



Budget

2021–22

Portfolio Budget Statements 2021-22 **Budget Related Paper No. 1.9**

Industry, Science, Energy and Resources Portfolio

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

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The Hon Christian Porter MP
Minister for Industry, Science and Technology

The Hon Angus Taylor MP
Minister for Energy and Emissions Reduction

The Hon Keith Pitt MP
Minister for Resources, Water and Northern Australia

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 2021-22 Budget for the Industry, Science, Energy and Resources 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

Handwritten signature of Christian Porter in blue ink.

The Hon Christian Porter MP

Handwritten signature of Angus Taylor in black ink.

The Hon Angus Taylor MP

Handwritten signature of Keith Pitt in black ink.

The Hon Keith Pitt MP

Abbreviations and conventions

The following notations may be used:

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nfp	not for publication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

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

Enquiries

Should you have any enquiries regarding this publication, please contact the Chief Finance Officer, Department of Industry, Science, Energy and Resources on (02) 6213 6000.

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

**User guide
to the
Portfolio Budget Statements**

User guide

The purpose of the *2021-22 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) 2021-22 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2021-22 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 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.

Commonwealth Performance Framework Key components of relevant publications

Portfolio Budget Statements (May) *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**.

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Portfolio Overview

Industry, Science, Energy and Resources Portfolio overview

Ministers and portfolio responsibilities

The Hon Christian Porter MP is responsible for Industry, Science and Technology. Minister Porter is charged with boosting Australia's competitiveness and facilitating economic and productivity growth, including by boosting the competitiveness of Australian manufacturing and the capability of Australian businesses. He is also charged with supporting science and commercialisation that enables economic growth and job creation. Minister Porter is supported by Senator the Hon Jonathon Duniam, Assistant Minister for Industry Development.

The Hon Angus Taylor MP is responsible for Energy and Emissions Reduction. Minister Taylor is charged with supporting the affordable, reliable, secure and competitive operation of energy markets for the long term benefit of the Australian community. He is also responsible for reducing Australia's greenhouse gas emissions, and contributing to effective global action on climate change, including by supporting the commercialisation and uptake of low emissions technologies.

The Hon Keith Pitt MP is responsible for Resources, Water and Northern Australia. Minister Pitt is charged with working closely with the Australian resources sector, which is one of the major contributors to Australia's economic prosperity, and focused on unlocking the potential of northern Australia. Minister Pitt is supported by the Hon Michelle Landry MP, Assistant Minister for Northern Australia.

The portfolio was established by the Administrative Arrangements Orders made on 5 December 2019, as amended on 18 March 2021 and 15 April 2021, and comprises:

Department of Industry, Science, Energy and Resources

The Department of Industry, Science, Energy and Resources supports economic recovery, productivity and growth, and job creation for all Australians by supporting manufacturing, business capability, technology, science and innovation. It supports the affordable, reliable, secure and competitive operation of energy markets and Australia's transition to a lower emissions future, including by encouraging the commercialisation and uptake of low emissions technologies. It also backs Australia's strong resources sector by supporting the development of Australia's mineral and energy resources for the benefit of the nation.

Following the 15 April 2021 amendment to the Administrative Arrangements Orders, responsibility for small and family business transferred from the department to the Department of the Treasury.

Portfolio Overview

Australian Institute of Marine Science (AIMS)

AIMS' mission is to provide the research and knowledge of Australia's tropical marine estate required to support growth in its sustainable use, effective environmental management and protection of its unique ecosystems.

Australian Nuclear Science and Technology Organisation (ANSTO)

ANSTO is Australia's national nuclear research and development organisation and the custodian of Australia's nuclear capabilities and expertise, including the provision of life-saving nuclear medicines for Australians.

Australian Renewable Energy Agency (ARENA)

ARENA is responsible for providing financial assistance for the research, development, demonstration, deployment and commercialisation of renewable energy and related technologies, and the storage and sharing of knowledge and information about renewable energy technologies.

Clean Energy Finance Corporation (CEFC)

CEFC seeks to mobilise capital investment in renewable energy, low-emissions technology and energy efficiency in Australia through commercial loans, equity investments and in limited circumstances, loan guarantees.

Clean Energy Regulator (CER)

CER contributes to a reduction in Australia's net greenhouse gas emissions through the administration of market based mechanisms that incentivise reduction in emissions and the promotion of additional renewable electricity generations. CER also provides data and information to Commonwealth organisations for policy development and to meet international reporting obligations. In addition, this information and data is provided to state and territory organisations to reduce their need to duplicate emissions and energy reporting.

Climate Change Authority (CCA)

CCA provides expert advice to the Australian Government on climate change mitigation initiatives, including through conducting regular and specifically commissioned reviews and through undertaking climate change research.

Commonwealth Scientific and Industrial Research Organisation (CSIRO)

CSIRO aims to deliver scientific and innovative solutions for industry, society and the environment, and to contribute to national benefit, knowledge and capabilities, and public good.

Geoscience Australia

Geoscience Australia is Australia's national public sector geoscience organisation and the nation's trusted adviser on the geology and geography of Australia. Geoscience Australia applies science and technology to describe and understand the Earth for the benefit of Australia.

IP Australia

IP Australia is responsible for administering Australia's intellectual property rights system, specifically trademarks, patents, designs and plant breeder's rights.

National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA)

NOPSEMA is responsible for regulating the workplace health and safety, well integrity and environmental management of petroleum and greenhouse gas storage operations in Commonwealth waters.

Northern Australia Infrastructure Facility (NAIF)

The NAIF offers debt or alternative financing mechanisms to encourage and complement private sector investment in infrastructure that benefits northern Australia.

Snowy Hydro Limited

Snowy Hydro Limited is a wholly-owned Commonwealth Company and Government Business Enterprise operating under the *Corporations Act 2001* and the *Public Governance, Performance and Accountability Act 2013*. As such, financial reporting information for Snowy Hydro Limited is not disclosed in the Portfolio Budget Statements. Snowy Hydro Limited publishes financial statements in its annual reports.

Snowy Hydro Limited owns and operates 16 power stations with a combined generation capacity of 5,500 megawatts, including the Snowy Mountains Hydro Electricity Scheme, and has more than one million retail customers in the National Electricity Market.

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

Figure 1: Industry, Science, Energy and Resources portfolio structure and outcomes

<p>Minister for Industry, Science and Technology The Hon Christian Porter MP</p>
<p>Minister for Energy and Emissions Reduction The Hon Angus Taylor MP</p>
<p>Minister for Resources, Water and Northern Australia The Hon Keith Pitt MP</p>
<p>Assistant Minister for Northern Australia The Hon Michelle Landry MP</p>
<p>Assistant Minister for Industry Development Senator the Hon Jonathon Duniam</p>
<p>Department of Industry, Science, Energy and Resources Portfolio Secretary: Mr David Fredericks PSM Outcome 1: Support economic growth, productivity and job creation for all Australians by investing in science, technology and commercialisation, growing innovative and competitive businesses, industries and regions, and supporting resources and northern Australia Outcome 2: Reduce Australia's greenhouse gas emissions, contribute to effective global action on climate change, and support technological innovation in clean and renewable energy, through developing and implementing a national response to climate change Outcome 3: Support the affordable, reliable, secure and competitive operation of energy markets for the long term benefit of the Australian community through improving Australia's energy supply, efficiency, quality, performance and productivity</p>
<p>Australian Institute of Marine Science (AIMS) Chief Executive Officer: Dr Paul Hardisty Outcome: Growth of knowledge to support protection and sustainable development of Australia's marine resources through innovative marine science and technology</p>
<p>Australian Nuclear Science and Technology Organisation (ANSTO) Chief Executive Officer: Mr Shaun Jenkinson Outcome: Improved knowledge, innovative capacity and healthcare through nuclear-based facilities, research, training, products, services and advice to government, industry, the education sector and the Australian population</p>
<p>Australian Renewable Energy Agency (ARENA) Chief Executive Officer: Mr Darren Miller Outcome: Support improvements in the competitiveness of renewable energy and related technologies and the supply of renewable energy by administering financial assistance, developing analysis and advice about, and sharing information and knowledge with regard to, renewable energy and related technologies</p>
<p>Clean Energy Finance Corporation (CEFC) Chief Executive Officer: Mr Ian Learmonth Outcome: Facilitate increased flows of finance into Australia's clean energy sector, applying commercial rigour to investing in renewable energy, low-emissions and energy efficiency technologies, building industry capacity, and disseminating information to industry stakeholders</p>

Figure 1: Industry, Science, Energy and Resources portfolio structure and outcomes (continued)

<p style="text-align: center;">Clean Energy Regulator (CER) Chair: Mr David Parker AM</p> <p>Outcome: Contribute to a reduction in Australia's net greenhouse gas emissions, including through the administration of market based mechanisms that incentivise reduction in emissions and the promotion of additional renewable electricity generation</p>
<p style="text-align: center;">Climate Change Authority (CCA) Chief Executive Officer: Mr Brad Archer</p> <p>Outcome: Provide expert advice to the Australian Government on climate change mitigation initiatives, including through conducting regular and specifically commissioned reviews and through undertaking climate change research</p>
<p style="text-align: center;">Commonwealth Scientific and Industrial Research Organisation (CSIRO) Chief Executive: Dr Larry Marshall</p> <p>Outcome: Innovative scientific and technology solutions to national challenges and opportunities to benefit industry, the environment and the community, through scientific research and capability development, services and advice</p>
<p style="text-align: center;">Geoscience Australia (GA) Chief Executive Officer: Dr James Johnson</p> <p>Outcome: Informed government, industry and community decisions on the economic, social and environmental management of the nation's natural resources through enabling access to geoscientific and spatial information</p>
<p style="text-align: center;">IP Australia Director General: Mr Michael Schwager</p> <p>Outcome: Increased innovation, investment and trade in Australia, and by Australians overseas, through the administration of the registrable intellectual property rights system, promoting public awareness and industry engagement, and advising government</p>
<p style="text-align: center;">National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) Chief Executive Officer: Mr Stuart Smith</p> <p>Outcome: Promote and enforce the effective management of risks to the workforce, the environment and the structural integrity of facilities, wells and well-related equipment of the Australian offshore petroleum and greenhouse gas storage industries through regulatory oversight</p>
<p style="text-align: center;">Northern Australia Infrastructure Facility (NAIF) Chief Executive Officer: Mr Chris Wade</p> <p>Outcome: Enable economic growth in northern Australia, by facilitating private sector investment in economic infrastructure through the provision of concessional financing delivered through the state and territory governments</p>
<p style="text-align: center;">Snowy Hydro Limited Chief Executive Officer: Mr Paul Broad</p> <p>Objective: To operate as a commercial integrated energy business producing, supplying, trading and retailing energy in the National Electricity Market to create value for and provide returns to its shareholders and to manage the water resources of the Snowy Hydro Scheme in compliance with the Snowy Water Licence</p>

Entity resources and planned performance

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**Department of Industry,
Science, Energy and
Resources**

**Entity resources and planned
performance**

Department of Industry, Science, Energy and Resources

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Department of Industry, Science, Energy and Resources

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Department of Industry, Science, Energy and Resources (the department) helps drive economic and productivity growth, and job creation for all Australians. The department has an important role in positioning Australia to recover from the ongoing economic consequences of the COVID-19 pandemic and helping businesses and industry respond to a shifting global environment.

The department has a key role in the Australian Government's economic recovery plan, which is responding to the pandemic by creating jobs and unlocking opportunities to improve the lives of all Australians. In implementing government programs and policies, the department is making targeted investments to leverage and build on Australia's comparative strengths, working to back future growth in Australia's manufacturing and resources sectors, lifting digital capability, and delivering key energy market reforms. Crucially, the department is looking to the future by working with business to help them grow, securing Australia's science and research capabilities, unlocking investment in regional areas, supporting the commercialisation and deployment of emerging low emissions technologies, and building economy-wide resilience.

Manufacturing is a key pillar in the Government's plan for a strong, modern, and resilient economy. The department is continuing to implement the Modern Manufacturing Strategy (announced in the 2020-21 Budget) and strengthen critical supply chains, including by co-investing in industry projects that build on Australia's comparative advantages and achieve scale in the 6 National Manufacturing Priorities (NMPs). Through collaboration with industry, 6 Road Maps have been developed which set out a vision to build manufacturing capability for delivery under each NMP. To further support these roadmaps, the department will implement a number of Modern Manufacturing Strategy initiatives, including the \$1.3 billion Modern Manufacturing Initiative, the \$52.8 million Manufacturing Modernisation Fund and the \$107.2 million Supply Chain Resilience Initiative.

DISER Budget Statements

The department is also delivering a range of measures that focus on areas of comparative advantage and strategic benefit, including through \$2.6 million over the forward estimates to improve opportunities for small and medium enterprises (SMEs) to participate in Commonwealth procurement, \$13.3 million over the forward estimates in additional support for the growing Australian space industry, and \$1.0 million in 2020-21 and 2021-22 to promote and endorse locally designed and produced fashion products to key overseas markets. The department will support business growth, investment and job creation by implementing a package of measures to simplify and strengthen the anti-dumping system so that it remains effective and efficient, funded at \$5.0 million over the forward estimates and \$1.4 million ongoing from 2025-26.

Through the Prime Minister's Digital Economy Strategy, the department is taking action to lift Australia's digital capability by fostering digital transformation and encouraging businesses to invest and accelerate their adoption of digital technologies. The package includes \$124.1 million in measures as part of the Government's forthcoming Artificial Intelligence (AI) Action Plan. The AI Action Plan will help establish Australia as a global leader in the development and adoption of responsible AI. This will help to create and adopt globally competitive products and services which are designed and used in ways that reflect Australian culture and values.

Upskilling the Australian population in areas of comparative advantage is a key component of economic recovery from COVID-19, and the department is implementing 2 additional measures. The first is a \$43.8 million expansion of the Cyber Security Skills Partnership Innovation Fund to create a pipeline of cyber security professionals that can meet growing demand for cyber jobs across the Australian economy. The second is \$22.6 million in funding for 234 scholarships to support emerging technologies areas, identified through the Modern Manufacturing Strategy. These measures complement the suite of initiatives being implemented across government to increase Australia's digital capabilities, promote national security and build cyber skills.

As part of the Women's Economic Security Package, the department will boost the next generation of women in science, technology, engineering and mathematics (STEM) through \$42.4 million in scholarships for university students and a Women in STEM Evaluation Toolkit. These measures are complementary to STEM and science initiatives already being undertaken by the department.

The department is working to boost Australia's science capability through administering \$387.2 million over 10 years to help realise the full benefits of co-hosting the Square Kilometre Array (SKA) Radio Telescope Project. With construction in Western Australia expected to begin in 2022, this investment delivers on the Government's commitment to participate in a major international mega-science infrastructure collaboration. The SKA telescopes will help Australian scientists make vital scientific breakthroughs – such as a better understanding of the origin and future of stars and galaxies, and the structure of the universe. The project supports strong STEM capabilities, will result in improved internet connectivity for communities in the region, and will create new jobs in regional areas. The SKA Observatory will also establish a new data processing centre to enable its high-value science and data activities to be carried out in Australia helping develop human capability in data processing. This measure will also bolster international scientific engagement and leverage Australia's reputation as a scientific partner of choice.

Affordable, reliable and secure energy will continue to be essential to boost economic growth and generate employment opportunities. The department is implementing initiatives that will accelerate investment in the development of new gas resources and infrastructure, maintain a secure and reliable electricity system, build resilience in liquid fuel supplies, and modernise Australia's energy markets. Delivering these initiatives is part of the Government's plan to put downward pressure on energy costs for all consumers, boost industry competitiveness and support the integration of cleaner forms of energy production.

A key focus for the department is delivering the \$58.6 million Advancing Australia's Gas Fired Recovery package that includes significant initiatives to facilitate the Government's gas-fired recovery agenda and ensure Australian gas is working for all Australians. The Government has provided \$5.6 million for a future National Gas Infrastructure Plan (NGIP) to be delivered in 2022 to support strategic planning for the east coast gas market. Building on the National Gas Infrastructure Plan: Interim Report, which addresses near term gas supply shortfalls forecast from 2024, the first full NGIP will focus on the medium to longer term east coast market infrastructure developments. The Government has also set aside up to \$38.7 million over 2 years to ensure it can act swiftly through targeted support of critical gas infrastructure projects to help alleviate the forecast gas supply shortfall.

The Government is providing a one-off grant of up to \$30 million in matched funding to Australian Industrial Power that will enable early works of a new 635 megawatt gas-fired power station at Port Kembla, near Wollongong in NSW. Funding of \$24.9 million will also support new gas generator projects to become hydrogen-ready. These projects will bolster supply to the national grid and lower electricity prices, consistent with the Government's commitment to support reliable, secure and affordable electricity for all Australians.

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The department is continuing to deliver initiatives that improve Australia's energy supply chain resilience by building on the Fuel Security Package (announced in the 2020-21 budget) to further strengthen Australia's long-term fuel security. This includes the introduction of a production payment to support domestic refiners and support to assist refiners to conduct infrastructure upgrades. The establishment of a new fuel security framework brings together new and existing fuel security functions to support industry in meeting the new minimum stockholding obligation.

The Government's approach to reducing emissions is characterised by technology, not taxes. By accelerating the development and deployment of new and emerging energy technologies through a \$1.5 billion investment over 10 years, Australia will meet and exceed its emissions reduction commitments without adding new costs to businesses, households or the economy. This package of measures will create 6,000 jobs by supporting investment in technologies prioritised under the Government's Technology Investment Roadmap and the establishment of international technology partnerships. Consistent with the King Review recommendations, \$81.7 million over the forward estimates will be committed to implement a new Safeguard Crediting Mechanism to incentivise the uptake of new low emissions technologies in hard-to-abate sectors. A further \$36.8 million will support growth in voluntary climate action and enable industry to transition to low energy technologies to reduce energy use and emissions, improving productivity and competitiveness.

Australia's resources sector continues to generate wealth for all Australians, comprising over half of Australia's total exports. The sector has performed strongly despite the economic challenges of COVID-19, employing additional workers and raising capital to explore new potential. The department is helping to enhance the future of the resources sector by delivering the Government's plan to unlock supply and open up new markets for Australia's commodities. The department will help identify, unlock, and accelerate development of new resources opportunities across Australia through a \$100 million extension of the Junior Minerals Exploration Incentive. An additional \$2.2 million for the Northern Land Council will help provide better services to Traditional Owners in the Beetaloo Basin as gas exploration accelerates under the Government's Strategic Basin Plans. The department will support trade diversification through the implementation of a new \$20.1 million Global Resources Strategy that will leverage the quality, strength, and reliability of Australia as a supplier of crucial resources and energy to the world.

The next 5 year plan for northern Australia, *Our North, Our Future: 2021-2026*, will stimulate economic recovery and create jobs in northern Australia by targeting 'Regions of Growth'. Focusing investment around localised sectoral strengths will bolster delivery of the Government's Digital Business Plan, Gas-Fired Recovery, and the Modern Manufacturing Strategy in the north. As part of the package, the department will deliver \$111.9 million over 5 years for co-investment grants to businesses that will further support northern Australian businesses to scale-up, diversify and grow. The Government is also making a decade-long investment for full rehabilitation of the former Rum Jungle mine site in the Northern Territory (NT). Delivered by the NT Government, activities will address environmental contaminants and hazards resulting from historical uranium and copper mining, improving biodiversity outcomes and supporting cultural values. This project builds on funding provided through the 2020-21 Budget for land management activities at the Rum Jungle site and will create significant employment and local supply opportunities as well as training for the site's traditional owners and surrounding regional communities.

The department is delivering key long-term environmental sustainability commitments by establishing the National Radioactive Waste Management Facility, for the safe and secure management of radioactive waste. The new Australian Radioactive Waste Agency (ARWA) will be established in Adelaide, enhancing the Government's decentralisation agenda by delivering jobs and economic benefits to South Australia through the agency and regional host community. The extension of the Community Benefit Program provides continued support for the regional community involved in the site selection process for the facility.

