of 2019-20 represents a decrease of \$0.27 million from the 2018-19 estimate actual in Table 3.2. This is mainly due to the variation between capital program funding (\$0.24 million) and estimated depreciation expense (\$0.51 million).

Departmental statement of changes in equity – summary of movement

This statement shows changes in equity resulting from the net impact of movements in accumulated results, assets revaluation and other reserves, and contributed equity.

Total equity at the end of 2019-20 is estimated to be \$3.40 million, a decrease of \$0.27 million mainly due to the variation between capital program funding (\$0.24 million) and estimated depreciation expense (\$0.51 million).

Budgeted departmental statement of cashflows

This statement shows the extent and nature of cash flows as a result of ACIAR's operating, investing and financing activities. ACIAR's cash balance at the end of 2019-20 is estimated to be \$0.01 million.

Departmental capital budget statement

This statement shows all planned departmental capital expenditure on non-financial assets, whether funded through capital appropriations, additional equity, borrowings, or funds from internal sources.

Departmental statements of asset movements

This statement shows budgeted acquisitions and disposals of non-financial assets during the budget year.

Schedule of administered activity

In 2019-20 ACIAR will receive administered appropriation of \$92.15 million for programs administered on behalf of the Government. The expenditure is for 'International Development Assistance'.

Schedule of budgeted assets and liabilities administered on behalf of the Government

This schedule identifies the assets and liabilities administered on behalf of the Government.

Total administered assets and liabilities for 2019-20 are estimated at \$9.36 million and \$4.01 million respectively.

Schedule of budgeted administered cash flows

This schedule shows cash flows administered on behalf of the Government. All cash received is expected to be expended on the relevant programs.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
EXPENSES					
Employee benefits	6,744	6,879	7,014	7,149	7,323
Suppliers	4,823	4,419	4,466	4,484	4,253
Depreciation and amortisation (a)	487	511	526	533	567
Total expenses	12,054	11,809	12,006	12,166	12,143
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	2,233	1,954	2,072	2,160	2,040
Total own-source revenue	2,233	1,954	2,072	2,160	2,040
Gains					
Other	32	32	32	32	32
Total gains	32	32	32	32	32
Total own-source income	2,265	1,986	2,104	2,192	2,072
Net (cost of)/contribution by services	(9,789)	(9,823)	(9,902)	(9,974)	(10,071)
Revenue from Government	9,302	9,312	9,376	9,441	9,504
Surplus/(deficit) attributable to the Australian Government	(487)	(511)	(526)	(533)	(567)
Total comprehensive income/(loss) attributable to the Australian Government	(487)	(511)	(526)	(533)	(567)

Table continued on the following page.

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)**Note: Impact of net cash appropriation arrangements**

	2018-19	2019-20	2020-21	2021-22	2022-23
	\$'000	\$'000	\$'000	\$'000	\$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	(487)	(511)	(526)	(533)	(567)
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	-	-	-	-	-
Total comprehensive income/(loss) - as per the statement of comprehensive income	(487)	(511)	(526)	(533)	(567)

Prepared on Australian Accounting Standards basis.

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

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	11	11	11	11	11
Trade and other receivables	3,774	3,808	3,808	3,808	3,808
Total financial assets	3,785	3,819	3,819	3,819	3,819
Non-financial assets					
Land and buildings	790	652	515	378	241
Property, plant and equipment	129	84	65	78	99
Intangibles	1,909	1,824	1,699	1,537	1,335
Other non-financial assets	96	96	56	56	56
Total non-financial assets	2,924	2,656	2,335	2,049	1,731
Total assets	6,709	6,475	6,154	5,868	5,550
LIABILITIES					
Payables					
Suppliers	345	351	351	391	391
Other payables	506	466	426	386	386
Total payables	851	817	777	777	777
Provisions					
Employee provisions	2,183	2,251	2,251	2,251	2,251
Total provisions	2,183	2,251	2,251	2,251	2,251
Total liabilities	3,034	3,068	3,028	3,028	3,028
Net assets	3,675	3,407	3,126	2,840	2,522
EQUITY*					
Parent entity interest					
Contributed equity	2,724	2,967	3,212	3,459	3,708
Reserves	147	147	147	147	147
Retained surplus (accumulated deficit)	804	293	(233)	(766)	(1,333)
Total parent entity interest	3,675	3,407	3,126	2,840	2,522
Total equity	3,675	3,407	3,126	2,840	2,522

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 2019-20)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2019				
Balance carried forward from previous period	804	147	2,724	3,675
Adjusted opening balance	804	147	2,724	3,675
Comprehensive income				
Surplus/(deficit) for the period	(511)	-	-	(511)
Total comprehensive income	(511)	-	-	(511)
of which:				
Attributable to the Australian Government	(511)	-	-	(511)
Departmental Capital Budget (DCB)	-	-	243	243
Sub-total transactions with owners	(511)	-	243	(268)
Closing balance attributable to the Australian Government	293	147	2,967	3,407

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	9,259	9,278	9,376	9,441	9,504
Receipts from Government					
Sale of goods and rendering of services	2,233	1,954	2,072	2,160	2,040
Total cash received	11,492	11,232	11,448	11,601	11,544
Cash used					
Employees	6,671	6,811	7,014	7,149	7,323
Suppliers	4,781	4,381	4,394	4,412	4,221
Other	40	40	40	40	-
Total cash used	11,492	11,232	11,448	11,601	11,544
Net cash from/(used by) operating activities	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment and intangibles	245	243	245	247	249
Net cash from/(used by) investing activities	(245)	(243)	(245)	(247)	(249)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	245	243	245	247	249
Total cash received	245	243	245	247	249
Net cash from/(used by) financing activities	245	243	245	247	249
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	11	11	11	11	11
Cash and cash equivalents at the end of the reporting period	11	11	11	11	11

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	245	243	245	247	249
Total new capital appropriations	245	243	245	247	249
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB (a)	245	243	245	247	249
TOTAL	245	243	245	247	249
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	245	243	245	247	249
Total cash used to acquire assets	245	243	245	247	249

Prepared on Australian Accounting Standards basis.