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 for Outcome' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Department of Industry, Science, Energy and Resources resource statement – Budget estimates for 2021-22 as at Budget May 2021

	<i>2020-21</i> <i>Estimated</i> <i>actual</i> <i>\$'000</i>	<i>2021-22</i> <i>Estimate</i> <i>\$'000</i>
Departmental		
Annual appropriations - ordinary annual services (a)(b)		
Prior year appropriations available	106,581	97,921
Departmental appropriation (c)	605,249	609,837
s74 external revenue (d)	83,818	73,160
Departmental capital budget (e)	29,119	27,432
Annual appropriations - other services - non-operating (b)(f)		
Prior year appropriation available	7,452	6,733
Equity injection (g)	14,884	28,534
Total departmental annual appropriations	847,103	843,617
Special accounts (h)		
Opening balance	27,400	21,956
Appropriation receipts	10,466	9,426
Non-appropriation receipts	12,206	5,786
Total special accounts	50,072	37,168
<i>less departmental appropriations drawn from annual appropriations and credited to special accounts</i>	<i>10,466</i>	<i>9,426</i>
Total departmental resourcing	886,709	871,359

Table 1.1: Department of Industry, Science, Energy and Resources resource statement – Budget estimates for 2021-22 as at Budget May 2021 (continued)

	<i>2020-21 Estimated actual \$'000</i>	<i>2021-22 Estimate \$'000</i>
Administered		
Annual appropriations - ordinary annual services (a)(b)(c)		
Prior year appropriations available	195,862	91,592
Outcome 1	922,191	1,589,172
Outcome 2	13,623	143,112
Outcome 3	153,361	489,990
Outcome 4	27,701	–
Payments to corporate entities (i)	1,320,395	1,347,506
Annual appropriations - other services - non-operating (b)(f)(g)		
Prior year appropriation available	145,551	145,551
Administered assets and liabilities	896,754	432,795
Payments to corporate entities (i)	36,895	41,830
<i>Total administered annual appropriations</i>	<i>3,712,333</i>	<i>4,281,548</i>
<i>Total administered special appropriations (j)</i>	<i>509,858</i>	<i>1,227,038</i>
Special accounts (h)		
Opening balance	5,966,292	6,057,481
Adjustments	(8,835)	–
Non-appropriated receipts	659,162	517,454
<i>Total special accounts receipts</i>	<i>6,616,619</i>	<i>6,574,935</i>
<i>less payments to corporate entities from annual/special appropriations and special accounts</i>	<i>2,141,391</i>	<i>2,403,744</i>
<i>less special account balances for corporate entities</i>	<i>5,519,000</i>	<i>5,344,000</i>
Total administered resourcing	3,178,419	4,335,777
Total resourcing for the Department of Industry, Science, Energy and Resources	4,065,128	5,207,136
	<i>2020-21</i>	<i>2021-22</i>
Average staffing levels (number)	3,106	3,096

Table 1.1: Department of Industry, Science, Energy and Resources resource statement – Budget estimates for 2021-22 as at Budget May 2021 (continued)**Third-party payments from and on behalf of other entities**

	2020-21 <i>Estimated actual</i> \$'000	2021-22 Estimate \$'000
Payments made to corporate entities within the Portfolio (i)		
Ordinary Annual Services		
Australian Institute of Marine Science	45,218	45,548
Australian Nuclear Science and Technology Organisation	278,819	277,453
Australian Renewable Energy Agency	17,625	54,338
Clean Energy Finance Corporation	4,270	4,532
Commonwealth Scientific and Industrial Research Organisation	960,537	946,001
National Offshore Petroleum Safety and Environmental Management Authority	739	667
Northern Australia Infrastructure Facility	13,187	18,967
Total ordinary annual services	1,320,395	1,347,506
Other Services		
Australian Nuclear Science and Technology Organisation	20,465	37,830
Commonwealth Scientific and Industrial Research Organisation	16,430	4,000
Total other services	36,895	41,830
Special appropriations		
Australian Renewable Energy Agency	209,910	304,836
National Offshore Petroleum Safety and Environmental Management Authority	34,191	34,572
Total special appropriations	244,101	339,408
Special accounts		
Clean Energy Finance Corporation	540,000	675,000
Total special accounts	540,000	675,000
Total payments to corporate entities within the Portfolio	2,141,391	2,403,744

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

- (a) Appropriation Bill (No. 1) 2021-22.
- (b) Excludes \$207 million subject to administrative quarantine by Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*.
- (c) The 2020-21 estimated actuals include *Appropriation Act (No. 1) 2020-21* and Appropriation Bill (No. 3) 2020-21.
- (d) Estimated external revenue receipts under section 74 of the PGPA Act.
- (e) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (f) Appropriation Bill (No.2) 2021-22.
- (g) The 2020-21 estimated actuals include *Appropriation Act (No. 2) 2020-21* and Appropriation Bill (No. 4) 2020-21.
- (h) Excludes trust moneys held in special accounts. For further information on special accounts, please refer to *Budget Paper No. 4 - Agency Resourcing*.
- (i) 'Corporate entities' are corporate Commonwealth entities as defined under the PGPA Act.
- (j) For further information on special appropriations, please refer to *Budget Paper No. 4 - Agency Resourcing*.

1.3 Budget measures

Budget measures in Part 1 relating to the Department of Industry, Science, Energy and Resources are detailed in Budget Paper No. 2 and are summarised below.

**Table 1.2: Entity 2021-22 Budget measures
Measures announced after the 2020-21 Mid-Year Economic and Fiscal Outlook
(MYEFO)**

	Program	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000
Receipt measures						
Advancing Australia's Gas Fired Recovery						
	3.1					
		-	2,703	-	-	-
		-	-	-	-	-
	Total	-	2,703	-	-	-
Implementing Sport 2030 - High Performance, Wellbeing and Integrity (a)						
	1.1					
		-	-	-	-	-
		-	1,200	1,200	-	-
	Total	-	1,200	1,200	-	-
Total receipt measures						
		-	2,703	-	-	-
		-	1,200	1,200	-	-
	Total	-	3,903	1,200	-	-
Payment measures						
Advancing Australia's Gas Fired Recovery						
	3.1					
		-	2,500	2,500	-	-
		-	13,115	6,434	1,691	367
	Total	-	15,615	8,934	1,691	367
Anti-Dumping Reforms						
	1.2					
		-	-	-	-	-
		-	775	1,441	1,396	1,402
	Total	-	775	1,441	1,396	1,402
Australia's Global Resources Strategy						
	1.3					
		-	-	-	-	-
		-	9,093	11,003	-	-
	Total	-	9,093	11,003	-	-
Australian Space Agency						
	1.2					
		-	-	-	-	-
		-	3,405	3,275	3,291	3,304
	Total	-	3,405	3,275	3,291	3,304
Commonwealth's Deregulation Agenda (b)						
	1.2					
		-	-	-	-	-
		-	2,693	2,567	1,940	-
	Total	-	2,693	2,567	1,940	-

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Table 1.2: Entity 2021-22 Budget measures (continued)

	Program	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000
Community Benefit Program in Kimba - extension	1.3					
Administered payment		(2,707)	1,000	900	100	-
Departmental payment		12	236	79	71	-
Total		(2,695)	1,236	979	171	-
COVID-19 Vaccine Manufacturing Capabilities (c)	1.2					
Administered payment		nfp	nfp	nfp	nfp	nfp
Departmental payment		nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
Digital Economy Strategy (b)	1.1, 1.2					
Administered payment		(1,200)	33,836	51,368	50,978	17,304
Departmental payment		-	3,743	2,389	1,599	1,050
Total		(1,200)	37,579	53,757	52,577	18,354
Emissions Reduction and New Investments under the Technology Investment Roadmap	2.1					
Administered payment		-	114,609	88,790	217,730	179,200
Departmental payment		-	30,155	22,046	14,127	15,992
Total		-	144,764	110,836	231,857	195,192
Global Science and Technology Diplomacy Fund	1.1					
Administered payment		(2,300)	500	(1,400)	(2,900)	(500)
Departmental payment		-	-	-	-	-
Total		(2,300)	500	(1,400)	(2,900)	(500)
GovERP – Common Corporate Australian Public Service System (c) (d)	1.2					
Administered payment		-	nfp	-	-	-
Departmental payment		-	nfp	-	-	-
Total		-	nfp	-	-	-
Implementing Sport 2030 - High Performance, Wellbeing and Integrity (a)	1.1					
Administered payment		-	-	-	-	-
Departmental payment		-	6,267	6,076	-	-
Total		-	6,267	6,076	-	-
Improving Energy Affordability and Reliability	3.1					
Administered payment		(3,700)	37,450	42,400	21,000	19,200
Departmental payment		33	9,446	7,037	1,159	973
Total		(3,667)	46,896	49,437	22,159	20,173
Junior Minerals Exploration Incentive - extension (e)	1.3					
Administered payment		-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Oil stocks and Refining Capacity in Australia (c)	3.1					
Administered payment		-	nfp	nfp	nfp	nfp
Departmental payment		-	nfp	nfp	nfp	nfp
Total		-	nfp	nfp	nfp	nfp

Table 1.2: Entity 2021-22 Budget measures (continued)

	Program	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000
Our North, Our Future - Next Five Year Plan for Northern Australia	1.4					
Administered payment		-	30,777	30,777	30,777	4,110
Departmental payment		-	5,935	4,648	4,538	2,957
Total		-	36,712	35,425	35,315	7,067
Rum Jungle Rehabilitation Project (c)	1.3					
Administered		-	nfp	nfp	nfp	nfp
Departmental		-	nfp	nfp	nfp	nfp
Total		-	nfp	nfp	nfp	nfp
Square Kilometre Array Radio Telescope Project	1.1					
Administered		-	40,831	63,102	30,295	5,933
Departmental		-	683	237	238	491
Total		-	41,514	63,340	30,533	6,424
Strategic Basin Plans (f)	1.3					
Administered		-	(1,172)	543	546	-
Departmental		-	147	18	18	-
Total		-	(1,025)	561	564	-
Support for Australian Fashion	1.2					
Administered payment		665	285	-	-	-
Departmental payment		35	15	-	-	-
Total		700	300	-	-	-
Supporting Small and Medium Enterprise Participation in Commonwealth Procurement	1.2					
Administered payment		-	500	500	500	500
Departmental payment		-	155	155	156	156
Total		-	655	655	656	656
Women's Economic Security Package (b)	1.1					
Administered payment		-	402	3,907	8,017	12,567
Departmental payment		-	391	207	87	87
Total		-	793	4,114	8,104	12,654
Total payment measures						
Administered		(9,242)	261,518	283,387	357,043	238,314
Departmental		80	86,254	67,612	30,312	26,778
Total		(9,162)	347,771	350,999	387,354	265,092

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

- (a) The lead entity for this measure is the Department of Health. The full measure and package details appear in Budget Paper No. 2 (BP No.2) under the Health portfolio.
- (b) The lead entity for this measure is the Department of Prime Minister and Cabinet. The full measure and package details appear in BP No.2 under Cross Portfolio.
- (c) The financial impact for this measure is not for publication (nfp).
- (d) The lead entity for this measure is the Department of Finance. The full measure and package details appear in BP No.2 under Cross Portfolio.
- (e) This measure will be delivered through the Australian Tax Office. The financial impact is reflected in the Department of the Treasury's Portfolio Budget Statements.
- (f) This measure will be delivered through a National Partnership Agreement through the Department of the Treasury. The financial impact is reflected in its Portfolio Budget Statements.

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 the Department of Industry, Science, Energy & Resources can be found at:

<https://www.industry.gov.au/news/announcing-our-corporate-plan-2020-21>

The most recent annual performance statement can be found at:

<https://www.industry.gov.au/data-and-publications/annual-report-2019-20>

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Support economic growth, productivity and job creation for all Australians by investing in science, technology and commercialisation, growing innovative and competitive businesses, industries and regions, and supporting resources and northern Australia

Linked programs

Portfolio agencies

Australian Institute of Marine Science

Australian Nuclear Science and Technology Organisation

Australian Renewable Energy Agency

Clean Energy Finance Corporation

Commonwealth Scientific and Industrial Research Organisation

Geoscience Australia

IP Australia

National Offshore Petroleum Safety and Environmental Management Authority

Northern Australia Infrastructure Facility

Programs

Australian Institute of Marine Science

- Program 1 – Marine Research

Australian Nuclear Science and Technology Organisation

- Program 1 – Science and Technology Solutions

Australian Renewable Energy Agency

- Program 1.1 – Australian Renewable Energy Agency

Clean Energy Finance Corporation

- Program 1.1 – Clean Energy Finance Corporation

Commonwealth Scientific and Industrial Research Organisation

- Program 1 – Scientific and Industrial Research and Infrastructure

Geoscience Australia

- Program 1 – Geoscientific and Spatial Information Services

IP Australia

- Program 1 – IP Rights Administration and Professional Registration
- Program 2 – Education and Awareness
- Program 3 – Advice to Government and International Engagement

National Offshore Petroleum Safety and Environmental Management Authority

- Program 1 – Regulatory oversight of Safety Cases, Well Operations Management Plans and Environment Plans coupled with effective monitoring, investigation and enforcement

<p>Northern Australia Infrastructure Facility</p> <ul style="list-style-type: none"> • Program 1 – Northern Australia Infrastructure Facility
<p>Contribution to Outcome 1 made by linked programs</p> <p>The portfolio agencies’ programs contribute to enabling growth and productivity for globally competitive industries through supporting science and commercialisation, growing business investment and improving business capability and streamlining regulation.</p> <p>Further information on the linked programs is available in the agencies’ chapters.</p>
<p>Department of Agriculture, Water and the Environment</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Sustainable Management of Natural Resources and the Environment • Program 1.3 – Commonwealth Environmental Water • Program 2.1 – Antarctica: Science, Policy and Presence • Program 3.2 – Sustainable Management - Natural Resources • Program 3.10 – Agricultural Resources
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of Agriculture, Water and the Environment (DAWE) works collaboratively with the department on the Australian Antarctic Science Council and the ongoing protection of the Alligator Rivers Region from impacts of mining uranium at Ranger mine.</p> <p>The department also works collaboratively with DAWE to support manufacturers in the food and beverage and recycling sectors through the Modern Manufacturing Strategy.</p>
<p>Department of Defence</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 2.1 – Strategic Policy and Intelligence • Program 2.9 – Capability, Acquisition and Sustainment • Program 2.13 – Defence Science and Technology
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of Defence works collaboratively with the department to grow the capability and capacity of Australia’s defence industry, particularly small to medium enterprises, to support the delivery of the Australian Government’s defence industry policy agenda. This includes a focus on the National Naval Shipbuilding Enterprise, Australian Industrial Capability Program and Sovereign Industrial Capability Priorities, as well as the linkages between defence industry policy and broader industry policy.</p> <p>The department also focuses on maximising opportunities for Australian industry involvement in Defence procurement and building scale and resilience in defence manufacturing through the Modern Manufacturing Strategy.</p>

Department of Education, Skills and Employment
Programs
<ul style="list-style-type: none"> • Program 2.6 – Research capacity • Program 4.1 – Employment Services
Contribution to Outcome 1 made by linked programs
<p>The department is working with the Department of Education, Skills and Employment (DESE) to enhance Australia’s research capacity, primarily through the development of Research Infrastructure Investment Plans and National Research Infrastructure Roadmaps.</p> <p>DESE works collaboratively with the department to create policies that help Australians participate in education, training and the workforce and meet employer needs for skilled workers. This includes building capability in national manufacturing priority sectors recently announced in the Modern Manufacturing Strategy.</p> <p>Like the department, DESE works to assist employees in structurally transitioning industries. The departments work together to help support a whole of government response to structural adjustment.</p>
Department of Foreign Affairs and Trade
Programs
<ul style="list-style-type: none"> • Program 1.1 – Foreign Affairs and Trade Operations
Contribution to Outcome 1 made by linked programs
<p>The Department of Foreign Affairs and Trade (DFAT) works collaboratively with the department through its role in science diplomacy, collaboration on the Global Innovation Strategy, and advancement of Australia’s trade and investment interests, including supporting Australia’s technology approach to addressing climate change.</p> <p>The department also works collaboratively with DFAT to support Australian manufacturers to grow exports, attract foreign investment and build resilience in supply chains through the Modern Manufacturing Strategy.</p> <p>The department (through the Australian Space Agency) works with DFAT and with Austrade to deliver on the Advancing Space: Australian Civil Space Strategy 2019-28 by opening doors internationally for the Australian space sector, and ensuring the responsible use of outer space, in line with our international obligations.</p>
Australian Trade and Investment Commission
Programs
<ul style="list-style-type: none"> • Program 1.1 – Promotion of Australia’s export and other international economic interests
Contribution to Outcome 1 made by linked programs
The Australian Trade and Investment Commission promotes Australia’s exports

<p>and other international economic interests through the provision of information, advice and services to businesses, associations, institutions and government. It works collaboratively with the department on the Global Innovation Strategy, the Advancing Space: Australian Civil Space Strategy 2019-28 and the Modern Manufacturing Strategy, to help businesses build their global networks, develop resilient global supply chains, and identify and capitalise on opportunities in the global marketplace</p> <p>The Australian Trade and Investment Commission also works closely with the department on the International Freight Assistance.</p>
<p>Department of Health</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Health Research, Coordination and Access
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of Health works collaboratively with the department to implement the Biomedical Translation Fund, the Medical Research Future Fund and strategies to make Australia a preferred destination for clinical trials.</p> <p>Through the National Measurement Institute, the department contributes to reducing smoking prevalence in Australia by conducting tobacco plain packaging compliance and enforcement activities.</p> <p>The department also works with the Department of Health to support manufacturers of medical products through the Modern Manufacturing Strategy.</p>
<p>Department of Home Affairs</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 2.1 – Migration • Program 3.3 – Border Revenue • Program 3.1 – Trade Facilitation and Industry Engagement
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of Home Affairs contributes to Australia’s anti-dumping system, in coordination with the Anti-Dumping Commission, and provision of tariff and duty credits and concessions. The Department of Home Affairs is also working with the department on the Significant Investor Visa Complying Investment Framework that encourages the expansion of Australia’s venture capital fund capacity, attracting investment in innovative early stage companies, particularly from new sources of foreign investment. The department will continue to work with the Department of Home Affairs regarding employer sponsored permanent skilled migration.</p>
<p>Department of Infrastructure, Transport, Regional Development and Communications</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Infrastructure Investment • Program 1.2 – Growing innovative and competitive businesses, industries

<p>and regions</p> <ul style="list-style-type: none"> • Program 3.1 – Regional Development
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of Infrastructure, Transport, Regional Development and Communications (DITRDC) works collaboratively with the department on developing northern Australia through land transport infrastructure investment programs including the Northern Australia Roads and Beef Roads programs, and Roads of Strategic Importance initiative.</p> <p>DITRDC is also working with the department to support economic activity, improve innovation and create long-term sustainable jobs in Australia’s regions through Regional Cooperative Research Centres Projects grants, and through support for space sector investment linked to City Deals.</p>
<p>National Indigenous Australians Agency</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Jobs, Land and the Economy
<p>Contribution to Outcome 1 made by linked programs</p> <p>The National Indigenous Australians Agency is implementing initiatives that enable Indigenous Australians to benefit economically from their land. This includes capacity building of native title corporations under the White Paper on Developing Northern Australia. The department oversees implementation of the White Paper.</p>
<p>Department of the Treasury</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Department of the Treasury • Program 1.4 – General Revenue Assistance • Program 1.9 – National Partnership Payments to the States
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of the Treasury (Treasury) shares policy responsibility in respect to incentives and concessions delivered through the tax system, including the Research and Development (R&D) Tax Incentive, the Early Stage Venture Capital Limited Partnerships tax concessions, Venture Capital Limited Partnerships tax concessions, Pooled Development Funds tax concessions and tax incentives for early stage investors (‘angel investors’).</p> <p>Treasury continues to provide general revenue assistance through royalty payments collected from offshore oil and gas projects in Western Australia and a uranium project in the Northern Territory. A range of specific purpose payments are made to the states, including a pilot hydrogen energy supply chain project in Victoria, and for the environmental management of the former Rum Jungle mine site in the Northern Territory.</p> <p>Treasury is responsible for measures to support small business such as the Coronavirus SME Guarantee Scheme (Phase 1 and 2) and the SME Recovery Loan</p>