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

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

	Buildings	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2019				
Gross book value	1,369	552	2,795	4,716
Accumulated depreciation/ amortisation and impairment	(579)	(423)	(886)	(1,888)
Opening net book balance	790	129	1,909	2,828
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services (a)	-	43	200	243
Total additions	-	43	200	243
Other movements				
Depreciation/amortisation expense	(138)	(88)	(285)	(511)
Total other movements	(138)	(88)	(285)	(511)
As at 30 June 2020				
Gross book value	1,369	595	2,995	4,959
Accumulated depreciation/ amortisation and impairment	(717)	(511)	(1,171)	(2,399)
Closing net book balance	652	84	1,824	2,560

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
EXPENSES					
Employee benefits	3,444	3,512	3,583	3,653	3,680
Suppliers	114,188	107,902	107,864	104,995	103,561
Total expenses administered on behalf of Government	117,632	111,414	111,447	108,648	107,241
LESS:					
OWN-SOURCE INCOME					
Non-taxation revenue					
Sale of goods and rendering of services	15,391	17,567	14,198	11,827	9,827
Total non-taxation revenue	15,391	17,567	14,198	11,827	9,827
Total comprehensive income/(loss)	102,241	93,847	97,249	96,821	97,414

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	8,906	7,210	3,903	2,552	2,152
Taxation receivables	2,115	2,115	2,115	2,115	2,115
Total financial assets	11,021	9,325	6,018	4,667	4,267
Non-financial assets					
Other non-financial assets	34	34	34	34	34
Total non-financial assets	34	34	34	34	34
Total assets administered on behalf of Government	11,055	9,359	6,052	4,701	4,301
LIABILITIES					
Payables					
Suppliers	2,396	2,396	2,396	2,396	2,396
Other payables	1,403	1,403	1,403	1,403	1,403
Total payables	3,799	3,799	3,799	3,799	3,799
Provisions					
Employee provisions	209	209	209	209	209
Total provisions	209	209	209	209	209
Total liabilities administered on behalf of Government	4,008	4,008	4,008	4,008	4,008
Net assets/(liabilities)	7,047	5,351	2,044	693	293

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Net GST received	5,000	5,000	5,000	5,000	5,000
Other	15,391	17,567	14,198	11,827	9,827
Total cash received	20,391	22,567	19,198	16,827	14,827
Cash used					
Suppliers	114,188	107,902	107,864	104,995	103,561
Net GST paid	5,000	5,000	5,000	5,000	5,000
Employees	3,363	3,430	3,498	3,565	3,590
Other	81	82	85	88	90
Total cash used	122,632	116,414	116,447	113,648	112,241
Net cash from/(used by) operating activities	(102,241)	(93,847)	(97,249)	(96,821)	(97,414)
Net increase/(decrease) in cash held	(102,241)	(93,847)	(97,249)	(96,821)	(97,414)
Cash and cash equivalents at beginning of reporting period	13,181	8,906	7,210	3,903	2,552
Cash from Official Public Account for:					
- Appropriations	97,966	92,151	93,942	95,470	97,014
Total cash from Official Public Account	97,966	92,151	93,942	95,470	97,014
Cash and cash equivalents at end of reporting period	8,906	7,210	3,903	2,552	2,152

Prepared on Australian Accounting Standards basis.

Australian Secret Intelligence Service (ASIS)

ENTITY RESOURCES AND PLANNED PERFORMANCE

AUSTRALIAN SECRET INTELLIGENCE SERVICE (ASIS)

- SECTION 1: ENTITY OVERVIEW AND RESOURCES 129**
 - 1.1 Strategic direction statement 129
 - 1.2 Entity resource statement 130

- SECTION 2: OUTCOMES AND PLANNED PERFORMANCE 131**
 - 2.1 Budgeted expenses and performance for Outcome 1 132

- SECTION 3: BUDGETED FINANCIAL STATEMENTS 133**
 - 3.2. Budgeted financial statements tables 134

AUSTRALIAN SECRET INTELLIGENCE SERVICE (ASIS)

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

In 2019-20 the Australian Secret Intelligence Service (ASIS) will continue to enhance Government understanding of the overseas environment affecting Australia's vital interests. ASIS will take appropriate action, consistent with applicable legislation, to protect and promote Australia's vital interests through the provision of unique foreign intelligence services as directed by the Government.

The primary functions of ASIS are:

- (a) to obtain, in accordance with the Government's requirements, intelligence about the capabilities, intentions or activities of people or organisations outside Australia;
- (b) to communicate, in accordance with the Government's requirements, such intelligence;
- (c) to provide assistance to the Defence Force in support of military operations and to co-operate with the Defence Force on intelligence matters;
- (d) to conduct counter-intelligence activities;
- (e) to liaise with intelligence or security services, or other authorities, of other countries;
- (f) to co-operate with and assist ASD, AGO, ASIO and other Commonwealth and State authorities in the performance of their functions; and
- (g) to undertake such other activities as the responsible Minister directs relating to the capabilities, intentions or activities of people or organisations outside Australia.

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 departmental (for the entity's operations) classification.

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

Table 1.1: ASIS resource statement — Budget estimates for 2019-20 as at Budget April 2019

	<i>2018-19 (a)</i> <i>Estimated</i> <i>actual</i> \$'000	2019-20 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (b)		
Prior year appropriations available	100,612	103,316
Departmental appropriation	302,979	318,192
s74 External Revenue (c)	105,800	97,200
Departmental capital budget (d)	16,852	18,858
Annual appropriations - other services - non-operating (e)		
Equity injection	57,795	48,891
Total departmental annual appropriations	<u>584,038</u>	<u>586,457</u>
Total departmental resourcing	584,038	586,457

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

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

- (a) Annual appropriation amounts appearing for 2018-19 do not include the Appropriation Bills (No. 3) and (No. 4) 2018-2019, as they had not been enacted at the time of publication.
- (b) Appropriation Bill (No. 1) 2019-20.
- (c) Estimated External Revenue receipts under section 74 of the *PGPA Act 2013*.
- (d) Departmental Capital Budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (e) Appropriation Bill (No. 2) 2019-20.

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.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Enhanced understanding for the Government of the overseas environment affecting Australia's interests through the provision of covert intelligence services about the capabilities, intentions or activities of people or organisations outside Australia

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
Program 1.1: Secret Intelligence					
Departmental expenses					
Departmental appropriation	224,228	238,644	220,949	228,122	234,393
s74 External Revenue (a)	79,350	72,900	70,500	71,325	65,250
Expenses not requiring appropriation in the Budget year (b)	22,089	30,824	42,295	45,601	44,509
Departmental total	325,667	342,368	333,744	345,048	344,152
Total expenses for program 1.1	325,667	342,368	333,744	345,048	344,152
Program 1.2: Other Services					
Departmental expenses					
Departmental appropriation	74,742	79,548	73,650	76,041	78,131
s74 External Revenue (a)	26,450	24,300	23,500	23,775	21,750
Expenses not requiring appropriation in the Budget year (b)	7,363	10,275	14,098	15,200	14,836
Departmental total	108,555	114,123	111,248	115,016	114,717
Total expenses for program 1.2	108,555	114,123	111,248	115,016	114,717
Outcome 1 Totals by appropriation type					
Departmental expenses					
Departmental appropriation	298,970	318,192	294,599	304,163	312,524
s74 External Revenue (a)	105,800	97,200	94,000	95,100	87,000
Expenses not requiring appropriation in the Budget year (b)	29,452	41,099	56,393	60,801	59,345
Departmental total	434,222	456,491	444,992	460,064	458,869
Total expenses for Outcome 1	434,222	456,491	444,992	460,064	458,869

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

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

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

Section 3: Budgeted financial statements

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

3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
EXPENSES					
Total expenses	434,222	456,491	444,992	460,064	458,869
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other	105,800	97,200	94,000	95,100	87,000
Total own-source revenue	105,800	97,200	94,000	95,100	87,000
Gains					
Other	-	-	-	-	-
Total gains	-	-	-	-	-
Total own-source income	105,800	97,200	94,000	95,100	87,000
Net (cost of)/contribution by services	(328,422)	(359,291)	(350,992)	(364,964)	(371,869)
Revenue from Government	298,970	318,192	294,599	304,163	312,524
Surplus/(deficit) attributable to the Australian Government	(29,452)	(41,099)	(56,393)	(60,801)	(59,345)
Total comprehensive income/(loss) attributable to the Australian Government	(29,452)	(41,099)	(56,393)	(60,801)	(59,345)

Note: Impact of net cash appropriation arrangements

	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	-	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	29,452	41,099	56,393	60,801	59,345
Total comprehensive income/(loss) - as per the statement of comprehensive income	(29,452)	(41,099)	(56,393)	(60,801)	(59,345)

Prepared on Australian Accounting Standards basis.

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

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
ASSETS					
Financial assets	100,612	103,316	106,117	109,018	112,025
Non-financial assets	277,439	304,089	295,689	276,219	258,948
Total assets	378,051	407,405	401,806	385,237	370,973
LIABILITIES					
Payables	37,550	38,100	38,650	39,200	39,750
Provisions	51,062	53,216	55,467	57,818	60,275
Total liabilities	88,612	91,316	94,117	97,018	100,025
Net assets	289,439	316,089	307,689	288,219	270,948
EQUITY*					
Parent entity interest					
Contributed equity	367,891	435,640	483,633	524,964	567,038
Reserves	83,000	83,000	83,000	83,000	83,000
Retained surplus (accumulated deficit)	(161,452)	(202,551)	(258,944)	(319,745)	(379,090)
Total parent entity interest	289,439	316,089	307,689	288,219	270,948
Total equity	289,439	316,089	307,689	288,219	270,948

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 2019-20)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2019					
Balance carried forward from previous period	(161,452)		83,000	367,891	289,439
Adjusted opening balance	(161,452)	-	83,000	367,891	289,439
Comprehensive income					
Other comprehensive income					
Surplus/(deficit) for the period	(41,099)				(41,099)
Total comprehensive income	(41,099)	-	-	-	(41,099)
of which:					
Attributable to the Australian Government	(41,099)	-	-	-	(41,099)
Transactions with owners					
Contributions by owners					
Equity injection - Appropriation	-	-	-	48,891	48,891
Departmental Capital Budget (DCB)	-	-	-	18,858	18,858
Sub-total transactions with owners	-	-	-	67,749	67,749
Estimated closing balance as at 30 June 2020	(202,551)	-	83,000	435,640	316,089
Closing balance attributable to the Australian Government	(202,551)	-	83,000	435,640	316,089