<p>Scheme. Following the machinery of government change of 15 April 2021, Treasury also became responsible for the Australian Small Business Advisory Service (ASBAS).</p>
<p>Australian Competition and Consumer Commission</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Australian Competition and Consumer Commission
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Australian Competition and Consumer Commission is responsible for achieving compliance with the <i>Competition and Consumer Act 2010</i> and associated legislation in order to protect, strengthen and supplement the way competition works in Australian markets and industries to improve the efficiency of the economy and the welfare of Australians. This contributes to enabling growth and productivity for globally competitive industries.</p>
<p>Australian Taxation Office</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Australian Taxation Office • Program 1.7 – Fuel Tax Credit Scheme • Program 1.10 – Research and Development Tax Incentive
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Australian Taxation Office (ATO) works collaboratively with the department on a number of taxation benefits initiatives. These include the Research and Development (R&D) Tax Incentive, tax incentives for early stage investors ('angel investors'), the Fuel Tax Credit Scheme, the Early Stage Venture Capital Limited Partnerships tax concessions, Venture Capital Limited Partnerships tax concessions, Pooled Development Funds tax concessions and Australian Venture Capital Fund tax concessions.</p>
<p>Sports Integrity Australia</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Sports Integrity
<p>Contribution to Outcome 1 made by linked programs</p> <p>Through the National Measurement Institute, the department provides analytical services and research to support Sport Integrity Australia's anti-doping program.</p>

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Program 1.1: Investing in science, technology and commercialisation					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	293,573	430,470	388,739	351,367	306,624
Expenses not requiring appropriation in the Budget year (a)	298	–	–	–	–
Administered Total	293,871	430,470	388,739	351,367	306,624
Departmental expenses					
Departmental appropriation	144,774	136,304	127,723	117,209	110,603
s74 external revenue (b)	42,740	44,175	40,167	40,656	38,669
Special accounts	746	393	465	24	–
Expenses not requiring appropriation in the Budget year (c)	15,473	11,667	11,436	11,536	11,536
Departmental Total	203,733	192,539	179,791	169,425	160,808
Total expenses for Program 1.1	497,604	623,009	568,530	520,792	467,432
Program 1.2: Growing innovative and competitive businesses, industries and regions					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	363,311	726,099	849,518	661,579	237,785
Special accounts	435	–	–	–	–
Special appropriations	20,187	–	–	–	–
Expenses not requiring appropriation in the Budget year (a)	1	–	–	–	–
Administered Total	383,934	726,099	849,518	661,579	237,785
Departmental expenses					
Departmental appropriation	216,532	236,903	230,507	216,420	204,235
s74 external revenue (b)	35,487	25,554	20,244	15,705	14,937
Special accounts	6,273	5,273	5,273	5,273	5,273
Expenses not requiring appropriation in the Budget year (c)	21,087	17,234	17,331	17,282	17,282
Departmental Total	279,379	284,964	273,355	254,680	241,727
Total expenses for Program 1.2	663,313	1,011,063	1,122,873	916,259	479,512

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Program 1.3: Supporting a strong resources sector					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	72,243	75,788	59,298	36,524	4,558
Special accounts	14,345	15,818	15,441	15,594	15,886
Special appropriations	60	60	60	60	60
Expenses not requiring appropriation in the Budget year (a)	581,031	6,926	6,215	5,146	3,884
Administered Total	667,679	98,592	81,014	57,324	24,388
Departmental expenses					
Departmental appropriation	38,520	35,536	34,640	31,752	30,019
s74 external revenue (b)	7	9	8	8	8
Expenses not requiring appropriation in the Budget year (c)	3,146	2,288	2,345	2,312	2,312
Departmental Total	41,673	37,833	36,993	34,072	32,339
Total expenses for Program 1.3	709,352	136,425	118,007	91,396	56,727
Program 1.4: Growing a stronger northern Australian economy					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	–	30,777	30,777	30,777	4,110
Expenses not requiring appropriation in the Budget year (a)	660,987	514,555	284,090	276,837	204,076
Administered Total	660,987	545,332	314,867	307,614	208,186
Departmental expenses					
Departmental appropriation	30,580	35,487	35,186	32,537	30,761
s74 external revenue (b)	4	6	5	5	5
Expenses not requiring appropriation in the Budget year (c)	2,497	2,285	2,382	2,369	2,369
Departmental Total	33,081	37,778	37,573	34,911	33,135
Total expenses for Program 1.4	694,068	583,110	352,440	342,525	241,321

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	2,027,627	2,551,770	2,620,367	2,367,021	1,743,348
<i>Less payments to corporate entities</i>	<i>(1,298,500)</i>	<i>(1,288,636)</i>	<i>(1,292,035)</i>	<i>(1,286,774)</i>	<i>(1,190,271)</i>
Special Accounts	14,780	15,818	15,441	15,594	15,886
Special appropriations	54,438	34,632	33,729	33,213	34,022
<i>Less payments to corporate entities</i>	<i>(34,191)</i>	<i>(34,572)</i>	<i>(33,669)</i>	<i>(33,153)</i>	<i>(33,962)</i>
Expenses not requiring appropriation in the Budget year (a)	1,242,317	521,481	290,305	281,983	207,960
Payments to corporate entities	1,332,691	1,323,208	1,325,704	1,319,927	1,224,233
Administered Total	3,339,162	3,123,701	2,959,842	2,697,811	2,001,216
Departmental expenses					
Departmental appropriation	430,408	444,231	428,056	397,918	375,618
s74 external revenue (b)	78,238	69,743	60,424	56,374	53,619
Special accounts	7,019	5,666	5,738	5,297	5,273
Expenses not requiring appropriation in the Budget year (c)	42,201	33,474	33,494	33,499	33,499
Departmental Total	557,866	553,114	527,712	493,088	468,009
Total expenses for Outcome 1	3,897,028	3,676,815	3,487,554	3,190,899	2,469,225

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Movement of administered funds between years (d)					
Outcome 1:					
Program 1.1					
Australia-China Science and Research Fund	(989)	989	–	–	–
Boosting Female Founders Initiative	(5,853)	4,685	1,168	–	–
Cooperative Research Centres Program	(9,396)	–	9,396	–	–
Global Innovation Strategy	(2,400)	150	1,250	1,000	–
National Carp Control Plan	(1,838)	–	1,838	–	–
Square Kilometre Array Radio Telescope Project	(49,270)	49,270	–	–	–
Program 1.2					
ACE EV Group Advanced Manufacturing Facility and Vehicle to the Grid Trial	(2,500)	2,500	–	–	–
Asialink Business	(200)	–	200	–	–
Digital Skills Finder Platform	(1,250)	1,250	–	–	–
Encouraging Innovation in Advanced Manufacturing	(709)	709	–	–	–
International Space Investment	(500)	109	391	–	–
Manufacturing Modernisation Fund	(3,232)	4,882	(1,650)	–	–
National Innovation Games	(808)	808	–	–	–
SME Export Hubs	–	(357)	357	–	–
Space infrastructure Fund	–	(600)	600	–	–
Thermochemical Conversion Technology Trial Facility	(5,529)	4,912	617	–	–
Program 1.3					
Offshore Electricity Registrar	(464)	464	–	–	–
Total movement of administered funds	(84,938)	69,771	14,167	1,000	–

	2020-21	2021-22
Average staffing level (number)	2,543	2,600

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

- (a) Expenses not requiring appropriation relate to unwinding of the present value discount associated with the obligation for Quantum Computing partly paid shares, expenses for restoration provisions associated with Ranger Rehabilitation, depreciation and amortisation expenses for the National Offshore Petroleum Titles Administrator, and the expenses associated with the concessional loans to PSMA Australia Limited and proposed under the Northern Australia Infrastructure Facility.
- (b) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.
- (c) Expenses not requiring appropriation in the budget year are made up of depreciation / amortisation expenses, audit fees, and approved operating losses.
- (d) Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

Table 2.1.2: Program components of Outcome 1

Program 1.1: Investing in science, technology and commercialisation					
	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
<i>Program 1.1: Investing in science, technology and commercialisation</i>					
Annual administered expenses:					
Access to World-leading Astronomy Infrastructure	12,538	13,147	13,410	13,710	19,175
Antarctic Science Collaboration Initiative	5,000	5,000	5,000	5,000	5,000
Australia-China Science and Research Fund	1,463	–	–	–	–
Australia-India Strategic Research Fund	3,280	–	–	–	–
Boosting Female Founders Initiative	6,424	16,774	13,268	12,202	5,900
Business Research and Innovation Initiative	5,876	16,022	5,875	6,030	484
Cooperative Research Centres Program	222,777	189,980	197,815	191,042	193,807
COVID-19 Response Package - PPE Material	2,358	–	–	–	–
Digital Productivity	1,500	1,500	1,500	1,500	1,500
Global Innovation Strategy	3,980	–	–	–	–
Global Science and Technology Diplomacy Fund	–	19,599	15,391	14,400	8,240
Innovation Investment Fund	134	140	147	155	163
Inspiring All Australians in STEM	11,355	12,068	19,623	23,733	21,972
National Carp Control Plan	–	1,839	1,838	–	–
National Research Centre for Disaster Resilience	–	8,000	8,000	8,000	9,000
Research and Development Tax Incentive	5,363	5,700	5,700	5,700	5,700
Square Kilometre Array Radio Telescope Project	11,525	140,701	101,172	69,895	35,683
Total annual administered expenses	293,573	430,470	388,739	351,367	306,624
Expenses not requiring appropriation in the Budget year:					
Quantum Computing (a)	298	–	–	–	–
Total expenses not requiring appropriation in the Budget year	298	–	–	–	–
Total expenses for Program 1.1	293,871	430,470	388,739	351,367	306,624

Table 2.1.2: Program components of Outcome 1 (continued)

Program 1.2: Growing innovative and competitive businesses, industries and regions					
	2020-21	2021-22	2022-23	2023-24	2024-25
	Estimated	Budget	Forward	Forward	Forward
	actual		estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Program 1.2: Growing innovative and competitive businesses, industries and regions</i>					
Annual administered expenses:					
ACE EV Group Advanced Manufacturing Facility and Vehicle to the Grid Trial	2,500	2,500	–	–	–
Advanced Manufacturing Growth Fund	7,835	–	–	–	–
Artificial Intelligence Action Plan	–	22,176	40,568	42,338	22,304
Artificial Intelligence Capability Fund	–	300	–	–	–
Asialink Business	3,050	2,997	3,099	–	–
Australian Business Number and Business Names Registration System - expansion	50	50	50	50	50
Australian Made Export Campaign	1,500	1,500	1,000	–	–
Bait Industry Support	2,100	–	–	–	–
COVID-19 Response Package - PPE	2,300	–	–	–	–
Delivering Cyber Security Skills for a Digital Economy	3,307	21,000	23,000	21,000	–
Digital Skills Finder Platform	1,250	1,250	–	–	–
Empowering Businesses to Go Digital	1,196	500	–	–	–
Encouraging Innovation in Advanced Manufacturing	3,839	709	–	–	–
Entrepreneurs' Programme	128,772	119,624	110,578	111,704	112,358
Ferretti International - Upgrade	15,000	–	–	–	–
Geocoded National Address File	6,324	6,451	6,580	6,711	9,500
Growing Australia's Space Industry	3,400	8,500	33,500	49,000	48,000
Improving Digital Capability of SMEs	500	–	–	–	–
Industry Growth Centres	66,245	76,800	45,700	41,500	41,208
International Space Investment	4,500	7,109	391	–	–
Manufacturing Modernisation Fund	37,079	36,962	13,350	–	–
Modern Manufacturing Initiative	40,000	380,000	520,000	340,000	–
Mossman Mill Transition Program	4,000	4,000	–	–	–
National Innovation Games	808	808	–	–	–
Next Generation Manufacturing Investment Program	100	–	–	–	–

Table 2.1.2: Program components of Outcome 1 (continued)

Program 1.2: Growing innovative and competitive businesses, industries and regions					
	2020-21	2021-22	2022-23	2023-24	2024-25
	Estimated	Budget	Forward	Forward	Forward
	actual		estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Program 1.2: Growing innovative and competitive businesses, industries and regions</i>					
SME Export Hubs	2,905	1,687	357	–	–
Space Infrastructure Fund	6,800	4,300	600	–	–
Supply Chain Resilience Initiative	2,000	12,000	45,000	45,000	–
Support for an Australian Fashion Certification Trade Mark	665	285	–	–	–
Support for Industry Service Organisations program	4,409	5,179	5,128	4,276	4,365
Supporting SMEs to Build Cyber Security Resilience	6,906	–	–	–	–
Thermochemical Conversion Technology Trial Facility (b)	2,471	4,912	617	nfp	nfp
Using Blockchain Technology to Reduce Business Compliance Costs	1,500	4,500	–	–	–
Total annual administered expenses	363,311	726,099	849,518	661,579	237,785
Expenses not requiring appropriation:					
PSMA Australia Loan (c)	1	–	–	–	–
Total expenses not requiring appropriation in the Budget year	1	–	–	–	–
Special appropriation:					
Automotive Transformation Scheme Act 2009	20,187	–	–	–	–
Total special appropriation expenses	20,187	–	–	–	–
Special account expenses:					
Services for Other Entities and Trust Moneys	435	–	–	–	–
Total special account expenses	435	–	–	–	–
Total expenses for Program 1.2	383,934	726,099	849,518	661,579	237,785

Table 2.1.2: Program components of Outcome 1 (continued)

Program 1.3: Supporting a strong resources sector					
	2020-21	2021-22	2022-23	2023-24	2024-25
	Estimated	Budget	Forward	Forward	Forward
	actual		estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Program 1.3: Supporting a strong resources sector</i>					
Annual administered expenses:					
Advancing Research and Development for Critical Minerals	1,250	1,250	1,000	1,000	–
Beetaloo Basin Drilling Program	–	20,000	30,000	–	–
Long Term Handling of the Northern Endeavour (b)	nfp	nfp	nfp	–	–
Maralinga Maintenance	1,082	251	253	261	256
Northern Endeavour Temporary Operations	47,376	–	–	–	–
Offshore Electricity Registrar(d)	75	605	–	–	–
Onshore Gas Social and Economic Research Fund	2,952	4,609	2,913	2,913	–
Petroleum Royalties Administration	40	40	40	40	40
Positioning the Northern Land Council to deliver in the Beetaloo	–	1,058	543	546	–
Radioactive Waste Management	11,161	35,205	17,309	31,764	4,262
Rum Jungle Mine Site - Environmental Rehabilitation(b)	–	–	nfp	nfp	nfp
Shaping Australia to Capture the Global Hydrogen Opportunity	1,000	1,000	240	–	–
Strategic Basin Plans	7,000	11,770	7,000	–	–
Supporting the Development of New Onshore Gas Supply	307	–	–	–	–
Total annual administered expenses	72,243	75,788	59,298	36,524	4,558
Special appropriation:					
Offshore Minerals Act 1994	60	60	60	60	60
Total special appropriation expenses	60	60	60	60	60
Special account expenses:					
National Offshore Petroleum Titles Administrator	14,345	15,818	15,441	15,594	15,886
Total special account expenses	14,345	15,818	15,441	15,594	15,886
Expenses not requiring appropriation:					
National Offshore Petroleum Titles Administrator (e)	2,759	1,895	2,102	1,984	1,804
Ranger Rehabilitation (f)	578,272	5,031	4,113	3,162	2,080
Total expenses not requiring appropriation in the Budget year	581,031	6,926	6,215	5,146	3,884
Total expenses for Program 1.3	667,679	98,592	81,014	57,324	24,388

Table 2.1.2: Program components of Outcome 1 (continued)

Program 1.4: Growing a stronger northern Australian economy					
	2020-21	2021-22	2022-23	2023-24	2024-25
	Estimated	Budget	Forward	Forward	Forward
	actual		estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Program 1.4: Growing a stronger northern Australian economy</i>					
Annual administered expenses:					
Northern Australia Development Program	–	30,777	30,777	30,777	4,110
Total annual administered expenses	–	30,777	30,777	30,777	4,110
Expenses not requiring appropriation:					
Northern Australia Infrastructure Facility (c)	660,987	514,555	284,090	276,837	204,076
Total expenses not requiring appropriation in the Budget year	660,987	514,555	284,090	276,837	204,076
Total expenses for Program 1.4	660,987	545,332	314,867	307,614	208,186

- (a) Expenses not requiring appropriation relate to unwinding of the present value discount associated with the obligation for Quantum Computing partly paid shares.
- (b) The financial impact is not for publication (nfp) due to commercial-in-confidence considerations.
- (c) Expenses not requiring appropriation relate to the expenses associated with the concessional loans to PSMA Australia Limited and proposed under the Northern Australia Infrastructure Facility.
- (d) Previously published in the 2020-21 Portfolio Additional Estimates Statements as the Offshore Renewable Energy – Registrar.
- (e) Expenses not requiring appropriation relate to depreciation and amortisation expenses for the National Offshore Petroleum Titles Administrator.
- (f) Expenses not requiring appropriation relate to expenses for restoration provisions for Ranger Rehabilitation.

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 2021-22 Budget measures have created new programs or materially changed existing programs.

Outcome 1 – Support economic growth, productivity and job creation for all Australians by investing in science, technology and commercialisation, growing innovative and competitive businesses, industries and regions, and supporting resources and northern Australia		
Program 1.1 – Investing in science, technology and commercialisation		
Delivery	<p>The objective of this program is to facilitate the development and uptake of new ideas and technology and translate them into commercial outcomes and enhanced productivity. This will be delivered by:</p> <ul style="list-style-type: none"> Supporting and capitalising on national science expertise to drive innovation, enhance productivity and generate globally competitive solutions across the economy to improve Australia's response to COVID-19 as well as addressing national and international challenges, such as in space, cyber, health, energy, climate change, resources, agriculture, disaster management and Artificial Intelligence (AI). Promoting the growth of a highly skilled workforce through greater understanding, awareness and participation in science, technology, engineering and mathematics (STEM), particularly for women, Aboriginal and Torres Strait Islander Peoples and other underrepresented groups. Supporting basic research, business research and development, commercialisation and translation of research, and access to early stage finance, and encouraging collaboration between industry and the research sector, including through Australia's world class science agencies, and infrastructure. Enabling Australia's participation in world-leading science, supporting access to domestic and international science facilities and deepening international science engagement to drive Australia's national interests. 	
Performance information		
Year	Performance criteria (a)	Actual Achievement/Targets
2020-21	R&D expenditure registered by entities with the department in order to claim the R&D Tax Incentive through their annual tax returns.	The R&D Tax Incentive is a demand-driven program, therefore the department does not have forward estimates. Results: On Track
	Proportion of Australians who consider STEM skills important when considering employment.	Target: ≥ 87% Results: On Track
	Number of business-research collaborations facilitated by departmental programs.	Target: Year-on-year increase. Results: On Track
	Australia's national system of measurement is trusted nationally and internationally. Results: On Track	
To measure Outputs towards achieving the intended results of Program 1.1, the department will track:		
2021-22	R&D expenditure registered by entities with the department in order to claim the R&D Tax Incentive through their annual tax returns.	The R&D Tax Incentive is a demand-driven program, therefore the department does

		not have forward estimates. Note: R&D is reported against the financial year in which it is registered. This is the year following the year in which the companies undertake the R&D activity.
	Number of business-research collaborations facilitated by departmental programs.	Year-on-year increase.
To measure Effectiveness in achieving the intended results of Program 1.1, the department will track:		
2021-22	Proportion of Australians who consider STEM skills important when considering employment.	≥ 87%
	Australia's national system of measurement is trusted nationally and internationally.	
2022-23 and beyond	As per 2021-22	As per 2021-22
Purposes	Support economic growth, productivity and job creation for all Australians by investing in science, technology and commercialisation and growing innovative and competitive businesses, industries and regions.	
Material changes to Program 1.1 resulting from the following measures: Nil		
Program 1.2 – Growing innovative and competitive businesses, industries and regions		
Delivery	<p>The objective of this program is to support the growth of innovative and competitive businesses, industries and regions, and build a diversified, flexible, resilient and dynamic economic base that can identify and adapt to new markets and emerging opportunities. This will be delivered by:</p> <ul style="list-style-type: none"> Empowering Australian businesses to strengthen, grow, innovate, digitise and commercialise, supported by a competitive business environment that enables recovery from COVID-19. Developing a modern, competitive and advanced manufacturing sector, investing in areas of competitive strength to create jobs, support economic growth and improve economic resilience. Driving export growth and strengthen and diversify supply chains and markets, attract private sector investment and capture new and emerging opportunities. Encouraging the adoption of digital technologies by Australian businesses to underpin productivity gains, growth, and resilience. Supporting Australia becoming a leading digital nation by 2030 including by enabling the development of emerging technologies and initiatives such as the National Block Chain Roadmap, the AI Ethics Framework. Supporting the growth and transformation of the Australian space industry as outlined in the Advancing Space: Australian Civil Space Strategy 2019-2028. 	
Performance information		
Year	Performance criteria (a)	Actual Achievement/Targets
2020-21	Instances of assistance delivered to businesses in priority sectors.	Year-on year increase. Results: Achieved
	Number of regional areas where businesses have received assistance.	Year-on-year maintenance. Results: Achieved
	The median time to complete a grant application for a merit, eligibility or competitive grant.	Year-on-year decrease. Results: On Track