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	296,358	315,488	291,799	301,262	309,517
Other	105,800	97,200	94,000	95,100	87,000
Total cash received	402,158	412,688	385,799	396,362	396,517
Cash used					
Other	402,158	412,688	385,799	396,362	396,517
Total cash used	402,158	412,688	385,799	396,362	396,517
Net cash from/(used by) operating activities	-	-	-	-	-
INVESTING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Other	80,891	67,749	47,993	41,330	42,074
Total cash used	80,891	67,749	47,993	41,330	42,074
Net cash from/(used by) investing activities	(80,891)	(67,749)	(47,993)	(41,330)	(42,074)
FINANCING ACTIVITIES					
Cash received					
Other	80,891	67,749	47,993	41,330	42,074
Total cash received	80,891	67,749	47,993	41,330	42,074
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from/(used by) financing activities	80,891	67,749	47,993	41,330	42,074
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	49,000	49,000	49,000	49,000	49,000
Cash and cash equivalents at the end of the reporting period	49,000	49,000	49,000	49,000	49,000

Prepared on Australian Accounting Standards basis.

Tourism Australia

ENTITY RESOURCES AND PLANNED PERFORMANCE

TOURISM AUSTRALIA

SECTION 1: ENTITY OVERVIEW AND RESOURCES	143
1.1 Strategic direction statement	143
1.2 Entity resource statement	147
1.3 Budget measures.....	148
SECTION 2: OUTCOMES AND PLANNED PERFORMANCE	149
2.1 Budgeted expenses and performance for Outcome 1.....	150
SECTION 3: BUDGETED FINANCIAL STATEMENTS.....	156
3.1 Budgeted financial statements.....	156
3.2 Budgeted financial statements tables.....	158

TOURISM AUSTRALIA

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

Tourism Australia (TA) is Australia’s national tourism marketing organisation that promotes Australia internationally as a compelling tourism destination for leisure and business events travel.

Purpose

TA’s purpose is to invite the world to experience the Australian way of life. We deliver this through our Australian Government Outcome, which is “to grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets”.

Operating environment and industry outlook

Trends impacting Australian tourism have been explored and addressed in the development of TA’s strategies for 2019-20.

EXTERNAL CHANGES IMPACTING AUSTRALIAN TOURISM		IMPLICATIONS FOR TA
Economic	<ul style="list-style-type: none"> Slowing global economic growth is predicted (with GDP relatively flat, up 3.6 per cent for 2019), with GDP in TA’s Star markets forecast to slow due to uncertainty around Brexit and trade disputes between the USA and China. Growth in TA’s Solid Deliverer and Distribution Focused markets is predicted to be flat, while robust growth is predicted in Rising Star markets (India, up 7.4 per cent, Indonesia, up 5.2 per cent).¹ The price of jet fuel is predicted to increase, impacting airfares. 	Overall slowing economic environment, with mixed consumer confidence across TA’s key markets. A softening in visitor expenditure is predicted.
Marketing channels	<ul style="list-style-type: none"> Digital disruption will continue, impacting communications with target consumers. Programmatic advertising and media buying and personalisation will be fundamental to success. Digital and video content will continue to be important to reaching and influencing target consumers. 	Continue to develop TA as a connected, digitally focused marketing organisation.

¹ International Monetary Fund, *World Economic Outlook*, October 2018.

Tourism Australia Budget Statements

Consumer	<ul style="list-style-type: none"> Continued demand for experiential travel. Mobile/ digital channels favoured; more direct transactions between consumers and tourism experiences/products. Visitor numbers from Asia, particularly from China, India and Japan, will outperform other overseas markets. 	Continue to make the most of consumer and technology trends; work with industry to connect travellers to experiences.
Travel industry	<ul style="list-style-type: none"> Continuing importance of the sharing economy. Increasing presence of online travel agencies as consumers manage their own travel plans. Global aviation capacity is projected to grow 5.8 per cent in 2019; capacity in the Asia Pacific is forecast to grow 7.1 per cent². 	Continue work with industry on developments impacting demand for Australia as a tourism destination.

Tourism 2020

Tourism 2020 is a long-term whole-of-government and industry strategy to build the resilience and competitiveness of Australia's tourism industry and grow its economic contribution to Australia's economy. The industry has set a goal to increase overnight tourism expenditure from \$70 billion in 2009 to more than \$115 billion in 2020. In 2019-20 TA's goal is to increase overnight tourism expenditure to \$121.3 billion (up five per cent year on year).

In 2019-20, TA will continue to champion Tourism 2020, working in partnership with Austrade, state and territory governments and the Australian tourism industry. We will also plan for the years beyond 2020 as a member of the Beyond Tourism 2020 Steering Committee, an initiative of the Australian Government to support the development of a new long-term vision for tourism.

Strategies

Customer strategy: Target high value leisure and business events travellers.

High value travellers travel out of region on a regular basis, are considering visiting Australia in the short or long term and their travel interests align with Australia's destination strengths. TA's business events' target customers are in two sectors – associations and incentives. Activities targeting Youth/Working Holiday Makers will continue to be supported by the Australian Government's Working Holiday Maker Fund.

Markets strategy: Invest in markets that present the best potential to deliver high spending consumers to 2020 and beyond.

An outline of TA's market categories and approach is provided in the table below. This remains unchanged from 2018-19.

² IATA, *Industry Fact Sheet*, December 2018.