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	Proportion of anti-dumping Preliminary Affirmative Determination (PAD) reports, or status reports explaining that there are insufficient grounds to issue a PAD, made on or before day 60 of an anti-dumping/countervailing investigation.	100% Results: Achieved
	Total number of jobs created by the digitally intensive industries.	Year-on-year increase. Results: On Track
To measure Outputs towards achieving the intended results of Program 1.2, the department will track:		
2021-22	Investment leveraged through portfolio manufacturing initiatives.	Year-on-year increase.
	Instances of support provided to businesses in priority sectors.	Year-on-year increase.
	Number of regional areas where businesses have received support.	Year-on-year increase or maintenance.
To measure Efficiency in achieving the intended results of Program 1.2, the department will track:		
2021-22	The median time to complete a grant application for a merit, eligibility or competitive grant.	Year-on-year decrease.
	Proportion of anti-dumping Preliminary Affirmative Determination (PAD) reports, or status reports explaining that there are insufficient grounds to issue a PAD, made on or before day 60 of an anti-dumping/countervailing investigation.	100%
To measure Effectiveness in achieving the intended results of Program 1.2, the department will track:		
2021-22	Total number of jobs created by the digitally intensive industries.	Year-on-year increase.
2022-23 and beyond	As per 2021-22	As per 2021-22
Purposes	Support economic growth, productivity and job creation for all Australians by investing in science, technology and commercialisation and growing innovative and competitive businesses, industries and regions.	
Material changes to Program 1.2 resulting from the following measures: Nil		
Program 1.3 – Supporting a strong resources sector		
Delivery	<p>The objective of this program is to support the sustainable development of the resources sector, attract private-sector investment and encourage innovative technologies. This will be delivered by:</p> <ul style="list-style-type: none"> • Supporting investment and further exploration in the resources sector. • Growing Australia's resource development potential and, in particular, growing the critical minerals sector and supporting the development of downstream supply-chain capabilities. • Removing regulatory and administrative barriers that impose unnecessary costs and delays to resources projects. • Safeguarding Australians and the environment, including by developing an enduring, safe and efficient national radioactive waste management capability and a national facility for the disposal of low level radioactive waste and temporary storage of intermediate level waste. • Supporting the efficient and effective regulation of Australia's offshore petroleum and greenhouse gas sectors. 	

Performance information		
Year	Performance criteria (a)	Actual Achievement/Targets
2020-21	Total expenditure on resources exploration.	Year-on-year increase Results: On Track
	Grow Australia's critical minerals potential, including by supporting development of downstream capacity.	Year-on-year increase Results: On Track
	Identify and remove regulatory and administrative barriers that impose unnecessary costs and delays to resources projects. Results: On Track	
To measure Efficiency towards achieving the intended results of Program 1.3, the department will track:		
2021-22	Identify and remove regulatory and administrative barriers that impose unnecessary costs and delays to resources projects.	
To measure Effectiveness in achieving the intended results of Program 1.3, the department will track:		
2021-22	Total expenditure on resources exploration.	Year-on-year increase.
	Grow Australia's critical minerals potential, including by supporting development of downstream capacity.	Year-on-year increase.
2022-23 and beyond	As per 2021-22	As per 2021-22
Purposes	Support economic growth, productivity and job creation for all Australians by supporting a strong resources sector and growing a stronger Northern Australian economy.	
Material changes to Program 1.3 resulting from the following measures: Nil		
Program 1.4 – Growing a stronger northern Australia economy		
Delivery	<p>The objective of this program is to drive economic growth and investment in northern Australia. This will be delivered by:</p> <ul style="list-style-type: none"> Targeted support to northern Australian businesses to increase economic growth, diversity and resilience through the Next Five Year Plan. Implementing reforms to the Northern Australia Infrastructure Facility to accelerate lending, increase risk appetite, expand eligibility and strengthen governance. 	
Performance information		
Year	Performance criteria (a)	Actual Achievement/Targets
2020-21	Number of Northern Australia White Paper measures delivered and progress to refresh the broader northern agenda.	Year-on-year increase. Results: On Track
	Total number of jobs created by federally-financed Northern Australia Infrastructure Facility projects.	Year-on year increase. Results: Achieved
To measure Outputs towards achieving the intended results of Program 1.4, the department will track:		
2021-22	Number of Northern Australia White Paper measures delivered and progress to refresh the broader northern agenda.	Year-on-year increase.
To measure Effectiveness in achieving the intended results of Program 1.4, the department will track:		
2021-22	Total number of jobs created by federally-	Year-on-year increase.

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	financed Northern Australia Infrastructure Facility projects.	
2022-23 and beyond	As per 2021-22	As per 2021-22
Purposes	Support economic growth, productivity and job creation for all Australians by supporting a strong resources sector and growing a stronger Northern Australian economy.	
Material changes to Program 1.4 resulting from the following measures: Nil		

- (a) In line with the Department of Finance guidelines, the department's performance measures relate directly to its purposes and key activities, representing a mix of qualitative and quantitative measures that provide a basis for an assessment of outputs, efficiency and effectiveness over time. The department is committed to continuous improvement and any refinements to performance criteria will be reflected in the *2021–22 Corporate Plan*. As a leader in national policy for complex and multi-faceted areas such as the promotion of science, technology, engineering and mathematics (STEM); Australia's resource development potential; supporting a secure, reliable and affordable energy sector; and supporting innovative and competitive businesses, industries and regions, the department has included measures which highlight where Australia, as a nation, stands. While the department contributes significantly to these measures, there are often many other factors at play which may affect the achievement of some of these measures. However, the department believes the measures above are important to track as a means to continually develop and improve its policies for the benefit of all Australians.

2.2 Budgeted expenses and performance for Outcome 2

Outcome 2: Reduce Australia’s greenhouse gas emissions, contribute to effective global action on climate change, and support technological innovation in clean and renewable energy, through developing and implementing a national response to climate change

Linked programs

<p><i>Portfolio agencies</i></p> <p>Australian Renewable Energy Agency</p> <p>Clean Energy Finance Corporation</p> <p>Clean Energy Regulator</p> <p>Climate Change Authority</p> <p>Commonwealth Scientific and Industrial Research Organisation</p> <p>National Offshore Petroleum Safety and Environmental Management Authority</p>
<p>Programs</p> <p>Australian Renewable Energy Agency</p> <ul style="list-style-type: none"> • Program 1.1 – Australian Renewable Energy Agency <p>Clean Energy Finance Corporation</p> <ul style="list-style-type: none"> • Program 1.1 – Clean Energy Finance Corporation <p>Clean Energy Regulator</p> <ul style="list-style-type: none"> • Program 1.1 – Clean Energy Regulator <p>Climate Change Authority</p> <ul style="list-style-type: none"> • Program 1.1 – Reviewing Climate Change Mitigation Policies <p>Commonwealth Scientific and Industrial Research Organisation</p> <ul style="list-style-type: none"> • Program 1 – Scientific and Industrial Research and Infrastructure <p>National Offshore Petroleum Safety and Environmental Management Authority</p> <ul style="list-style-type: none"> • Program 1 – Regulatory oversight of Safety Cases, Well Operations Management Plans and Environment Plans coupled with effective monitoring, investigation and enforcement
<p>Contribution to Outcome 2 made by linked programs</p> <p>The portfolio agencies’ programs contribute to reducing Australia’s greenhouse gas emissions and effective global action on climate change, and supporting technological innovation in clean and renewable energy through developing and implementing a national response to climate change.</p>
<p>Australian Taxation Office</p>
<p>Program</p> <ul style="list-style-type: none"> • Program 1.1 – Australian Taxation Office
<p>Contribution to Outcome 2 made by linked programs</p>

<p>The department shares information on carbon sequestration tree planting projects with the Australian Taxation Office, which administers the Carbon Sink Forest Tax measure, a tax deduction available to these types of projects.</p>
<p>Bureau of Meteorology</p>
<p>Program</p> <ul style="list-style-type: none"> • Program 1.1 – Bureau of Meteorology
<p>Contribution to Outcome 2 made by linked programs</p> <p>The Bureau of Meteorology works collaboratively with the department to provide weather and climate information, to support priority investment areas and research needs for nationally significant infrastructure.</p>
<p>Department of Agriculture, Water and the Environment</p>
<p>Program</p> <ul style="list-style-type: none"> • Program 1.1 – Sustainable Management of Natural Resources and the Environment • Program 3.2 – Sustainable Management – Natural Resources • Program 3.3 – Forestry Industry
<p>Contribution to Outcome 2 made by linked programs</p> <p>The Department of Agriculture, Water and the Environment (DAWE) is responsible for policies and programs on biodiversity conservation; sustainable natural resource management, climate science and adaptation, and sustainable and productive agricultural and forestry industries. The department collaborates with DAWE to promote complementary outcomes for emissions reductions, the environment and productivity. The department also works with DAWE on programs related to blue carbon and climate risk disclosure.</p>
<p>Department of Foreign Affairs and Trade</p>
<p>Program</p> <ul style="list-style-type: none"> • Program 1.1 – Foreign Affairs and Trade Operations
<p>Contribution to Outcome 2 made by linked programs</p> <p>The Department of Foreign Affairs and Trade (DFAT) leads international climate change negotiations for the government under the United Nations Framework Convention on Climate Change. The department works collaboratively with the DFAT in formulating advice to Government on these matters and representing Australia at United Nations Framework Convention on Climate Change meetings. The department also delivers a number of Australian Government funded projects that support climate change capacity development projects in developing countries.</p>
<p>Department of Infrastructure, Transport, Regional Development and Communications</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 2.1 – Surface Transport

<ul style="list-style-type: none"> • Program 2.3 – Air Transport
<p>Contribution to Outcome 2 made by linked programs</p> <p>The Department of Infrastructure, Transport, Regional Development and Communications (DITRDC) and the department work collaboratively to support the Ministerial Forum on Vehicle Emissions. DITRDC leads participation and negotiations in: the International Civil Aviation Organization's Carbon Offsetting and Reduction Scheme for International Aviation; the International Maritime Organisation, assessing measures and the frameworks for reducing international aviation and maritime emissions. This work includes linkages to carbon markets and standards for carbon unit eligibility. DITRDC holds responsibility for maintaining and updating the Green Vehicle Guide, which provides information on tailpipe CO₂ emissions from vehicles.</p>
<p>Great Barrier Reef Marine Park Authority</p>
<p>Program</p> <ul style="list-style-type: none"> • Program 1.1 – Improving the outlook for the Great Barrier Reef
<p>Contribution to Outcome 2 made by linked programs</p> <p>Climate change is the most significant threat to the Great Barrier Reef. The department is responsible for climate mitigation policy and the Department of Agriculture, Water and the Environment is responsible for climate adaptation policy and climate science to support an effective global response to climate change.</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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Program 2.1: Reducing Australia's greenhouse gas emissions					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)					
Activating Regional Hydrogen Export Hubs	1,250	3,500	16,750	28,000	13,500
Biofuels - Monitoring, Compliance and Enforcement for Fuel Quality	177	100	100	100	100
Carbon Capture, Use and Storage Development Fund	10,000	20,000	20,000	–	–
Hydrogen Strategy and Implementation	1,496	603	521	–	–
Emissions Reduction and New Investments Under the Technology Investment Roadmap	–	114,609	88,790	217,730	179,200
Soil Carbon and Livestock Methane	700	4,300	2,600	2,100	1,000
Administered Total	13,623	143,112	128,761	247,930	193,800
Departmental expenses					
Departmental appropriation	56,205	68,305	66,050	54,152	49,690
s74 external revenue (a)	5,580	3,417	1,658	1,263	878
Departmental Total	61,785	71,722	67,708	55,415	50,568
Total expenses for Program 2.1	75,408	214,834	196,469	303,345	244,368

Table 2.2.1: Budgeted expenses for Outcome 2 (continued)

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Program 2.2: Developing clean energy technology					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	21,895	58,870	174,372	153,041	183,380
<i>Less payments to corporate entities</i>	(21,895)	(58,870)	(174,372)	(153,041)	(183,380)
Special appropriations					
<i>Australian Renewable Energy Agency Act 2011</i>	209,910	304,836	–	–	–
<i>Less payments to corporate entities</i>	(209,910)	(304,836)	–	–	–
Payments to corporate entities	231,805	363,706	174,372	153,041	183,380
Administered Total	231,805	363,706	174,372	153,041	183,380
Departmental expenses					
Departmental appropriation	5,665	5,757	5,684	5,884	7,775
Departmental Total	5,665	5,757	5,684	5,884	7,775
Total expenses for Program 2.2	237,470	369,463	180,056	158,925	191,155
Outcome 2 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	13,623	143,112	128,761	247,930	193,800
Payments to corporate entities	231,805	363,706	174,372	153,041	183,380
Administered Total	245,428	506,818	303,133	400,971	377,180
Departmental expenses					
Departmental appropriation	61,870	74,062	71,734	60,036	57,465
s74 external revenue (a)	5,580	3,417	1,658	1,263	878
Departmental Total	67,450	77,479	73,392	61,299	58,343
Total expenses for Outcome 2	312,878	584,297	376,525	462,270	435,523
<hr/>					
	2020-21	2021-22			
Average staffing level (number)	219	217			

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

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

Table 2.2.2: Program components of Outcome 2

Outcome 2 programs are not broken down by components; therefore Table 2.2.2 is not presented.

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 2021-22 Budget measures have created new programs or materially changed existing programs.

Outcome 2 – Reduce Australia’s greenhouse gas emissions, contribute to effective global action on climate change, and support technological innovation in clean and renewable energy, through developing and implementing a national response to climate change		
Program 2.1 – Reducing Australia’s greenhouse gas emissions		
Delivery	The objective of this program is to shape the global response to climate change and achieve Australia’s greenhouse gas emissions reduction targets. This will be delivered by: <ul style="list-style-type: none"> • Developing Australia’s long-term emissions reduction strategy ahead of the UN climate summit in Glasgow at the end of 2021. • Delivering cost effective emissions reduction opportunities across the economy including in hard-to-abate sectors. 	
Performance information		
Year	Performance criteria (a)	Actual Achievement/Targets
2020-21	Australia’s emissions and projected emissions are on track to meet international commitments.	Australia meets its international emission reduction commitment targets. Results: On Track
	Number of businesses participating in carbon neutral certification.	Year-on-year increase. Results: On Track
	Legislated Large-scale Renewable Energy Target of 33,000 GWh of eligible renewable electricity generation in 2020 is met.	33,000 GWh of eligible renewable electricity generation in 2020. Results: Achieved
To measure Outputs towards achieving the intended results of Program 2.1, the department will track:		
2021-22	Number of businesses participating in carbon neutral certification.	Year-on-year increase.
To measure Effectiveness in achieving the intended results of Program 2.1, the department will track:		
2021-22	Australia’s emissions and projected emissions are on track to meet international commitments.	Australia meets its international emission reduction commitment targets.
	Legislated Large-scale Renewable Energy Target of 33,000 GWh of eligible renewable electricity generation is met.	33,000 GWh per year
2022-23 and beyond	As per 2021-22	As per 2021-22
Purposes	Reduce Australia’s greenhouse gas emissions, contribute to effective global action on climate change, and support technological innovation in clean and renewable energy, through developing and implementing a national response to climate change.	
Material changes to Program 2.1 resulting from the following measures: Nil		

Program 2.2 – Developing clean energy technology		
Delivery	The objective of this program is to support technological innovation in clean energy to reduce Australia's greenhouse gas emissions. This will support the uptake of priority low emission technologies, including hydrogen, by implementing the Technology Investment Roadmap and the National Hydrogen Strategy, and utilising the Australian Renewable Energy Agency, the Clean Energy Finance Corporation and the Clean Energy Regulator.	
Performance information		
Year	Performance criteria (a)	Actual Achievement/Targets
2020-21	Australian Government expenditure on clean energy research and development.	\$216.0m by 2020-21 Results: Uncertain
To measure Effectiveness towards achieving the intended results of Program 2.2, the department will track:		
2021-22	Australian Government expenditure on low emission technologies and co-financing leveraged.	Leverage \$3-\$5 of new investment for each dollar of Commonwealth funding on average over the decade to 2030.
2022-23 and beyond	As per 2021-22	As per 2021-22
Purposes	Reduce Australia's greenhouse gas emissions, contribute to effective global action on climate change, and support technological innovation in clean and renewable energy, through developing and implementing a national response to climate change	
Material changes to Program 2.2 resulting from the following measures: Nil		

- (a) In line with Department of Finance guidelines, the department's performance measures relate directly to its purposes and key activities, representing a mix of qualitative and quantitative measures that provide a basis for an assessment of outputs, efficiency and effectiveness over time. The department is committed to continuous improvement and any refinements to performance criteria will be reflected in the *2021–22 Corporate Plan*. As a leader in national policy for complex and multi-faceted areas such as the promotion of science, technology, engineering and mathematics (STEM); Australia's resource development potential; supporting a secure, reliable and affordable energy sector; and supporting innovative and competitive businesses, industries and regions, the department has included measures which highlight where Australia, as a nation, stands. While the department contributes significantly to these measures, there are often many other factors at play which may affect the achievement of some of these measures. However, the department believes the measures above are important to track as a means to continually develop and improve its policies for the benefit of all Australians.