MARKET CATEGORIES				
LEISURE MARKETING				
CATEGORY	Stars	Solid deliverers	Distribution focused	Rising stars
VALUE BY 2025	>\$6 billion	>\$2 billion	>\$2 billion	>\$1.6 billion
MARKETS	China, UK, USA	Germany, Hong Kong, Japan, Malaysia, Singapore	Canada, France, Italy, South Korea	India, Indonesia
BUSINESS EVENTS MARKETING				
CATEGORY	Incentive		Association	
MARKETS	Greater China, USA, NZ		UK/Europe, USA	

Leisure marketing strategy: Invite the world to experience the Australian way of life.

In 2019-20, TA's brand platform will evolve to focus more on Australia's people and lifestyle. This will be undertaken through a new brand campaign that will be launched in September 2019. TA's marketing campaigns will have a new brand design look and feel but will fall under the overarching theme of *There's nothing like Australia*.

Brand messaging will focus on Australia's culture, character and way of life. Indigenous tourism experiences will continue to be promoted in selected markets and TA's Working Holiday Maker/Youth campaign will continue. Marketing campaigns will be delivered through social media, websites (Australia.com and Australia.cn), targeted global media buying and personalisation, taking advantage of consumer travel buying behaviours.

Business Events marketing strategy: Grow international demand for Australian business events products, destinations and experiences.

Through its dedicated unit, Business Events Australia (BEA), TA will continue to deliver partnership marketing and trade programs that target key decision-makers in the international associations and incentives sectors. The aim is to drive awareness, intention and booking of business events in Australia.

Partnership strategy: Commercial partnerships will be a supporting tactic for extending the reach of TA's campaigns through partner marketing channels and direct access to booking channels.

TA collaborates with government and industry. This includes partnering with state and territory tourism organisations (STOs) to deliver campaigns with commercial partners; strengthening aviation access by working closely with airlines, airports and STOs; and working with federal and state governments to influence and facilitate tourism investment opportunities in Australia.

Tourism Australia Budget Statements

Distribution strategy: Heighten knowledge and expertise.

TA's distribution efforts will aim to ensure target customers have the right information and can easily access and book quality Australian tourism products. This will be delivered by continuing to educate frontline travel sellers through the Aussie Specialist Program and Corroboree events and familiarisations, and providing platforms for distributors to meet with Australian industry through events, missions and familiarisations.

1.2 ENTITY RESOURCE STATEMENT

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

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

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

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

Table 1.1: Tourism Australia resource statement — Budget estimates for 2019-20 as at Budget April 2019

	2018-19 (a) Estimated actual \$'000	2019-20 Estimate \$'000
Opening balance/cash reserves at 1 July (b)	-	-
Funds from Government		
Annual appropriations - ordinary annual services (b)		
Outcome 1	132,488	135,618
Total annual appropriations	132,488	135,618
Amounts received from related entities		
Amounts from portfolio department (c)	16,500	18,500
Total amounts received from related entities	16,500	18,500
Total funds from Government	148,988	154,118
Funds from industry sources		
Funds from industry sources	20,700	20,700
Total funds from industry sources	20,700	20,700
Funds from other sources		
Interest	600	600
Total funds from other sources	600	600
Total net resourcing for Tourism Australia	170,288	175,418
	2018-19	2019-20
Average staffing level (number) (d)	207	207

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

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

- (a) Annual appropriation amounts appearing for 2018-19 do not include the Appropriation Bills (No. 3) and (No. 4) 2018-2019, as they had not been enacted at the time of publication.
- (b) Appropriation Bill (No. 1) 2019-20.
- (c) Funding provided by the portfolio department (Asia Marketing Fund, Working Holiday Makers and Implementing Sport 2030) as payment to Tourism Australia (from portfolio department's administered programs).
- (d) Average Staffing Level (ASL) figures are estimates only.

1.3 BUDGET MEASURES

Budget measures in Part 1 relating to entity Tourism Australia are detailed in *Budget Paper No. 2* and are summarised below.

**Table 1.2: Tourism Australia 2019-20 Budget measures
Part 1: Measures announced since the 2018-19 Mid-Year Economic and Fiscal Outlook (MYEFO)**

	Program	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000
Expense measures (if applicable)						
Implementing Sport 2030	1.1					
Departmental expenses		-	2,000	3,000	-	-
Total		-	2,000	3,000	-	-
Total expense measures						
Departmental		-	2,000	3,000	-	-
Total		-	2,000	3,000	-	-

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

(a) The lead entity for this measure is the Department of Health. The full measure description and package details appear in *Budget Paper No. 2* under the Department of Health 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 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 Tourism Australia can be found at: <http://www.tourism.australia.com/en/about/our-organisation/our-performance-and-reporting.html>

The most recent annual performance statement can be found at: <http://www.tourism.australia.com/content/dam/assets/document/1/7/2/i/5/2009453.pdf>

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets

Linked programs

Department of Foreign Affairs and Trade
Programs
<ul style="list-style-type: none"> Program 1.7 - Programs to Promote Australia's International Tourism Interests
Contribution to Outcome 1 made by linked programs
The program provides funding to Tourism Australia to deliver Outcome 1.
Austrade
Programs
<ul style="list-style-type: none"> Program 1.2 - Programs to promote Australia's export and other international economic interest
Contribution to Outcome 1 made by linked programs
Austrade provides research and policy support to Tourism Australia's activities by promoting the export of Australian tourism services. These exports contribute to Australia's prosperity.
Department of Immigration and Border Protection
Programs
<ul style="list-style-type: none"> Program 3.2 - Trade facilitation and industry engagement
Contribution to Outcome 1 made by linked programs
Tourism Australia works with the DIBP by providing advice on visa and traveller facilitation policy relevant to the Australian tourism industry.
Department of Infrastructure and Regional Development
Programs
<ul style="list-style-type: none"> Program 2.4 - Air Transport
Contribution to Outcome 1 made by linked programs
An efficient, sustainable, competitive, safe and secure air transport system contributes increasing international visitor arrivals and expenditure, and growing demand for Australia as a destination for tourism and business events.