2.3 Budgeted expenses and performance for Outcome 3

Outcome 3: Support the affordable, reliable, secure and competitive operation of energy markets for the long term benefit of the Australian community through improving Australia’s energy supply, efficiency, quality, performance and productivity

Linked programs

<p><u>Portfolio agencies</u> Australian Renewable Energy Agency Clean Energy Finance Corporation Clean Energy Regulator Climate Change Authority National Offshore Petroleum Safety and Environmental Management Authority</p>
<p>Programs Australian Renewable Energy Agency <ul style="list-style-type: none"> • Program 1.1 – Australian Renewable Energy Agency Clean Energy Finance Corporation <ul style="list-style-type: none"> • Program 1.1 – Clean Energy Finance Corporation Clean Energy Regulator <ul style="list-style-type: none"> • Program 1.1 – Clean Energy Regulator Climate Change Authority <ul style="list-style-type: none"> • Program 1.1 – Reviewing Climate Change Mitigation Policies National Offshore Petroleum Safety and Environmental Management Authority <ul style="list-style-type: none"> • Program 1 – Regulatory oversight of Safety Cases, Well Operations Management Plans and Environment Plans coupled with effective monitoring, investigation and enforcement </p>
<p>Contribution to Outcome 3 made by linked programs The portfolio agencies’ programs contribute to supporting the affordable, reliable, secure and competitive operation of energy markets for the long term benefit of the Australian community through improving Australia’s energy supply, efficiency, quality, performance and productivity.</p>
<p>Australian Competition and Consumer Commission</p>
<p>Program</p> <ul style="list-style-type: none"> • Program 1.1 – Australian Competition and Consumer Commission • Program 1.2 – Australian Energy Regulator
<p>Contribution to Outcome 3 made by linked programs The Australian Competition and Consumer Commission (ACCC) contributes to affordable, reliable, secure and competitive operations of energy markets by monitoring electricity, gas and fuel prices through public reporting, and through</p>

<p>the authorisation process allowing energy operators to cooperate to ensure reliable supplies during COVID-19. The ACCC and Australian Energy Regulator (AER) also work collaboratively with the department on the implementation and monitoring of energy market policy, including the Consumer Data Right, the Default Market Offer and Big Stick Legislation.</p> <p>The department works collaboratively with the AER by promoting efficient investment in, and efficient operation and use of, energy services for the long-term interests of consumers of energy with respect to price, quality, safety, reliability and security. This includes through the development of consumer services such as the Australian Government energy comparator website, Energy Made Easy. The department facilitates the work streams of the Energy National Cabinet Reform Committee and the Energy Ministers' Meetings in developing electricity, gas and retail rules which the AER is responsible for enforcing.</p>
<p>Department of Foreign Affairs and Trade</p>
<p>Program</p> <ul style="list-style-type: none"> • Program 1.1 – Foreign Affairs and Trade Operations
<p>Contribution to Outcome 3 made by linked programs</p> <p>The Department of Foreign Affairs and Trade (DFAT) provides diplomatic support to the department on matters relating to compliance with the International Energy Agency treaty. DFAT and the department also collaborate on promotion of Australian expertise in energy market regulation and operation.</p>
<p>Department of Home Affairs</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.2 – National Security and Criminal Justice • Program 3.2 – Border Management
<p>Contribution to Outcome 3 made by linked programs</p> <p>The Department of Home Affairs and the department work collaboratively on the operation of energy markets through the implementation and enforcement of the Australian Domestic Gas Security Mechanism. The Department of Home Affairs hosts sector group meetings, contributing to the operations of energy markets by helping manage the risks to Australia's critical energy infrastructure.</p>
<p>Department of Infrastructure, Transport, Regional Development and Communications</p>
<p>Program</p> <ul style="list-style-type: none"> • Program 3.1 – Regional Development
<p>Contribution to Outcome 3 made by linked programs</p> <p>The department works collaboratively with the Department of Infrastructure, Transport, Regional Development and Communications to ensure that accelerated gas exploration and development in the Beetaloo sub-basin in the Northern Territory includes economic opportunities for local Indigenous communities, and considers support from essential service providers, including local government, to</p>

consumers facing hardship.
Department of the Treasury
Program <ul style="list-style-type: none">• Program 1.1 – Department of the Treasury
Contribution to Outcome 3 made by linked programs <p>In response to the Productivity Commission’s Inquiry into Data Availability and Use, the Department of the Treasury (Treasury) supports the operations of energy markets through the development and implementation of a consumer data right, creating legal and governance frameworks to support consumer access to energy data, which will promote new energy services, competition and innovation. Treasury also supports the ongoing implementation of Commonwealth energy market policies, including the Default Market Offer and Big Stick Legislation.</p>

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Program 3.1: Supporting reliable, secure and affordable energy					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)					
Accelerating Critical Gas Infrastructure Projects	–	2,500	2,500	–	–
Boosting Australia's Fuel Security	–	50,000	90,000	60,000	–
Business Energy Advice Program	3,729	3,671	–	–	–
Energy Efficiency Programs	620	620	620	620	620
Energy Efficient Communities Program	19,761	19,984	–	–	–
Energy Use Data Model for Better Forecasting	2,661	2,662	–	–	–
Establish a Renewable Microgrid Incorporating Hydrogen in the Daintree Community	–	750	16,200	1,800	–
Fuel Security Service Payment(a)	–	nfp	nfp	nfp	nfp
Funding for Refinery Upgrades(a)	–	nfp	nfp	nfp	nfp
Further Support for CopperString 2.0 Project (a)	nfp	–	–	–	–
GEMS National Legislative Framework	5,832	5,832	5,832	5,832	5,832
Hotel Energy Uplift Program	10,205	–	–	–	–
Hydrogen Ready Gas Infrastructure Program	–	11,700	7,000	–	–
Implementing the Finkel Review	2,026	–	–	–	–
Improving Cyber Security in the Energy Sector	800	600	–	–	–
International Energy Agency Compliance - Collective Action Response (a)	10,969	nfp	nfp	nfp	nfp
Micro-grids - Regional and Remote Communities	16,138	15,450	8,202	4,297	–
Portland Aluminium Smelter Program	–	–	19,200	19,200	19,200
Powering Communities Program	–	10,228	–	–	–
Supporting Reliable Energy Infrastructure	6,219	400	–	–	–
Supporting the Port Kembla Power Station	5,000	25,000	–	–	–
Temporary Refinery Production Payment Program	41,746	41,746	–	–	–

Table 2.3.1: Budgeted expenses for Outcome 3 (continued)

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Expenses not requiring appropriation in the budget year Interconnector Funding - delivering reliable and affordable energy (a)	nfp	263	-	-	-
Administered Total	125,706	191,406	149,554	91,749	25,652
Departmental expenses					
Departmental appropriation	94,456	95,258	79,422	60,203	55,713
Special accounts	10,631	285	203	-	-
Departmental Total	105,087	95,543	79,625	60,203	55,713
Total expenses for Program 3.1	230,793	286,949	229,179	151,952	81,365
Outcome 3 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	125,706	191,143	149,554	91,749	25,652
Expenses not requiring appropriation in the budget year	-	263	-	-	-
Administered Total	125,706	191,406	149,554	91,749	25,652
Departmental expenses					
Departmental appropriation	94,456	95,258	79,422	60,203	55,713
Special accounts	10,631	285	203	-	-
Departmental Total	105,087	95,543	79,625	60,203	55,713
Total expenses for Outcome 3	230,793	286,949	229,179	151,952	81,365
	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Movement of administered funds between years (b)					
Outcome 3:					
Energy Efficient Communities	(11,455)	11,455	-	-	-
Total movement of administered funds	(11,455)	11,455	-	-	-

	2020-21	2021-22
Average staffing level (number)	275	279

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

(a) The financial impact is not for publication (nfp) due to commercial-in-confidence considerations.

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

Table 2.3.2: Program components of Outcome 3

Outcome 3 programs are not broken down by components; therefore Table 2.3.2 is not presented.

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 2021-22 Budget measures have created new programs or materially changed existing programs.

Outcome 3 – Support the affordable, reliable, secure and competitive operation of energy markets for the long term benefit of the Australian community through improving Australia’s energy supply, efficiency, quality, performance and productivity		
Program 3.1 – Supporting reliable, secure and affordable energy		
Delivery	<p>The objective of this program is to lead energy market reform to support investment and market outcomes in the long term interests of consumers, increase national energy efficiency, and support the security of domestic and international supply chains for electricity, gas and liquid fuel. This will be delivered by:</p> <ul style="list-style-type: none"> • Working with states, territories and industry, to ensure energy affordability, reliability, security and efficiency, including by: <ul style="list-style-type: none"> ○ Increasing competition and consumer empowerment in the energy sector. ○ Improving the stability of the energy system through support for existing generation, investment in energy infrastructure, reforms to National Energy Laws and effective responses to energy emergencies. ○ Encouraging private sector investment in new electricity generation, storage and technology, including new growth opportunities. ○ Strengthening Australia’s liquid fuel security through a market and regulatory framework that increases domestic diesel stocks and supports local refineries. ○ Focusing energy efficiency investment – by governments, business and households – under a set of clearly articulated principles focused on consumer choice, affordability and technology. • Accelerating the development of the wholesale gas market to ensure the affordability of gas through implementing the Government’s Gas-Fired Recovery Plan. 	
Performance information		
Year	Performance criteria (a)	Actual Achievement/Targets
2020-21	Lower energy prices.	<p>Progress towards wholesale price < \$70/MWh in the National Electricity Market.</p> <p>Results: Achieved</p> <p>Domestic gas market prices lower than liquefied natural gas (LNG) netback price.</p> <p>Results: Achieved</p>
	The liquid fuel market is in supply-demand balance.	<p>The Liquid Fuel Emergency Act 1984 is not triggered.</p> <p>Results: On Track</p>
To measure Effectiveness in achieving the intended results of Program 3.1, the department will track:		
2021-22	Lower energy prices.	Progress towards wholesale price < \$70/MWh in the National

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		Electricity Market.
		Domestic gas market prices lower than liquefied natural gas (LNG) netback price.
	The liquid fuel market is in supply-demand balance.	The <i>Liquid Fuel Emergency Act</i> is not triggered.
2022-23 and beyond	As per 2021-22	As per 2021-22
Purposes	Support the affordable, reliable, secure and competitive operation of energy markets for the long-term benefit of the Australian community through improving Australia's energy supply, efficiency, quality, performance and productivity.	
Material changes to Program 3.1 resulting from the following measures: Nil		

- (a) In line with Department of Finance guidelines, the department's performance measures relate directly to its purposes and key activities, representing a mix of qualitative and quantitative measures that provide a basis for an assessment of outputs, efficiency and effectiveness over time. The department is committed to continuous improvement and any refinements to performance criteria will be reflected in the *2021-22 Corporate Plan*. As a leader in national policy for complex and multi-faceted areas such as the promotion of science, technology, engineering and mathematics (STEM); Australia's resource development potential; supporting a secure, reliable and affordable energy sector; and supporting innovative and competitive businesses, industries and regions, the department has included measures which highlight where Australia, as a nation, stands. While the department contributes significantly to these measures, there are often many other factors at play which may affect the achievement of some of these measures. However, the department believes the measures above are important to track as a means to continually develop and improve its policies for the benefit of all Australians.

2.4 Budgeted expenses and performance for Outcome 4

Outcome 4: Facilitate the growth of small and family business

Budgeted expenses for Outcome 4

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. As a result of the amendments to the Administrative Arrangements Orders, which took effect on 15 April 2021, Outcome 4 is now the responsibility of the Department of the Treasury.

Table 2.4.1: Budgeted expenses for Outcome 4

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Program 4.1: Supporting Small Business					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)					
Small Business Support	27,701	–	–	–	–
Expenses not requiring appropriation in the budget year (a)					
Small Business Support	4,000	–	–	–	–
Administered Total	31,701	–	–	–	–
Departmental expenses					
Departmental appropriation	19,566	–	–	–	–
Departmental Total	19,566	–	–	–	–
Total expenses for Program 4.1	51,267	–	–	–	–
Outcome 4 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	27,701	–	–	–	–
Expenses not requiring appropriation in the budget year (a)	4,000	–	–	–	–
Administered Total	31,701	–	–	–	–
Departmental expenses					
Departmental appropriation	19,566	–	–	–	–
Departmental Total	19,566	–	–	–	–
Total expenses for Outcome 4	51,267	–	–	–	–
	2020-21	2021-22			
Average staffing level (number)	69	–			

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

(a) Expenses not requiring appropriation in the Budget year reflect expenses funded by appropriations in the previous budget years under ordinary annual services (Appropriation Bill No. 1).

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021-22 budget year, including the impact of Budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

Departmental Financial Statements

Budgeted Departmental Income Statement

The statement shows the estimated net cost of services for the department.

The budgeted net cost to the department for delivering its programs in 2021-22 is \$646.5 million.

Expenses

Total departmental expenses budgeted for in 2021-22 are \$726.1 million, comprising \$373.0 million for employee expenses, \$275.1 million for suppliers, \$67.0 million for depreciation and amortisation, \$7.2 million for grants and \$3.7 million for finance costs.

Income

Total departmental own-source income budgeted for in 2021-22 is \$78.9 million, comprising \$73.2 million from sales of goods and rendering of services and \$5.8 million from other independent sources.

Revenue from government for 2021-22 is budgeted at \$609.8 million.

Budgeted Departmental Balance Sheet

The statement shows the estimated end of year position for departmental assets and liabilities.

Assets

Total departmental assets budgeted for 2021-22 are \$675.9 million, comprising \$525.2 million non-financial assets and \$150.7 million financial assets.

Non-financial assets include \$368.7 million for land and buildings, \$109.2 million for intangibles, \$39.8 million for property, plant and equipment, \$2.2 million for inventories, and \$5.3 million in other assets. Financial assets consist of \$122.7 million for receivables, \$27.8 million for cash, and \$0.2 million in other financial assets.

Liabilities

Total departmental liabilities budgeted for in 2021-22 are \$462.2 million, comprising \$275.6 million in interest-bearing liabilities, \$137.7 million in provisions and \$48.9 million in payables.

Statement of Changes in Equity – Summary of movement

The statement shows the expected movement of equity during the budget year.

Budgeted Departmental Statement of Cash Flows

The statement provides information on estimates of the extent and nature of cash flows by categorising the expected cash flows against operating, investing and financing activities.

Administered Financial Statements

Schedule of Budgeted Income and Expenses

The schedule shows the estimated income and expenses for programs administered by the department on behalf of the government.

Expenses

Total administered expenses budgeted for in 2021-22 are \$4.5 billion, represented by \$1.7 billion in payments to corporate entities, \$1.5 billion in grants, \$514.6 million in suppliers and depreciation, \$504.1 million in finance costs, \$227.2 million in subsidies, \$15.5 million in write-downs and impairments and \$7.8 million in employee benefits.

Income

Total administered income budgeted for in 2021-22 is \$840.5 million, represented by \$514.8 million in royalties, \$192.6 million in dividends, \$67.4 million in interest, \$62.4 million in fees and \$2.9 million in other revenue.

Schedule of Budgeted Assets and Liabilities

The schedule shows the estimated end of year position for assets and liabilities administered by the department on behalf of the government.

Assets

Total administered assets budgeted for in 2021-22 are \$27.3 billion, represented by \$20.3 billion in investments, \$6.8 billion in cash and receivables, \$115.4 million in non-financial assets and \$43.0 million in other financial assets.

Liabilities

Total administered liabilities budgeted for in 2021-22 are \$1.3 billion, represented by \$728.4 million in provisions, \$539.2 million in payables and \$4.1 million in interest-bearing liabilities.

Schedule of Budget Administered Cash Flows

The schedule shows the estimated cash receipts and payments administered by the department on behalf of the government.

3.2 Budgeted financial statements tables

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
EXPENSES					
Employee benefits	399,058	373,000	362,431	353,576	352,591
Suppliers	273,116	275,134	239,913	185,328	153,738
Grants	6,930	7,200	7,308	5,500	5,550
Depreciation and amortisation	67,025	66,999	67,594	67,099	67,099
Finance costs	3,700	3,663	3,343	2,947	2,947
Other expenses	140	140	140	140	140
Total expenses	749,969	726,136	680,729	614,590	582,065
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	83,818	73,160	62,082	57,637	54,497
Other revenue	12,206	5,786	5,979	5,311	5,311
Total own-source revenue	96,024	78,946	68,061	62,948	59,808
Gains					
Other gains	665	670	675	680	680
Total gains	665	670	675	680	680
Total own-source income	96,689	79,616	68,736	63,628	60,488
Net (cost of)/contribution by services	(653,280)	(646,520)	(611,993)	(550,962)	(521,577)
Revenue from Government	602,965	609,757	575,208	515,432	486,047
Surplus/(deficit) attributable to the Australian Government	(50,315)	(36,763)	(36,785)	(35,530)	(35,530)
OTHER COMPREHENSIVE INCOME					
Total other comprehensive income	-	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	(50,315)	(36,763)	(36,785)	(35,530)	(35,530)

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**

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU assets, principal repayments on leased assets	(13,644)	260	200	-	-
plus: depreciation/amortisation expenses previously funded through revenue appropriations (a)	(32,781)	(32,781)	(32,781)	(32,781)	(32,781)
plus: depreciation/amortisation expenses for ROU assets (b)	(34,244)	(34,218)	(34,813)	(34,318)	(34,318)
less: principal repayments on leased assets (b)	(30,354)	(29,976)	(30,609)	(31,569)	(31,569)
Total comprehensive income/(loss) - as per the statement of comprehensive income	(50,315)	(36,763)	(36,785)	(35,530)	(35,530)

Prepared on Australian Accounting Standards basis.

- (a) From 2010-11, the Government introduced the net cash appropriation arrangement that provided Non-corporate Commonwealth entities with a separate Departmental Capital Budget (DCB) under Appropriation Act (No.1) or Bill (No. 3). This replaced revenue appropriations provided under Appropriation Act (No.1) or Bill (No.3) used for depreciation/amortisation expenses. For information regarding DCB, refer to Table 3.5 Departmental Capital Budget Statement.
- (b) Applies leases under AASB 16 Leases.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	27,928	27,763	27,801	27,815	27,853
Trade and other receivables	122,990	122,696	122,858	122,844	122,806
Accrued Revenue	241	241	241	241	241
Total financial assets	151,159	150,700	150,900	150,900	150,900
Non-financial assets					
Land and buildings	384,074	368,735	336,250	299,727	263,189
Property, plant and equipment	47,817	39,802	33,469	27,838	22,223
Intangibles	77,062	109,215	130,960	141,143	149,724
Inventories	2,179	2,179	2,179	2,179	2,179
Other non-financial assets	5,264	5,264	5,264	5,264	5,264
Total non-financial assets	516,396	525,195	508,122	476,151	442,579
Total assets	667,555	675,895	659,022	627,051	593,479
LIABILITIES					
Payables					
Suppliers	30,181	30,181	30,181	30,181	30,181
Grants	587	587	587	587	587
Other payables	18,166	18,166	18,166	18,166	18,166
Total payables	48,934	48,934	48,934	48,934	48,934
Interest bearing liabilities					
Leases	286,476	275,613	249,344	217,807	186,238
Total interest bearing liabilities	286,476	275,613	249,344	217,807	186,238
Provisions					
Employee provisions	134,662	134,662	134,662	134,662	134,662
Other provisions	3,040	3,040	3,040	3,040	3,040
Total provisions	137,702	137,702	137,702	137,702	137,702
Total liabilities	473,112	462,249	435,980	404,443	372,874
Net assets	194,443	213,646	223,042	222,608	220,605
EQUITY*					
Parent entity interest					
Contributed equity	604,851	660,817	706,998	742,094	775,621
Reserves	19,803	19,803	19,803	19,803	19,803
Retained surplus (accumulated deficit)	(430,211)	(466,974)	(503,759)	(539,289)	(574,819)
Total parent entity interest	194,443	213,646	223,042	222,608	220,605
Total equity	194,443	213,646	223,042	222,608	220,605

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 2021-22)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2021					
Balance carried forward from previous period	(430,211)	19,803	–	604,851	194,443
Adjusted opening balance	(430,211)	19,803	–	604,851	194,443
Comprehensive income					
Surplus/(deficit) for the period	(36,763)	–	–	–	(36,763)
Total comprehensive income	(36,763)	–	–	–	(36,763)
of which:					
Attributable to the Australian Government	(36,763)	–	–	–	(36,763)
Transactions with owners					
Contributions by owners					
Equity injection – Appropriation	–	–	–	28,534	28,534
Departmental Capital Budget	–	–	–	27,432	27,432
Subtotal transactions with owners	–	–	–	55,966	55,966
Estimated closing balance as at 30 June 2022	(466,974)	19,803	–	660,817	213,646
Closing balance attributable to the Australian Government	(466,974)	19,803	–	660,817	213,646

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	697,900	682,492	637,128	573,083	540,582
Sale of goods and rendering of services	83,818	73,160	62,082	57,637	54,497
Net GST received	28,213	19,709	17,756	15,630	12,911
Other	12,206	5,786	5,979	5,311	5,311
Total cash received	822,137	781,147	722,945	651,661	613,301
Cash used					
Employees	399,058	373,000	362,431	353,576	352,591
Suppliers	300,664	294,173	256,994	200,278	165,969
Grants	6,930	7,200	7,308	5,500	5,550
s74 External Revenue transferred to the OPA	83,818	73,160	62,082	57,637	54,497
Interest payments on lease liability	3,700	3,663	3,343	2,947	2,947
Other	140	140	140	140	140
Total cash used	794,310	751,336	692,298	620,078	581,694
Net cash from/(used by) operating activities	27,827	29,811	30,647	31,583	31,607
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant, equipment and intangibles	48,381	56,685	46,181	35,096	33,527
Total cash used	48,381	56,685	46,181	35,096	33,527
Net cash from/(used by) investing activities	(48,381)	(56,685)	(46,181)	(35,096)	(33,527)

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
FINANCING ACTIVITIES					
Cash received					
Appropriations – contributed equity	45,464	56,685	46,181	35,096	33,527
Total cash received	45,464	56,685	46,181	35,096	33,527
Cash used					
Principal payments on lease liability	30,354	29,976	30,609	31,569	31,569
Total cash used	30,354	29,976	30,609	31,569	31,569
Net cash from/(used by) financing activities	15,110	26,709	15,572	3,527	1,958
Net increase/(decrease) in cash held	(5,444)	(165)	38	14	38
Cash and cash equivalents at the beginning of the reporting period	33,372	27,928	27,763	27,801	27,815
Cash and cash equivalents at the end of the reporting period	27,928	27,763	27,801	27,815	27,853

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Departmental capital budget – Appropriation Bill No. 1	29,119	27,432	30,287	28,072	28,181
Equity injections – Appropriation Bill No. 2	14,884	28,534	15,894	7,024	5,346
Total new capital appropriations	44,003	55,966	46,181	35,096	33,527
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	<i>44,003</i>	<i>55,966</i>	<i>46,181</i>	<i>35,096</i>	<i>33,527</i>
Total Items	44,003	55,966	46,181	35,096	33,527
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	13,995	29,253	15,894	7,024	5,346
Funded by capital appropriations – departmental capital budget (b)	31,469	27,432	30,287	28,072	28,181
Funded internally from departmental resources (c)	2,917	–	–	–	–
TOTAL	48,381	56,685	46,181	35,096	33,527
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	48,509	75,798	50,521	35,128	33,527
less: ROU Additions	128	19,113	4,340	32	–
Total cash used to acquire assets	48,381	56,685	46,181	35,096	33,527

Prepared on Australian Accounting Standards basis.