Table continued on the following page.

Linked programs (continued)

Department of Infrastructure and Regional Development (continued)
Programs <ul style="list-style-type: none">• Program 3.1 - Regional development
Contribution to Outcome 1 made by linked programs <p>Tourism Australia works in partnership with state and territory governments, industry and commercial partners to build demand and increase visitor arrivals and spend in Australia, including encouraging international visitors to disperse beyond gateway cities into regional areas.</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 Departmental funding sources.

Table 2.1.1: Budgeted expenses for Outcome 1

Outcome 1: Grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets					
	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
Program 1.1: Supporting Outcome 1					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	135,141	135,618	138,041	142,403	147,136
Amounts from portfolio department (a)	19,000	18,500	22,923	19,981	20,040
Revenues from industry sources	20,700	20,700	20,700	20,700	20,700
Revenues from other independent sources	600	600	600	600	600
Total expenses for Program 1.1	175,441	175,418	182,264	183,684	188,476
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	135,141	135,618	138,041	142,403	147,136
Payment from related entities	19,000	18,500	22,923	19,981	20,040
Revenues from industry sources	20,700	20,700	20,700	20,700	20,700
Revenues from other independent sources	600	600	600	600	600
Total expenses for Outcome 1	175,441	175,418	182,264	183,684	188,476
	2018-19	2019-20			
Average staffing level (number) (b)	207	207			

(a) Asia Marketing Fund, Working Holiday Makers and Implementing Sport 2030.

(b) Average Staffing Level ASL figures are estimates only.

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: Program components of Outcome 1

Program 1.1: Supporting Outcome 1					
	2018-19	2019-20	2020-21	2021-22	2022-23
	Estimated	Budget	Forward	Forward	Forward
	actual		estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
1.1.1 - Component 1: Grow Demand					
Annual departmental expenses:					
Program Support	149,125	149,105	154,924	156,131	160,205
Total component 1 expenses	149,125	149,105	154,924	156,131	160,205
1.1.2 - Component 2: Industry Development					
Annual departmental expenses:					
Program Support	26,316	26,313	27,340	27,553	28,271
Total component 2 expenses	26,316	26,313	27,340	27,553	28,271
Total program expenses	175,441	175,418	182,264	183,684	188,476

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

Table 2.1.3: Performance criteria for Outcome 1

Table 2.1.3 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019-20 Budget measures have created new programs or materially changed existing programs.

Outcome 1 - Grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets		
Program component 1.1.1 – Grow demand		
Objective: Identify and target best prospect consumers, inspire them to travel to Australia. To focus activities and resources, utilise a dedicated market categorisation approach.		
Delivery	<p>Target groups: high value leisure travellers and Business Events decision-makers in key international markets.</p> <p>Leisure travellers in key international markets:</p> <ul style="list-style-type: none"> • consumer research to build knowledge about what motivates the target customer when choosing a travel destination; • marketing activities to stimulate target customers, including brand advertising and promotions, broadcasts, public relations, international media hosting, content development and social media; • campaigns, supported by commercial partners, state and territory tourism organisations; and • work in partnership with government and industry to align efforts and activities increasing Australia’s collective share of voice in the global marketplace to achieve efficiency and effectiveness. <p>Business Events decision-makers in key international markets:</p> <ul style="list-style-type: none"> • consumer research to build knowledge of the needs of incentive and association decision-makers when choosing destinations for corporate and association meetings; and • marketing activities to promote Australia as a business events destination, including brand advertising, content and public relations, trade events and buyer and agent familiarisation visits. 	
Performance information		
Year	Performance criteria (a)	Targets
2018-19	<p>Key Metric Tourism 2020: overnight tourism expenditure</p> <p>International tourism expenditure International tourism visitors Total expenditure from TA target markets Leisure expenditure from TA target markets Business Events spend from TA target markets Earned advertising value from TA marketing activities Total unique visitors to TA websites Destination brand – consumer considering Australia</p>	<p>Estimated performance \$115.5 billion</p> <p>\$44.9 billion 9.8 million \$36.1 billion \$19.6 billion \$2.1 billion</p> <p>\$320 million</p> <p>34 million 40%</p>
2019-20	<p>Key Metric Tourism 2020: overnight tourism expenditure</p> <p>Other metrics as outlined in Tourism Australia’s 2019-23 Corporate Plan</p>	<p>Target \$121.3 billion</p>
2020-21 and beyond	<p>Key Metric Tourism 2020: overnight tourism expenditure</p> <p>Other metrics as outlined in Tourism Australia’s 2019-23 Corporate Plan</p>	<p>Target \$128.4 billion</p>

Table continued on the following page.