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

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

(c) Funded from s74 External Revenue.

Table 3.6: Statement of asset movements (Budget year 2021-22)

	Buildings	Other property, plant & equipment	Computer software and Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2021				
Gross book value	113,680	76,031	184,585	374,296
Gross book value - ROU assets	341,725	3,515	–	345,240
Accumulated depreciation/ amortisation and impairment	(7,533)	(30,094)	(107,523)	(145,150)
Accumulated depreciation/ amortisation and impairment - ROU assets	(63,798)	(1,635)	–	(65,433)
Opening net book balance	384,074	47,817	77,062	508,953
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	5,651	3,157	47,877	56,685
By purchase - other - ROU assets	19,113	–	–	19,113
Total additions	24,764	3,157	47,877	75,798
Other movements				
Depreciation/amortisation expense	(6,706)	(10,351)	(15,724)	(32,781)
Depreciation/amortisation on ROU assets	(33,397)	(821)	–	(34,218)
Total other movements	(40,103)	(11,172)	(15,724)	(66,999)
As at 30 June 2022				
Gross book value	119,331	79,188	232,462	430,981
Gross book value - ROU assets	360,838	3,515	–	364,353
Accumulated depreciation/ amortisation and impairment	(14,239)	(40,445)	(123,247)	(177,931)
Accumulated depreciation/ amortisation and impairment - ROU assets	(97,195)	(2,456)	–	(99,651)
Closing net book balance	368,735	39,802	109,215	517,752

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injections provided through Appropriation Bill (No. 2) 2021-22 and to funding provided through Appropriation Bill (No. 1) 2021-22 for the Departmental Capital Budget.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
EXPENSES					
Employee benefits	7,160	7,788	7,784	7,823	7,975
Suppliers	289,718	512,754	262,490	207,377	187,502
Fees	40	40	40	40	40
Subsidies	20,187	227,187	218,308	183,813	148,436
Finance costs	657,658	504,079	266,959	262,438	194,913
Grants	719,159	1,500,646	1,517,057	1,363,507	616,204
Depreciation and amortisation	2,740	1,858	2,072	1,959	1,784
Write-down and impairment of assets	3,647	15,544	21,274	17,586	11,263
Payments to corporate Commonwealth entities	1,564,496	1,686,914	1,500,076	1,472,968	1,407,613
Other expenses	578,272	–	–	–	–
Total expenses administered on behalf of Government	3,843,077	4,456,810	3,796,060	3,517,511	2,575,730
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Taxation revenue					
Indirect tax	550	550	550	550	550
Total taxation revenue	550	550	550	550	550
Non-taxation revenue					
Fees from regulatory services	46,074	47,091	49,670	49,154	49,963
Fees	21,114	15,280	10,100	9,907	7,179
Interest	25,512	67,398	123,009	174,487	200,316
Dividends	122,677	192,598	195,000	243,000	296,000
Royalties	553,009	514,753	499,141	479,075	391,014
Other non-taxation revenue	1,197	2,854	11,680	1,151	1,168
Total non-taxation revenue	769,583	839,974	888,600	956,774	945,640

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Total own-source revenue administered on behalf of Government	770,133	840,524	889,150	957,324	946,190
Gains					
Other Gains	125,000	–	–	–	53
Total gains administered on behalf of government	125,000	–	–	–	53
Total income	895,133	840,524	889,150	957,324	946,243
Net (cost of)/ contribution by services	(2,947,944)	(3,616,286)	(2,906,910)	(2,560,187)	(1,629,487)
OTHER COMPREHENSIVE INCOME					
Total other comprehensive income	–	–	–	–	–
Total comprehensive income/(loss)	(2,947,944)	(3,616,286)	(2,906,910)	(2,560,187)	(1,629,487)

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
ASSETS					
Financial assets					
Cash in special accounts	6,057,481	5,770,195	5,457,633	5,331,276	5,235,742
Receivables	543,114	1,058,275	1,785,197	2,400,813	2,657,917
Other investments	19,567,975	20,289,128	20,852,868	21,207,139	21,566,315
Accrued revenue	48,495	42,971	41,595	39,923	32,585
Total financial assets	26,217,065	27,160,569	28,137,293	28,979,151	29,492,559
Non-financial assets					
Land and buildings	3,156	7,104	5,631	4,231	2,933
Property, plant and equipment	188	113	600	412	226
Intangibles	3,875	5,092	5,698	6,327	6,777
Inventories	102,754	102,754	102,754	102,754	102,754
Prepayments	351	351	351	351	351
Total non-financial assets	110,324	115,414	115,034	114,075	113,041
Total assets administered on behalf of Government	26,327,389	27,275,983	28,252,327	29,093,226	29,605,600
LIABILITIES					
Payables					
Suppliers	25,951	25,951	25,951	25,951	25,951
Grants	31,613	40,376	30,113	30,113	30,113
Other payables	578,310	472,841	363,454	239,116	114,946
Total payables	635,874	539,168	419,518	295,180	171,010
Interest bearing liabilities					
Leases	1,363	4,131	3,113	2,061	961
Total interest bearing liabilities	1,363	4,131	3,113	2,061	961
Provisions					
Employee provisions	2,133	2,133	2,133	2,133	2,133
Loan commitment provision	635,723	726,260	402,144	190,558	104,758
Total provisions	637,856	728,393	404,277	192,691	106,891
Total liabilities administered on behalf of Government	1,275,093	1,271,692	826,908	489,932	278,862
Net assets/(liabilities)	25,052,296	26,004,291	27,425,419	28,603,294	29,326,738

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Interest	1,728	6,970	8,402	44,263	87,784
Dividends	122,677	192,598	195,000	243,000	296,000
Fees	18,804	12,960	7,780	7,587	4,842
Royalties	542,158	520,277	500,517	480,747	398,352
Net GST received	100,907	175,203	150,406	116,367	58,922
Other	18,807	18,493	20,288	20,022	20,056
Levy receipts	34,191	34,572	33,669	33,153	33,962
Total cash received	839,272	961,073	916,062	945,139	899,918
Cash used					
Suppliers	322,305	566,899	285,124	219,573	199,752
Grants	792,240	1,613,231	1,644,869	1,467,718	662,916
Employees	7,160	7,788	7,784	7,823	7,975
Subsidies paid	32,277	227,187	218,308	183,813	148,436
Payments to corporate entities	1,564,496	1,686,914	1,500,076	1,472,968	1,407,613
Interest payments on lease liability	19	37	30	25	20
Other	8,835	110,500	113,499	127,500	126,250
Total cash used	2,727,332	4,212,556	3,769,690	3,479,420	2,552,962
Net cash from/(used by) operating activities	(1,888,060)	(3,251,483)	(2,853,628)	(2,534,281)	(1,653,044)
INVESTING ACTIVITIES					
Cash received					
Repayments of loans and advances	–	36,265	13,268	16,120	153,743
Interest	2,216	1,434	1,138	833	491
Other (a)	640,000	500,000	300,000	650,000	300,000
Total cash received	642,216	537,699	314,406	666,953	454,234
Cash used					
Advances and loans made	233,683	916,450	1,234,928	990,768	588,629
Investments	793,444	400,000	250,000	150,000	100,000
Purchase of property, plant, equipment and intangibles	105,783	3,195	1,692	1,000	750
Investments in Corporate Commonwealth Entities	576,895	866,830	648,672	916,269	524,389
Total cash used	1,709,805	2,186,475	2,135,292	2,058,037	1,213,768
Net cash from/(used by) investing activities	(1,067,589)	(1,648,776)	(1,820,886)	(1,391,084)	(759,534)

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	955	985	1,018	1,052	1,100
Total cash used	955	985	1,018	1,052	1,100
Net cash from/(used by) financing activities	(955)	(985)	(1,018)	(1,052)	(1,100)
Net increase/ (decrease) in cash held	(2,956,604)	(4,901,244)	(4,675,532)	(3,926,417)	(2,413,678)
Cash and cash equivalents at beginning of reporting period	5,966,292	6,057,481	5,770,195	5,457,633	5,331,276
Cash from Official Public Account for:					
Appropriations	2,829,990	4,796,818	4,825,242	4,310,702	3,040,513
Appropriation - Administered assets and liabilities	902,327	582,795	265,000	265,000	230,000
Equity appropriation - corporate entities	36,895	41,830	33,672	51,269	24,389
GST appropriations	100,907	175,203	150,406	116,367	58,922
Total cash from Office Public Account	3,870,119	5,596,646	5,274,320	4,743,338	3,353,824
Cash to Official Public Account for:					
Appropriations	(721,419)	(807,485)	(760,944)	(826,911)	(976,758)
GST appropriations	(100,907)	(175,203)	(150,406)	(116,367)	(58,922)
Total cash to Official Public Account	(822,326)	(982,688)	(911,350)	(943,278)	(1,035,680)
Cash and cash equivalents at end of reporting period	6,057,481	5,770,195	5,457,633	5,331,276	5,235,742

Prepared on Australian Accounting Standards basis.

(a) Return of funds to the Clean Energy Finance Corporation Special Account.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Administered Assets and Liabilities – Act 2 and Bill 4	896,754	432,795	150,000	50,000	–
Total new capital appropriations	896,754	432,795	150,000	50,000	–
<i>Provided for:</i>					
<i>Purchase of non-financial assets (a)</i>	104,666	795	–	–	–
<i>Other Items</i>	792,088	432,000	150,000	50,000	–
Total Items	896,754	432,795	150,000	50,000	–
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	104,383	795	–	–	–
Funded by special accounts	1,400	2,400	1,692	1,000	750
TOTAL	105,783	3,195	1,692	1,000	750
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	105,783	6,948	1,692	1,000	750
less ROU additions	–	3,753	–	–	–
Total cash used to acquire assets	105,783	3,195	1,692	1,000	750

Prepared on Australian Accounting Standards basis.

(a) Purchase of non-financial assets includes purchase of inventory.

Table 3.11: Statement of administered asset movements (2021-22 Budget year)

	Land	Buildings	Other property, plant & equipment	Computer software and Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2021					
Gross book value	1,260	1,196	1,090	14,039	17,585
Gross book value - ROU assets	–	3,216	–	–	3,216
Accumulated depreciation/amortisation and impairment	–	(636)	(902)	(10,164)	(11,702)
Accumulated depreciation/amortisation and impairment - ROU assets	–	(1,880)	–	–	(1,880)
Opening net book balance	1,260	1,896	188	3,875	7,219
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
By purchase – appropriation equity (a)	–	–	–	795	795
By purchase – other - special account	–	1,400	–	1,000	2,400
By purchase – other - ROU assets	–	3,753	–	–	3,753
Total additions	–	5,153	–	1,795	6,948
Other movements					
Depreciation/amortisation expense	–	(265)	(75)	(578)	(918)
Depreciation/amortisation on ROU assets	–	(940)	–	–	(940)
Total other movements	–	(1,205)	(75)	(578)	(1,858)
As at 30 June 2022					
Gross book value	1,260	2,596	1,090	15,834	20,780
Gross book value - ROU	–	6,969	–	–	6,969
Accumulated depreciation/amortisation and impairment	–	(901)	(977)	(10,742)	(12,620)
Accumulated depreciation/amortisation and impairment - ROU assets	–	(2,820)	–	–	(2,820)
Closing net book balance	1,260	5,844	113	5,092	12,309

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to Administered Assets and Liabilities appropriations provided through Appropriation Bill (No.2) 2021-22.

Australian Institute of Marine Science

Entity resources and planned performance

Australian Institute of Marine Science

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Australian Institute of Marine Science

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Australian Institute of Marine Science (AIMS) is a Corporate Commonwealth entity established by the *Australian Institute of Marine Science Act 1972* (AIMS Act).

The mission of AIMS is to provide the research and knowledge of Australia's tropical marine estate required to support growth in its sustainable use, effective environmental management and protection of its unique ecosystems.

In pursuing its mission, AIMS deploys its core research capabilities and infrastructure, and establishes strategic collaborative partnerships with government, industry, research and traditional owner stakeholders to deliver 3 key long-term impacts for the nation:

- Improved health and resilience of marine and coastal ecosystems across northern Australia.
- Economic, social and environmental net benefits for marine industries and coastal communities.
- Protection of coral reefs and other tropical marine environments from the effects of climate change.

In 2021-22, AIMS will focus on delivering 9 research outcomes:

- Baseline, status and trend data that are the trusted information base for stakeholder decisions.
- More information for stakeholders produced through autonomous and automated technologies and processes.
- Science that underpins conservation and management of threatened and endangered marine species.
- Models of environmental condition and function that are used to manage tropical marine ecosystems.
- Improved tropical marine ecosystem health via AIMS' solutions that mitigate local, regional and cumulative pressures.

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- Future coral reef condition forecasts based on knowledge of recovery, acclimatisation and adaptation.
- Restoration science and scalable technologies that help coral reefs resist, adapt to, and recover from climate change impacts.
- Advanced data analysis workflows and knowledge delivery systems that improve stakeholder use of AIMS information.
- Decision support tools that are used by stakeholders for management decisions and policies.

In addition, AIMS will:

- Act as the managing entity and undertake research, in conjunction with consortium partners, to progress the Reef Restoration and Adaptation Program (RRAP), which is focused on developing and deploying options for coral reef recovery, restoration and adaptation technologies for coral reefs threatened by climate change and will inform future approaches and investment in reef restoration and adaptation.
- Expand a growing body of publicly available data and information.
- Establish and maintain national and international research collaborations with government, industry, research and traditional owner partners to leverage investment, ensure uptake of research, and promote outcomes enhancing Australia's role in supporting regional blue economies and the sustainable use, management and protection of marine ecosystems.
- Optimise the use of its world-class research infrastructure (vessels, aquaria, ocean monitoring equipment and laboratories) to support research conducted by AIMS and research collaborators.

These activities will help Australia achieve:

- A healthy, resilient Great Barrier Reef.
- Sustainable coastal ecosystems and industries across tropical Australia.
- Environmentally sustainable offshore oil and gas development.

1.2 Entity resource statement

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

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

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

Table 1.1: AIMS resource statement – Budget estimates for 2021-22 as at Budget May 2021

	<i>2020-21 Estimated actual \$'000</i>	<i>2021-22 Estimate \$'000</i>
Opening balance/cash reserves at 1 July	40,228	32,844
Funds from Government		
Annual appropriations - ordinary annual services (a) (b)		
Outcome 1	45,218	45,548
Total annual appropriations	45,218	45,548
Total funds from Government	45,218	45,548
Funds from other sources		
Interest	595	611
Sale of goods and services	18,587	31,230
Other	232	176
Total funds from other sources	19,414	32,017
Total net resourcing for AIMS	104,860	110,409
	<i>2020-21</i>	<i>2021-22</i>
Average staffing level (number)	240	300

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

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

(a) Appropriation Bill (No. 1) 2021-22.

(b) AIMS is not directly appropriated as it is a Corporate Commonwealth entity. Appropriations are made to the Department of Industry, Science, Energy and Resources and are then paid to AIMS and are considered departmental for all purposes.

1.3 Budget measures

There are no new Budget measures relating to AIMS detailed in Budget Paper No. 2; therefore Table 1.2 is not presented.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance 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 a complete picture of an entity's planned and actual performance.

The most recent corporate plan for AIMS can be found at:
<https://www.aims.gov.au/publications.html>

The most recent annual performance statement can be found at:
<https://www.aims.gov.au/docs/publications/annual-reports.html>

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Growth of knowledge to support protection and sustainable development of Australia's marine resources through innovative marine science and technology

Linked programs

Department of Industry, Science, Energy and Resources
Program
<ul style="list-style-type: none"> Program 1.1 – Investing in science, technology and commercialisation
Contribution to Outcome 1 made by linked programs
The Department of Industry, Science, Energy and Resources contributes to Outcome 1 through its policies and programs supporting science and commercialisation.
Department of Education, Skills and Employment
Program
<ul style="list-style-type: none"> Program 2.6 – Research Capacity
Contribution to Outcome 1 made by linked programs
The Department of Education, Skills and Employment contributes to Outcome 1 through its policies and programs to invest in Australia's research capacity, including the National Collaborative Research Infrastructure Strategy.
Department of the Agriculture, Water and the Environment
Program
<ul style="list-style-type: none"> Program 1.1 – Sustainable Management of Natural Resources and the Environment
Contribution to Outcome 1 made by linked programs
The Department of Agriculture, Water and the Environment, Great Barrier Reef Marine Park Authority and AIMS are partners in the implementation of the Reef 2050 Plan to protect and conserve the Great Barrier Reef.

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: Growth of knowledge to support protection and sustainable development of Australia's marine resources through innovative marine science and technology

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Program 1: Marine Research					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	45,218	45,548	46,046	46,512	46,984
Expenses not requiring appropriation in the budget year (a)	9,801	8,474	9,542	8,950	6,366
Revenues from other independent sources	25,002	32,996	34,971	40,837	42,255
Total expenses for Program 1	80,021	87,018	90,559	96,299	95,605
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	45,218	45,548	46,046	46,512	46,984
Expenses not requiring appropriation in the budget year (a)	9,801	8,474	9,542	8,950	6,366
Revenues from other independent sources	25,002	32,996	34,971	40,837	42,255
Total expenses for Outcome 1	80,021	87,018	90,559	96,299	95,605
	2020-21	2021-22			
Average staffing level (number)	240	300			

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

(a) Expenses not requiring appropriation in the Budget year are made up depreciation / amortisation expenses and other expenses funded from cash reserves.

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2021-22 Budget measures have created new programs or materially changed existing programs.

Outcome 1 – Growth of knowledge to support protection and sustainable development of Australia’s marine resources through innovative marine science and technology		
Program 1 – Marine Research		
This program contributes to the outcome by providing research services focused on supporting the sustainable development of Australia’s marine estate by industry, while ensuring the protection of high value marine and coastal ecosystems through effective environmental management. The program delivers knowledge to a broad range of stakeholders including relevant Australian Government and state/territory government ministers, departments and agencies, marine industries particularly within the oil and gas, port and tourism sectors, domestic and international science communities, traditional owners and the public.		
Delivery	AIMS delivers Program 1 by providing: <ul style="list-style-type: none"> • Baseline, status and trend data that are the trusted information base for stakeholder decisions. • More information for stakeholders produced through autonomous and automated technologies and processes. • Science that underpins conservation and management of threatened and endangered marine species. • Models of environmental condition and function that are used to manage tropical marine ecosystems. • Improved tropical marine ecosystem health via AIMS’ solutions that mitigate local, regional and cumulative pressures. • Future coral reef condition forecasts based on knowledge of recovery, acclimatisation and adaptation. • Restoration science and scalable technologies that help coral reefs resist, adapt to, and recover from climate change impacts. • Advanced data analysis workflows and knowledge delivery systems that improve stakeholder use of AIMS information. • Decision support tools that are used by stakeholders for management decisions and policies. 	
Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020-21	AIMS research creates a positive triple bottom line contribution (impact value) to Australia.	On track
	Deliver strategic and applied research and monitoring that addresses national research priorities and stakeholder needs.	On track
	Maintain or increase current standings for scientific excellence, innovation and impact.	On track
	Deliver research advice and scientific products that are critical for stakeholders to assess the impacts of natural and human pressures on sensitive marine ecosystems.	On track
	Increase research capability, capacity, impact and science diplomacy through participation in key advisory panels and committees,	On track

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	formal national and international collaborations, joint ventures, partnerships and strategic alliances.	
	Improve research outcomes and impact through increased traditional owner partnerships in the planning and delivery of coastal research and development.	On track
	Reduce AIMS' environmental footprint.	On track
	Optimise use of research infrastructure assets.	At risk. Operational constraints due to COVID-19 reduced utilisation of the research vessels. This impact was partially offset by mitigating measures, including isolation and COVID testing for vessel and scientific crew prior to selected field trips.
2021-22	AIMS research creates a positive triple bottom line contribution (impact value) to Australia.	Minimum 2 case studies.
	Deliver strategic and applied research and monitoring that addresses national research priorities and stakeholder needs.	Maintain or increase the amount of research commissioned by stakeholders.
	Maintain or increase current standings for scientific excellence, innovation and impact.	Maintain acknowledged domestic and global high standing in relevant fields of research, and confidence of key stakeholders in research outputs.
	Deliver research advice and scientific products that are critical for stakeholders to assess the impacts of natural and human pressures on sensitive marine ecosystems.	Maintain or increase the number of peer-reviewed publications and other knowledge products and make datasets or data products publicly available.
	Increase research capability, capacity, impact and science diplomacy through participation in key advisory panels and committees, formal national and international collaborations, joint ventures, partnerships and strategic alliances.	Maintain or increase number and scale of domestic and international research partnerships, collaborations, joint ventures and strategic alliances. Maintain or increase participation by AIMS on advisory panels and committees.
	Improve research outcomes and impact through increased traditional owner partnerships in the planning and delivery of coastal research and development.	Increase the percentage of projects with indigenous engagement in the planning and delivery phases.
	Reduce AIMS' environmental footprint.	20% reduction in AIMS' carbon emissions compared with 2017-18. 15% reduction in AIMS' waste to landfill compared with 2018-19.
	Optimise use of research infrastructure assets.	Maintain or increase use of research infrastructure.

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2022-23 and beyond	As per 2021-22	As per 2021-22
Purposes	To provide the research and knowledge of Australia's tropical marine estate required to support growth in its use, effective environmental management and protection of its unique ecosystems.	
Material changes to Program 1 resulting from the following measures: Nil		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021-22 Budget year, including the impact of Budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

AIMS' budget statements have been prepared on an accrual accounting basis, having regard to the Statement of Accounting concepts, and in accordance with:

- Finance Reporting Rules (FRR)
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB).

Budgeted Departmental Income Statement

The income statement shows the estimated net cost of services for AIMS.

AIMS is projecting a loss of \$8.4 million in 2021-22. The losses include unfunded depreciation expenses relating to assets for which capital was previously provided by the Government plus additional operational costs relating to strategic projects and increased suppliers and wages costs.

Sales of goods and rendering of services represent co-investments and fees for services contracts with external organisations and companies. The figures provided for sales of goods and services are estimates based on thorough market analysis; however, these may vary with changes to economic conditions including impacts of COVID-19.

Budgeted Departmental Balance Sheet

This statement shows the estimated financial position for AIMS at the end of each financial year.

Equity is expected to decrease across the remainder of the forward estimates, reflecting the change in the accumulated deficits in relation to the approved operating losses.

Budgeted Departmental Statement of Cash Flows

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

AIMS' level of cash flow over the years is declining in line with the losses in the income statement.

Budgeted Departmental Capital Expenditure Statement

The budgeted internal funded capital expenditure relates to expenditure occurring in construction of new buildings, infrastructure, and purchase of plant and equipment, including information technology related assets.

3.2 Budgeted financial statements tables

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
EXPENSES					
Employee benefits	35,765	38,220	38,760	39,210	37,951
Suppliers	31,330	35,484	38,267	43,367	43,201
Depreciation and amortisation	12,817	13,208	13,450	13,593	14,326
Finance costs	19	18	17	16	15
Losses from asset sales	90	88	65	113	112
Total expenses	80,021	87,018	90,559	96,299	95,605
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	23,802	31,946	33,921	39,787	41,205
Interest	650	650	650	650	650
Other	550	400	400	400	400
Total own-source revenue	25,002	32,996	34,971	40,837	42,255
Gains					
Sale of assets	90	88	65	113	112
Total gains	90	88	65	113	112
Total own-source income	25,092	33,084	35,036	40,950	42,367
Net (cost of)/contribution by services	(54,929)	(53,934)	(55,523)	(55,349)	(53,238)
Revenue from Government	45,218	45,548	46,046	46,512	46,984
Surplus/(deficit) attributable to the Australian Government	(9,711)	(8,386)	(9,477)	(8,837)	(6,254)
Total comprehensive income/(loss)	(9,711)	(8,386)	(9,477)	(8,837)	(6,254)
Total comprehensive income/(loss) attributable to the Australian Government	(9,711)	(8,386)	(9,477)	(8,837)	(6,254)

Note: Impact of net cash appropriation arrangements

Total comprehensive income/(loss) less depreciation/amortisation expenses previously funded through revenue appropriations	(9,623)	(8,298)	(9,387)	(8,745)	(6,163)
plus: depreciation/amortisation expenses for ROU (a)	51	51	51	51	51
less: principal repayments on leased assets (a)	(37)	(37)	(39)	(41)	(40)
Total comprehensive income/(loss) - as per the Statement of comprehensive income	(9,711)	(8,386)	(9,477)	(8,837)	(6,254)

Prepared on Australian Accounting Standards basis.

a) Applies leases under AASB 16 Leases.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	250	250	250	250	50
Trade and other receivables	4,591	6,143	6,562	7,677	7,857
Other investments	32,594	30,125	23,153	18,937	23
Other financial assets	3,100	4,161	4,418	5,182	5,289
Total financial assets	40,535	40,679	34,383	32,046	13,219
Non-financial assets					
Land and buildings	92,600	89,524	91,071	90,805	95,299
Property, plant and equipment	46,938	45,135	42,579	39,440	43,201
Intangibles	3,882	3,462	3,106	2,894	2,561
Inventories	244	277	299	340	367
Other non-financial assets	3,635	3,694	3,694	3,792	3,817
Total non-financial assets	147,299	142,092	140,749	137,271	145,245
Total assets	187,834	182,771	175,132	169,317	158,464
LIABILITIES					
Payables					
Suppliers	5,444	6,188	6,681	7,587	5,470
Other payables	4,519	6,065	6,440	7,554	7,710
Total payables	9,963	12,253	13,121	15,141	13,180
Interest bearing liabilities					
Leases (a)	819	782	743	702	662
Total interest bearing liabilities	819	782	743	702	662
Provisions					
Employee provisions	14,383	15,419	16,421	17,457	14,849
Other provisions	481	515	522	529	539
Total provisions	14,864	15,934	16,943	17,986	15,388
Total liabilities	25,646	28,969	30,807	33,829	29,230
Net assets	162,188	153,802	144,325	135,488	129,234
EQUITY*					
Parent entity interest					
Contributed equity	88,357	88,357	88,357	88,357	88,357
Reserves	97,227	97,227	97,227	97,227	97,227
Retained surplus (accumulated deficit)	(23,396)	(31,782)	(41,259)	(50,096)	(56,350)
Total parent entity interest	162,188	153,802	144,325	135,488	129,234
Total equity	162,188	153,802	144,325	135,488	129,234

Prepared on Australian Accounting Standards basis.

(a) Applies leases under AASB 16 Leases.

*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 2021-22)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2021				
Balance carried forward from previous period	(23,396)	97,227	88,357	162,188
Adjusted opening balance	(23,396)	97,227	88,357	162,188
Comprehensive income				
Surplus/(deficit) for the period	(8,386)			(8,386)
Total comprehensive income	(8,386)	-	-	(8,386)
of which:				
Attributable to the Australian Government	(8,386)	-	-	(8,386)
Estimated closing balance as at 30 June 2022	(31,782)	97,227	88,357	153,802
Closing balance attributable to the Australian Government	(31,782)	97,227	88,357	153,802

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	45,218	45,548	46,046	46,512	46,984
Sale of goods and rendering of services	18,941	31,979	33,929	39,812	41,207
Interest	595	611	598	624	624
Net GST received	142	-	-	-	-
Other	550	400	400	400	400
Total cash received	65,446	78,538	80,973	87,348	89,215
Cash used					
Employees	34,026	37,150	37,751	38,167	40,549
Suppliers	28,379	34,832	37,796	42,600	45,370
Interest payments on lease liability	19	18	17	16	15
Total cash used	62,424	72,000	75,564	80,783	85,934
Net cash from/(used by) operating activities	3,022	6,538	5,409	6,565	3,281
INVESTING ACTIVITIES					
Cash received					
Transfer from Investments	-	1,422	6,702	3,483	18,839
Total cash received	-	1,422	6,702	3,483	18,839
Cash used					
Purchase of property, plant and equipment and intangibles	9,697	7,997	12,150	10,089	22,360
Transfer to investments	7,240	-	-	-	-
Total cash used	16,937	7,997	12,150	10,089	22,360
Net cash from/(used by) investing activities	(16,937)	(6,575)	(5,448)	(6,606)	(3,521)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	37	37	39	41	40
Total cash received	37	37	39	41	40
Net cash from/(used by) financing activities	37	37	39	41	40
Net increase/(decrease) in cash held	(13,878)	-	-	-	(200)
Cash and cash equivalents at the beginning of the reporting period	14,128	250	250	250	250
Cash and cash equivalents at the end of the reporting period	250	250	250	250	50

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources (a)	9,697	7,997	12,150	10,089	22,360
TOTAL	9,697	7,997	12,150	10,089	22,360
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	9,697	7,997	12,150	10,089	22,360
Total cash used to acquire assets	9,697	7,997	12,150	10,089	22,360

Prepared on Australian Accounting Standards basis.

(a) Includes the following sources of funding:

- Current Bill 1 and prior Act 1/3/5 appropriations.
- Internally developed assets.
- Proceeds from the sale of assets.

Table 3.6: Statement of asset movements (Budget year 2021-22)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2021				
Gross book value	106,654	69,828	7,736	184,218
Gross book value - ROU assets	890	-	-	890
Accumulated depreciation/ amortisation and impairment	(14,842)	(22,890)	(3,854)	(41,586)
Accumulated depreciation/amortisation and impairment - ROU assets	(102)	-	-	(102)
Opening net book balance	92,600	46,938	3,882	143,420
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - other	1,843	5,918	236	7,997
Total additions	1,843	5,918	236	7,997
Other movements				
Depreciation/amortisation expense	(4,868)	(7,633)	(656)	(13,157)
Depreciation/amortisation on ROU assets	(51)	-	-	(51)
Disposals	-	88	-	88
Total other movements	(4,919)	(7,545)	(656)	(13,120)
As at 30 June 2022				
Gross book value	108,497	74,886	7,972	191,355
Gross book value - ROU assets	890	-	-	890
Accumulated depreciation/ amortisation and impairment	(19,710)	(29,751)	(4,510)	(53,971)
Accumulated depreciation/amortisation and impairment - ROU assets	(153)	-	-	(153)
Closing net book balance	89,524	45,135	3,462	138,121

Prepared on Australian Accounting Standards basis.

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

AIMS has no budgeted income and expenses administered on behalf of Government; therefore Table 3.7 is not presented.

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

AIMS has no budgeted assets and liabilities administered on behalf of Government; therefore Table 3.8 is not presented.

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

AIMS has no budgeted administered cash flows; therefore Table 3.9 is not presented.

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

AIMS has no administered capital budget; therefore Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2021-22)

AIMS has no administered asset movements; therefore Table 3.11 is not presented.

Australian Nuclear Science and Technology Organisation

Entity resources and planned performance

Australian Nuclear Science and Technology Organisation

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Australian Nuclear Science and Technology Organisation

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Australian Nuclear Science and Technology Organisation (ANSTO) is a Corporate Commonwealth entity within the Industry, Science, Energy and Resources Portfolio. The organisation's primary functions are set out in the *Australian Nuclear Science and Technology Organisation Act 1987*.

ANSTO is Australia's national nuclear research and development organisation, and the centre of Australian nuclear expertise. ANSTO operates a large proportion of Australia's landmark research infrastructure, including the OPAL multipurpose reactor, the Australian Synchrotron, the Australian Centre for Neutron Scattering (ACNS), and the Centre for Accelerator Science (CAS). Thousands of researchers from across Australia and around the world partner with ANSTO to tackle complex problems that improve human health, save lives, build Australian industries and protect the environment.

In 2021-22, ANSTO will continue to prioritise activities and research to support Australia's response to the unprecedented challenges the nation is facing. This includes: ANSTO scientists and its collaborators utilising the Australian Synchrotron to better understand the structure of the COVID-19 virus to assist in the development of vaccines and treatments; understanding climate change (including contributions to Australia's critical Antarctic research program) and its impact on Australia and its neighbours; research into Australian bushfires to assist with planning, mitigation and response to extreme bushfire events; and prioritising water research and partnering with communities to provide a scientific base for managing and sustaining Australia's precious groundwater resources.

The Australian Synchrotron continues its partner-funded \$95 million BR-GHT beamline expansion program, with up to nine new beamlines to be constructed. This will nearly double the Synchrotron's capacity and allow for broader engagement for researchers and industry in a range of applications from high-tech manufacturing, including aerospace and transport to health, including drug development and medical implants. This investment supports the \$520 million of operational funding provided by the Australian Government.

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ANSTO manufactures 80% of Australia's nuclear medicines. Nuclear medicines play an important role in the diagnosis and treatment of disease for approximately 600,000 of Australia's most unwell patients, both adults and children, each year. ANSTO is also growing its commercial services and engagement with industry. ANSTO's silicon irradiation business continues to capture market share and is a world leader in silicon irradiation services for use by electronics manufacturers in high-end switching devices for high-speed trains, wind turbines and the automotive industry. *nandin*, ANSTO's innovation centre, which was founded in 2018, continues to connect ANSTO with industry, entrepreneurs and students to challenge, co-create and innovate. *nandin* has grown to house 22 businesses, many innovating in fields such as cyber security, artificial intelligence and space. ANSTO is looking forward to opening a new and significantly expanded *nandin* innovation centre in 2021.

Through this Budget, the Government has provided additional funding of \$56.9 million for the maintenance and upkeep of ANSTO's extensive asset base.

The Budget also provides a further \$59.8 million to support the interim storage of intermediate level solid radioactive waste. This waste is generated as a by-product of ANSTO providing Australia's vital sovereign nuclear medicine manufacturing and production capability, as well as research and commercial activities at ANSTO.

More information on ANSTO, its strategic objectives and major activities can be found in ANSTO's Corporate Plan and website www.ansto.gov.au.

1.2 Entity resource statement

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

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

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

Table 1.1: ANSTO resource statement – Budget estimates for 2021-22 as at Budget May 2021

	<i>2020-21 Estimated actual \$'000</i>	2021-22 Estimate \$'000
Opening balance/cash reserves at 1 July	11,688	4,526
Funds from Government		
Annual appropriations - ordinary annual services (a)(c) Outcome 1	278,819	277,453
Annual appropriations - other services (b)(c) Equity injection	20,465	37,830
Total annual appropriations	<u>299,284</u>	<u>315,283</u>
Total funds from Government	299,284	315,283
Funds from other sources		
Interest	1,260	1,819
Sale of goods and services	79,914	94,541
Other	32,399	27,912
Total funds from other sources	<u>113,573</u>	<u>124,272</u>
Total net resourcing for ANSTO	412,857	439,555
	<i>2020-21</i>	<i>2021-22</i>
Average staffing level (number)	1,358	1,360

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

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

(a) Appropriation Bill (No. 1) 2021-22.

(b) Appropriation Bill (No. 2) 2021-22.

(c) ANSTO is not directly appropriated as it is a Corporate Commonwealth entity. Appropriations are made to the Department of Industry, Science, Energy and Resources and then paid to ANSTO and are considered departmental for all purposes.

1.3 Budget measures

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

**Table 1.2: ANSTO 2021-22 budget measures
Measures announced after the 2020-21 Mid-Year Economic and Fiscal Outlook
(MYEFO)**

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000
Payment measures					
Australian Nuclear Science and Technology Organisation - ongoing sustainability	1				
Departmental payment		19,393	29,672	47,269	20,389
Total		19,393	29,672	47,269	20,389
Total payment measures					
Departmental		19,393	29,672	47,269	20,389
Total		19,393	29,672	47,269	20,389

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

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance 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 a complete picture of an entity's planned and actual performance.

The most recent corporate plan for ANSTO can be found at:
<https://www.ansto.gov.au/corporate-plan>

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

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Improved knowledge, innovative capacity and healthcare through nuclear-based facilities, research, training, products, services and advice to Government, industry, the education sector and the Australian population

Linked programs

Department of Industry, Science, Energy and Resources
Programs <ul style="list-style-type: none">• Program 1.1 – Investing in science, technology and commercialisation
Contribution to Outcome 1 made by linked programs <p>The Department of Industry, Science, Energy and Resources contributes to Outcome 1 through its policies and programs supporting science and commercialisation and through the operation of the Office of the Chief Scientist and the Office of Innovation and Science Australia.</p>
Department of Education, Skills and Employment
Programs <ul style="list-style-type: none">• Program 2.6 – Research Capacity
Contribution to Outcome 1 made by linked programs <p>The Department of Education, Skills and Employment contributes to Outcome 1 through its policies and programs to invest in Australia’s research capacity, including the National Collaborative Research Infrastructure Strategy.</p>

Budgeted expenses for Outcome 1

This table shows how much ANSTO 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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Outcome 1: Improved knowledge, innovative capacity and healthcare through nuclear-based facilities, research, training, products, services and advice to Government, industry, the education sector and the Australian population					
Program 1: Science and Technology Solutions					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	278,819	277,453	268,440	273,570	268,885
Expenses not requiring appropriation in the budget year (a)	(17,582)	(30,340)	12,805	38,715	26,374
Revenues from other independent	127,529	151,303	123,101	96,036	120,179
Total expenses for Program 1	388,766	398,416	404,346	408,321	415,438
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	278,819	277,453	268,440	273,570	268,885
Expenses not requiring appropriation in the budget year (a)	(17,582)	(30,340)	12,805	38,715	26,374
Revenues from other independent	127,529	151,303	123,101	96,036	120,179
Total expenses for Outcome 1	388,766	398,416	404,346	408,321	415,438
	2020-21	2021-22			
Average staffing level (number)	1,358	1,360			

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

(a) Expenses not requiring appropriation in the budget year reflects approved operating losses due to the accounting treatment of non-cash items including ANSTO's ongoing decommissioning program, and depreciation costs for new facilities and asset revaluations.

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2021-22 Budget measures have created new programs or materially changed existing programs.