Table 2.1.3: Performance criteria for Outcome 1 (continued)

Outcome 1 - Grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets		
Program component 1.1.2 – Industry development		
Objective: An Australian tourism industry that is competitive and sustainable and delivers on the needs of the target customer.		
Delivery	Target group: The Australian tourism industry and trade and distribution partners in key international markets Key activities: <ul style="list-style-type: none"> • Development of the distribution system • Provision of platforms to do business • Support of supply-side industry goals • Dissemination of insights and engagement of industry stakeholders. 	
Performance information		
Year	Performance criteria (a)	Targets
2018-19	Key Metric Stakeholders indicate TA adds value to their business Stakeholder Net Promoter Score – Stakeholders recommend working with TA	Estimated performance >90% 40
2019-20	Key Metric Stakeholders indicate TA adds value to their business Ana Other metrics as outlined in Tourism Australia's <i>2019-23 Corporate Plan</i>	Target >90%
2020-21 and beyond	Key Metric Stakeholders indicate TA adds value to their business Other metrics as outlined in Tourism Australia's <i>2019-23 Corporate Plan</i>	Target >90%

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

Tourism Australia has no significant differences between the resource information presented in the Budget Papers and in the Portfolio Budget Statements as a result of differences between whole-of-government level reporting (under Australian Accounting Standard 1049) and entity level financial reporting.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The departmental financial statements represent the assets, liabilities, revenues and expenses which are controlled by Tourism Australia. Departmental expenses include employee and supplier expenses and other administrative costs which are incurred by Tourism Australia in undertaking marketing operations.

Total operating revenue for 2019-20 is estimated at \$175.4 million and is made up of the Government funding of \$154.1 million, and revenue from other sources of \$21.3 million. The Government funding includes (1) appropriations of \$135.6 million, (2) \$14.0 million for the Asian Marketing Fund; (3) \$2.5 million for the Working Holiday Makers (was \$5.0 million in 2018-19); and (4) \$2.0 million for Implementing Sport 2030 (support for the International Cricket Council T20 World Cup).

The change from 2018-19 includes:

- appropriation for 2019-20 reflects normal level of funding for Tourism Australia adjusted for foreign exchange movements, domestic inflation and the efficiency dividend;
- three budget measures: the Asian Marketing Fund, the Working Holiday Makers and Implementing Sport 2030, are protected from indexation and the efficiency dividend (that apply to appropriation);
- the Working Holiday Makers has been extended one more year to 2019-20; and
- Implementing Sport 2030 is a new two-year commitment with \$2.0 million in 2019-20 and \$3.0 million in 2020-21.

Corresponding total expenses are also estimated to be \$175.4 million.

Budgeted departmental balance sheet

Tourism Australia is budgeting a net asset position of \$20.0 million in 2019-20. Net assets are projected to remain the same beyond 2019-20.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
EXPENSES					
Employee benefits	35,000	35,700	36,414	37,142	37,804
Suppliers	127,741	132,718	141,350	142,042	146,172
Depreciation and amortisation	12,700	7,000	4,500	4,500	4,500
Total expenses	175,441	175,418	182,264	183,684	188,476
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	600	600	600	600	600
Rental income	1,700	1,700	1,700	1,700	1,700
Other	19,000	19,000	19,000	19,000	19,000
Total own-source revenue	21,300	21,300	21,300	21,300	21,300
Gains					
Other	-	-	-	-	-
Total gains	-	-	-	-	-
Total own-source income	21,300	21,300	21,300	21,300	21,300
Net (cost of)/contribution by services	(154,141)	(154,118)	(160,964)	(162,384)	(167,176)
Revenue from Government	154,141	154,118	160,964	162,384	167,176
Surplus/(deficit) attributable to the Australian Government	-	-	-	-	-
Total comprehensive income/(loss)	-	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	16,323	18,823	18,823	18,823	18,823
Trade and other receivables	6,533	6,533	6,533	6,533	6,533
Total financial assets	22,856	25,356	25,356	25,356	25,356
Non-financial assets					
Land and buildings	1,999	1,999	1,999	1,999	1,999
Property, plant and equipment	1,732	1,732	1,732	1,732	1,732
Intangibles	11,068	8,568	8,568	8,568	8,568
Other non-financial assets (a)	4,998	4,998	4,998	4,998	4,998
Total non-financial assets	19,797	17,297	17,297	17,297	17,297
Total assets	42,653	42,653	42,653	42,653	42,653
LIABILITIES					
Payables					
Suppliers	9,870	9,870	9,870	9,870	9,870
Other payables	7,642	7,642	7,642	7,642	7,642
Total payables	17,512	17,512	17,512	17,512	17,512
Provisions					
Employee provisions	4,254	4,254	4,254	4,254	4,254
Other provisions	674	674	674	674	674
Total provisions	4,928	4,928	4,928	4,928	4,928
Total liabilities	22,440	22,440	22,440	22,440	22,440
Net assets	20,213	20,213	20,213	20,213	20,213
EQUITY*					
Parent entity interest					
Contributed equity	1,543	1,543	1,543	1,543	1,543
Reserves	2,484	2,484	2,484	2,484	2,484
Retained surplus (accumulated deficit)	16,186	16,186	16,186	16,186	16,186
Total parent entity interest	20,213	20,213	20,213	20,213	20,213
Total equity	20,213	20,213	20,213	20,213	20,213

Prepared on Australian Accounting Standards basis.

(a) Prepayments - Supplier and other.

*'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 2019-20)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2019					
Balance carried forward from previous period	16,186	2,484	-	1,543	20,213
Adjusted opening balance	16,186	2,484	-	1,543	20,213
Comprehensive income					
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	-	-
of which:					
Attributable to the Australian Government	-	-	-	-	-
Estimated closing balance as at 30 June 2020	16,186	2,484	-	1,543	20,213
Closing balance attributable to the Australian Government	16,186	2,484	-	1,543	20,213

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	135,141	135,618	138,041	142,403	147,136
Appropriation provided by portfolio department	19,000	18,500	22,923	19,981	20,040
Interest	600	600	600	600	600
Other	20,700	20,700	20,700	20,700	20,700
Total cash received	175,441	175,418	182,264	183,684	188,476
Cash used					
Employees	35,000	35,700	36,414	37,142	37,804
Suppliers	127,741	132,718	141,350	142,042	146,172
Other	-	-	-	-	-
Total cash used	162,741	168,418	177,764	179,184	183,976
Net cash from/(used by) operating activities	12,700	7,000	4,500	4,500	4,500
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	4,500	4,500	4,500	4,500	4,500
Total cash used	4,500	4,500	4,500	4,500	4,500
Net cash from/(used by) investing activities	(4,500)	(4,500)	(4,500)	(4,500)	(4,500)
Net increase/(decrease) in cash held	8,200	2,500	-	-	-
Cash and cash equivalents at the beginning of the reporting period	8,123	16,323	18,823	18,823	18,823
Cash and cash equivalents at the end of the reporting period	16,323	18,823	18,823	18,823	18,823

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources (a)	4,500	4,500	4,500	4,500	4,500
TOTAL	4,500	4,500	4,500	4,500	4,500
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	4,500	4,500	4,500	4,500	4,500
Total cash used to acquire assets	4,500	4,500	4,500	4,500	4,500

Prepared on Australian Accounting Standards basis.

(a) Includes the following sources of funding:

- internally developed assets.

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

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2019				
Gross book value	9,888	3,155	44,192	57,235
Accumulated depreciation/ amortisation and impairment	(7,889)	(1,423)	(33,124)	(42,436)
Opening net book balance	1,999	1,732	11,068	14,799
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services (a)	500	100	3,900	4,500
Total additions	500	100	3,900	4,500
Other movements				
Depreciation/amortisation expense	(500)	(100)	(6,400)	(7,000)
Total other movements	(500)	(100)	(6,400)	(7,000)
As at 30 June 2020				
Gross book value	10,388	3,255	48,092	61,735
Accumulated depreciation/ amortisation and impairment	(8,389)	(1,523)	(39,524)	(49,436)
Closing net book balance	1,999	1,732	8,568	12,299

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2019-20 for depreciation/amortisation expenses, DCBs or other operational expenses.

PORTFOLIO GLOSSARY

Term	Meaning
Accrual accounting	System of accounting where items are brought to account and included in the financial statements as they are earned or incurred, rather than as they are received or paid.
Accumulated depreciation	The aggregate depreciation recorded for a particular depreciating asset.
Additional Estimates	Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.
Administered	Revenues, expenses, assets or liabilities managed by agencies on behalf of the Commonwealth. Agencies do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs.
Annual appropriation	Two appropriation Bills are introduced into Parliament in May and comprise the Budget for the financial year beginning 1 July. Further Bills are introduced later in the financial year as part of the additional estimates. Parliamentary departments have their own appropriations.
Appropriation	An authorisation by Parliament to spend monies from the Consolidated Revenue Fund for a particular purpose.
Capital expenditure	Expenditure by an agency on capital projects, for example purchasing a building.
Consolidated Revenue Fund	Section 81 of the Constitution stipulates that all revenue raised or money received by the Commonwealth forms the one consolidated revenue fund (CRF).
Departmental	Revenue, expenses, assets and liabilities that are controlled by the agency in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services and most employee expenses, supplier costs and other administrative expenses incurred.

Depreciation	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.
Effectiveness indicators	Measure the joint or independent contribution of programs to the achievement of their specified outcome.
Efficiency indicators	Measure the adequacy of an agency's management of its programs. Includes price, quality and quantity indicators. The interrelationship between the three efficiency indicators of any one program should be considered when judging efficiency.
Equity or net assets	Residual interest in the assets of an entity after deduction of its liabilities.
Expense	Total value of all of the resources consumed in producing goods and services or the loss of future economic benefits in the form of reductions in assets or increases in liabilities of an entity.
Fair value	Valuation methodology: the amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction. The fair value can be affected by the conditions of the sale, market conditions and the intentions of the asset holder.
Operating result	Equals revenue less expense.
Outcomes	The Government's objectives in each portfolio area. Outcomes are desired results, impacts or consequences for the Australian community as influenced by the actions of the Australian Government. Actual outcomes are assessments of the end results or impacts actually achieved.
Price	One of the three key efficiency indicators. The amount the Government or the community pays for the delivery of programs.
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.
Quality	One of the three key efficiency indicators. Relates to the characteristics by which customers or stakeholders judge an

	organisation, product or service. Assessment of quality involves use of information gathered from interested parties to identify differences between the user's expectations and experiences.
Quantity	One of the three key efficiency indicators. Examples include: the size of a program; count or volume measures; how many or how much.
Revenue	Total value of resources earned or received to cover the production of goods and services.
Special Account	Special Accounts allow money in the Consolidated Revenue Fund to be acknowledged as set-aside (hypothecated) for a particular purpose. Amounts credited to a Special Account may only be spent for the purposes of the Special Account. Special Accounts can only be established by a written determination of the Finance Minister (section 78 of the <i>Public Governance, Performance and Accountability Act 2013</i> (PGPA Act 2013)) or through an Act of Parliament (section 80 of the <i>PGPA Act 2013</i>).
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 Consolidated Revenue Fund does not generally cease at the end of the financial year. Standing Appropriations are a sub-category consisting of ongoing Special Appropriations - the amount appropriated will depend on circumstances specified in the legislation.