Outcome 1 – Improved knowledge, innovative capacity and healthcare through nuclear-based facilities, research, training, products, services and advice to Government, industry, the education sector and the Australian population		
Program 1 – Science and Technology Solutions		
Contributes to the outcome through the operation and strategic management of landmark and national research infrastructure. ANSTO provides nuclear products and services, and applies its unique expertise for nuclear research, specialised advice, and education and training.		
Delivery	ANSTO delivers Program 1 by: <ul style="list-style-type: none"> • Engaging in innovative research, through strategic partnerships and collaborations, that have scientific and commercial impact and align with Australia's Science and Research Priorities. • Managing landmark and national research infrastructure for the benefit of industry, and the Australian and international research communities. • Providing products and services, including radiopharmaceuticals, to the health sector and industry that benefit the broader community. • Providing expert trusted science and technology based advice and services to government, the education and academic communities, and the Australian public. 	
Performance information (a)		
Year	Performance criteria	Actual Achievement/Targets
2020-21	Full utilisation of landmark infrastructure. Continue to achieve a high standard of operational efficiency and effectiveness for ANSTO's landmark and national research infrastructure.	OPAL Research Reactor: days at power. Target: 280 days (b) Actual: 254 days (b) Australian Synchrotron: percentage of availability. Target: 95% Actual: 84% (c) Neutron beam instruments: percentage of availability. Target: 85% Actual: 58% (c) Accelerators: percentage of availability. Target: 65% Actual: 60% (c)
	Human health products. Supply vital medicines and diagnostics that enhance human health.	Radiopharmaceutical doses: potential doses. Target: 2,765,179 Actual: 1,625,273 (d)

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	<p>Safe work environment. ANSTO will strengthen its commitment to providing a safe work environment for its staff.</p>	<p>Target: Demonstrated increase in the ratio of reported. Opportunities for Improvement (OFI) to Incidents in ANSTO's Governance Risk and Compliance (GRC) Reporting System. Forecast actual: target met</p>
	<p>Impactful research outcomes. Delivery of research outcomes that have scientific and industry impact, with a focus on health, the environment and the nuclear fuel cycle.</p>	<p>Target: Eight case studies per annum. Forecast actual: target met – to be published in 2020-21 Annual Report. Target: 90% of publications undertaken with national and international collaborators. Forecast actual: 97%</p>
2021-22	<p>Full utilisation of landmark infrastructure.</p>	<p>OPAL Research Reactor: days at power Target: 290 days</p> <p>Australian Synchrotron: percentage of availability. Target: 95%</p> <p>Neutron beam instruments: percentage of availability. Target: 85%</p> <p>Accelerators: percentage of availability. Target: 65%</p>
	<p>Human health products.</p>	<p>Radiopharmaceutical doses: potential doses. Target: 2,384,734</p>
	<p>Safe work environment.</p>	<p>As per 2020-21</p>
	<p>Impactful research outcomes.</p>	
2022-23	<p>Full utilisation of landmark infrastructure.</p>	<p>OPAL Research Reactor: days at power. Target: 300</p> <p>Australian Synchrotron: percentage of availability. Target: 95%</p> <p>Neutron beam instruments: percentage of availability. Target: 85%</p> <p>Accelerators: percentage of availability. Target: 65%</p>

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	Human health products.	Radiopharmaceutical doses: potential doses. Target: 2,510,602
	Safe work environment.	As per 2020-21
	Impactful research outcomes.	
2023-24	Full utilisation of landmark infrastructure.	OPAL Research Reactor: days at power. Target: 220 (e) Australian Synchrotron: percentage of availability. Target: 95% Neutron beam instruments: percentage of availability. Target: 85% Accelerators: percentage of availability. Target: 65%
	Human health products.	Radiopharmaceutical doses: potential doses. Target: 2,510,602
	Safe work environment.	As per 2020-21
	Impactful research outcomes.	
2024-25	Full utilisation of landmark infrastructure.	OPAL Research Reactor: days at power. Target: 300 Australian Synchrotron: percentage of availability. Target: 95% Neutron beam instruments: percentage of availability. Target: 85% Accelerators: percentage of availability. Target: 65%
	Human health products.	Radiopharmaceutical doses: potential doses. Target: 2,510,602
	Safe work environment.	As per 2020-21
	Impactful research outcomes.	

<p>Purposes</p>	<p>ANSTO's purpose is set by the following core functions, as provided in the Australian Nuclear Science and Technology Organisation Act 1987.</p> <p>Knowledge Creation, Application and Impact:</p> <ul style="list-style-type: none"> • Conduct research and development in relation to nuclear science and technology. • Encourage and facilitate the application and use of the results from research and development and expertise for research in nuclear science and technology. • Publish scientific and technical reports, periodicals and papers, and provide public information and advice. • Facilitate education and training in nuclear science and technology, including through granting scientific research studentships and fellowships, in cooperation with universities, professional bodies and other education and research institutions. • Provide advice to government and undertake international liaison in nuclear-related matters. <p>Knowledge Translation and Value Add:</p> <ul style="list-style-type: none"> • Produce and use radioisotopes, isotopic techniques and nuclear radiation for medicine, science, industry, commerce and agriculture. • Manage radioactive materials and waste arising from various prescribed activities. • Provide goods and services related to core activities. • Make available (on a commercial basis where appropriate) facilities, equipment and expertise for research in nuclear science and technology.
<p>Material changes to Program 1 resulting from the following measures: Nil</p>	

- (a) Further details and a full list of ANSTO's performance criteria can be found in ANSTO's Corporate Plan.
- (b) OPAL did not meet its 'days at power' target due to unexpected maintenance shutdown periods in this financial year. The target has previously been reduced from 300 to 280 to take into account planned extended maintenance shutdowns, which could not take place due to the need to ensure the continuity of nuclear medicine supply during the COVID-19 pandemic.
- (c) Targets for ANSTO's research platforms were not achieved due largely to the impact of COVID-19 (including restrictions to user access and travel and delays in receiving research samples) and unplanned maintenance on some platforms. The neutron beam instruments' availability was also impacted by the unexpected maintenance shutdowns of OPAL.
- (d) Target not achieved due to production restrictions reducing export capability, intermittent production disruptions and impacts on export demand, production, and export capability as a result of COVID-19.
- (e) A major shutdown of the OPAL Reactor to replace the cold neutron source is due to take place in 2023-24.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021-22 Budget year, including the impact of Budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

ANSTO's budgeted financial statements are presented on a consolidated basis in accordance with AASB 10 (Consolidated Financial Statements). The consolidated financial statements incorporate the assets and liabilities and the results of all entities controlled by ANSTO as defined in AASB 10.

In accordance with whole-of-government reporting for public non-financial corporation (PNFC) entities, these financial statements do not include financials for ANSTO Nuclear Medicine Pty Ltd (ANM).

Budgeted Departmental Income Statement

The statement shows the estimated net cost of services for the organisation. Total expenses in 2021-22 are estimated at \$398.4 million compared to the estimate for 2020-21 of \$388.8 million. Total revenue in 2021-22 is estimated to be \$428.8 million (including appropriation) compared to the estimate of \$406.3 million for 2020-21, an increase of \$22.5 million.

Budgeted Departmental Balance Sheet

This statement shows the estimated end of year financial position of ANSTO.

Financial assets decreased from \$270.5 million in 2020-21 to \$265.1 million in 2021-22. The ANSTO Nuclear Medicine project is reflected in other investments.

Budgeted Departmental Statement of Cash Flows

Budgeted cash flows, as reflected in the statement of cash flows, provides information on the extent and nature of cash flows by categorising them into expected cash flows from operating, investing and financing activities.

The movements in cash flow are consistent with movements in the Income Statement and the Balance Sheet.

3.2 Budgeted financial statements tables

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
EXPENSES					
Employee benefits	160,647	164,210	169,324	168,998	169,315
Suppliers	135,814	136,051	132,013	132,016	132,007
Grants	1,604	3,158	3,267	3,267	3,267
Depreciation and amortisation	81,469	86,472	91,131	95,326	102,135
Finance costs	9,232	8,525	8,611	8,714	8,714
Total expenses	388,766	398,416	404,346	408,321	415,438
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	82,496	87,346	88,459	68,459	92,602
Interest	1,260	1,819	2,335	2,335	2,335
Rental income	6,663	7,195	7,195	7,195	7,195
Royalties	1,724	3,847	4,069	4,069	4,069
Other	35,386	51,096	21,043	13,978	13,978
Total own-source revenue	127,529	151,303	123,101	96,036	120,179
Total own-source income	127,529	151,303	123,101	96,036	120,179
Net (cost of)/contribution by services	(261,237)	(247,113)	(281,245)	(312,285)	(295,259)
Revenue from Government	278,819	277,453	268,440	273,570	268,885
Surplus/(deficit) attributable to the Australian Government	17,582	30,340	(12,805)	(38,715)	(26,374)
Total comprehensive income/(loss)	17,582	30,340	(12,805)	(38,715)	(26,374)
Total comprehensive income/(loss) attributable to the Australian Government	17,582	30,340	(12,805)	(38,715)	(26,374)
Note: Impact of net cash appropriation					
Total comprehensive income/(loss) less depreciation/amortisation expenses previously funded through revenue appropriations	17,561	30,319	(12,826)	(38,746)	(26,404)
plus: depreciation/amortisation expenses for ROU (a)	143	145	147	159	151
less: principal repayments on leased assets (a)	122	124	126	128	121
Total comprehensive income/(loss) - as per the Statement of comprehensive income	17,582	30,340	(12,805)	(38,715)	(26,374)

Prepared on Australian Accounting Standards basis.

(a) Applies leases under AASB 16 Leases.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	4,526	4,527	4,659	9,349	9,349
Trade and other receivables	46,153	64,032	64,032	64,696	65,360
Other investments	219,158	195,860	178,059	153,244	93,195
Other financial assets	704	704	704	704	704
Total financial assets	270,541	265,123	247,454	227,993	168,608
Non-financial assets					
Land and buildings	287,541	312,288	341,012	388,264	409,028
Property, plant and equipment	855,735	894,324	918,206	930,829	899,997
Intangibles	51,066	50,232	45,750	45,971	48,593
Inventories	40,760	40,760	40,760	40,760	40,760
Tax assets	792	792	792	792	792
Other non-financial assets	3,129	3,129	3,129	3,129	3,129
Total non-financial assets	1,239,023	1,301,525	1,349,649	1,409,745	1,402,299
Total assets	1,509,564	1,566,648	1,597,103	1,637,738	1,570,907
LIABILITIES					
Payables					
Suppliers	7,952	7,952	7,952	7,952	7,952
Other payables	36,666	13,100	13,100	13,100	13,100
Total payables	44,618	21,052	21,052	21,052	21,052
Interest bearing liabilities					
Leases	532	543	554	565	444
Total interest bearing liabilities	532	543	554	565	444
Provisions					
Employee provisions	50,293	50,293	50,293	50,293	50,293
Other provisions	715,087	727,556	741,133	773,203	712,478
Total provisions	765,380	777,849	791,426	823,496	762,771
Total liabilities	810,530	799,444	813,032	845,113	784,267
Net assets	699,034	767,204	784,071	792,625	786,640
EQUITY*					
Parent entity interest					
Contributed equity	921,334	959,164	988,836	1,036,105	1,056,494
Reserves	396,479	396,479	396,479	396,479	396,479
Retained surplus (accumulated deficit)	(618,779)	(588,439)	(601,244)	(639,959)	(666,333)
Total parent entity interest	699,034	767,204	784,071	792,625	786,640
Total equity	699,034	767,204	784,071	792,625	786,640

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 2021-22)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2021					
Balance carried forward from previous period	(618,779)	386,468	10,011	921,334	699,034
Adjusted opening balance	(618,779)	386,468	10,011	921,334	699,034
Comprehensive income					
Surplus/(deficit) for the period	30,340	-	-	-	30,340
Total comprehensive income	30,340	-	-	-	30,340
of which:					
Attributable to the Australian Government	30,340	-	-	-	30,340
Transactions with owners					
Contributions by owners					
Equity injection - Appropriation	-	-	-	37,830	37,830
Sub-total transactions with owners	-	-	-	37,830	37,830
Estimated closing balance as at 30 June 2022	(588,439)	386,468	10,011	959,164	767,204
Closing balance attributable to the Australian Government	(588,439)	386,468	10,011	959,164	767,204

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Receipts from Government	278,819	277,453	268,440	273,570	268,885
Sale of goods and rendering of services	79,914	94,541	95,654	75,654	99,797
Interest	1,260	1,819	2,335	2,335	2,335
Other	32,399	27,912	25,112	18,047	18,047
Total cash received	392,392	401,725	391,541	369,606	389,064
Cash used					
Employees	164,923	164,210	169,324	168,998	169,315
Suppliers	127,078	136,051	132,013	132,016	132,007
Interest payments on lease liability	13	13	13	13	13
Other	11,474	7,006	7,335	7,336	7,336
Total cash used	303,488	307,280	308,685	308,363	308,671
Net cash from/(used by) operating activities	88,904	94,445	82,856	61,243	80,393
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of financial instruments	168,432	136,343	136,343	123,453	130,000
Total cash received	168,432	136,343	136,343	123,453	130,000
Cash used					
Purchase of property, plant and equipment and intangibles	117,097	141,034	130,071	127,845	160,046
Purchase of financial instruments	159,375	113,045	118,542	98,638	69,951
Other	8,369	14,414	-	664	664
Total cash used	284,841	268,493	248,613	227,147	230,661
Net cash from/(used by) investing activities	(116,409)	(132,150)	(112,270)	(103,694)	(100,661)

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
FINANCING ACTIVITIES					
Cash received					
Contributed equity	20,465	37,830	29,672	47,269	20,389
Total cash received	20,465	37,830	29,672	47,269	20,389
Cash used					
Principal payments on lease liability	122	124	126	128	121
Total cash used	122	124	126	128	121
Net cash from/(used by) financing activities	20,343	37,706	29,546	47,141	20,268
Net increase/(decrease) in cash held	(7,162)	1	132	4,690	-
Cash and cash equivalents at the beginning of the reporting period	11,688	4,526	4,527	4,659	9,349
Cash and cash equivalents at the end of the reporting period	4,526	4,527	4,659	9,349	9,349

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	20,465	37,830	29,672	47,269	20,389
Total new capital appropriations	20,465	37,830	29,672	47,269	20,389
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	20,465	37,830	29,672	47,269	20,389
Total items	20,465	37,830	29,672	47,269	20,389
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	20,465	37,830	29,672	47,269	20,389
Funded internally from departmental resources (b)	100,213	111,009	109,446	108,014	74,300
TOTAL	120,678	148,839	139,118	155,283	94,689
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	120,678	148,839	139,118	155,283	94,689
Total cash used to acquire assets	120,678	148,839	139,118	155,283	94,689

Prepared on Australian Accounting Standards basis.

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

(b) Includes the following sources of funding:

- Current Bill 1 and prior year Act 1/3/5 appropriations.
- Donations and contributions.
- Gifts.
- Internally developed assets.
- Own-source revenue.
- Proceeds from the sale of assets.

Table 3.6: Statement of asset movements (Budget year 2021-22)

	Land	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2021					
Gross book value	115,688	257,828	1,269,092	100,852	1,743,460
Gross book value - ROU assets	-	801	-	-	801
Accumulated depreciation/ amortisation and impairment	-	(86,490)	(413,357)	(49,786)	(549,633)
Accumulated depreciation/amortisation and impairment - ROU assets	-	(286)	-	-	(286)
Opening net book balance	115,688	171,853	855,735	51,066	1,194,342
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase - appropriation equity (a)	-	34,393	109,446	5,000	148,839
By purchase = appropriation equity - ROU assets	-	135	-	-	135
Total additions	-	34,528	109,446	5,000	148,974
Other movements					
Depreciation/amortisation expense	-	(9,636)	(70,857)	(5,834)	(86,327)
Depreciation/amortisation on ROU assets	-	(145)	-	-	(145)
Total other movements	-	(9,781)	(70,857)	(5,834)	(86,472)
As at 30 June 2022					
Gross book value	115,688	292,221	1,378,538	105,852	1,892,299
Gross book value - ROU assets	-	936	-	-	936
Accumulated depreciation/ amortisation and impairment	-	(96,126)	(484,214)	(55,620)	(635,960)
Accumulated depreciation/amortisation and impairment - ROU assets	-	(431)	-	-	(431)
Closing net book balance	115,688	196,600	894,324	50,232	1,256,844

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2021-22.

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

ANSTO has no budgeted income and expenses administered on behalf of Government; therefore Table 3.7 is not presented.

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

ANSTO has no budgeted assets and liabilities administered on behalf of Government; therefore Table 3.8 is not presented.

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

ANSTO has no budgeted administered cash flows; therefore Table 3.9 is not presented.

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

ANSTO has no administered capital budget; therefore Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2021-22)

ANSTO has no administered asset movements; therefore Table 3.11 is not presented.

Australian Renewable Energy Agency

Entity resources and planned performance

Australian Renewable Energy Agency

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Australian Renewable Energy Agency

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Australian Renewable Energy Agency (ARENA) is a Corporate Commonwealth entity. ARENA's purpose is to improve the competitiveness of renewable energy technologies and increase the supply of renewable energy through innovation that benefits Australian consumers and businesses.

Consistent with the functions set out in the *Australian Renewable Energy Agency Act 2011* (ARENA Act) and the priorities set out in the General Funding Strategy, ARENA provides financial assistance for:

- The research, development, demonstration, deployment and commercialisation of renewable energy and related technologies
- The storage and sharing of knowledge and information about renewable energy technologies.

ARENA also collects, analyses, interprets and disseminates information and knowledge relating to renewable energy and related technologies and provides advice to the Minister for Energy and Emissions Reduction about these technologies and the renewable energy industry.

ARENA, with the Clean Energy Finance Corporation, jointly manages the Clean Energy Innovation Fund.

ARENA is working with other government agencies and industry bodies with a concerted focus on the next generation of energy technologies to accelerate the transition to a lower emissions economy. ARENA's investments are expected to make a significant contribution to achieving the goals in the Australian Government's Low Emissions Technology Investment Roadmap.

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: ARENA resource statement – Budget estimates for 2021-22 as at Budget May 2021

	2020-21 Estimated actual \$'000	2021-22 Estimate \$'000
Opening balance/cash reserves at 1 July	87,832	110,778
Funds from Government		
Annual appropriations - ordinary annual services (a) (b)		
Outcome 1	17,625	54,338
Total annual appropriations	17,625	54,338
Amounts received from related entities		
Amounts from portfolio department (c)	209,910	304,836
Total amounts received from related entities	209,910	304,836
Total funds from Government	227,535	359,174
Funds from other sources		
Interest	800	600
Other	9,500	100
Total funds from other sources	10,300	700
Total net resourcing for ARENA	325,667	470,652
	2020-21	2021-22
Average staffing level (number) (d)	2	2

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

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

- (a) Appropriation Bill (No. 1) 2020-21.
- (b) ARENA is not directly appropriated as it is a Corporate Commonwealth entity. Appropriations are made to the Department of Industry, Science, Energy and Resources and then paid to ARENA and are considered departmental for all purposes.
- (c) ARENA receives funding through a special appropriation which is administered through the Department of Industry, Science, Energy and Resources.
- (d) The agency has only two employees, the Chief Executive Officer and Chief Financial Officer. Under section 62 of the ARENA Act all other staff necessary to assist the Agency must be persons employed under the *Public Services Act 1999* who are employed by the Department and made available to the Agency by the Secretary of the Department.

1.3 Budget measures

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

**Table 1.2: ARENA 2021-22 budget measures
Measures announced after the 2020-21 Mid-Year Economic and Fiscal Outlook
(MYEFO)**

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000
Payment measures					
Emissions Reduction and New Investments under the Technology Investment Roadmap (a)	1.1				
Departmental payment		-	-	-	-
Total		-	-	-	-
Total payment measures					
Departmental		-	-	-	-
Total		-	-	-	-

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

(a) This measure has nil impact on the Government's Underlying Cash. The measure allows ARENA to use up to \$50.0 million of its existing funding to support the commercialisation of emerging clean energy technologies using new financial tools.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance 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 a complete picture of an entity's planned and actual performance.

The most recent corporate plan and annual performance statement for Australian Renewable Energy Agency can be found at:
<https://arena.gov.au/about/publications/>

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Support improvements in the competitiveness of renewable energy and related technologies and the supply of renewable energy by administering financial assistance, developing analysis and advice about, and sharing information and knowledge with regard to, renewable energy and related technologies

Linked programs

<p>Department of the Industry, Science, Energy and Resources</p> <hr style="border-top: 1px dotted black;"/> <p>Programs</p> <ul style="list-style-type: none"> • Program 2.1 - Reducing Australia's greenhouse gas emissions • Program 2.2 - Developing clean energy technology • Program 3.1 - Supporting reliable, secure and affordable energy
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of Industry, Science, Energy and Resources contributes to Outcome 1 by developing policies for the research, development, demonstration, deployment and commercialisation of renewable energy technologies. ARENA implements these policies.</p>
<p>Clean Energy Finance Corporation</p> <hr style="border-top: 1px dotted black;"/> <p>Program</p> <ul style="list-style-type: none"> • Program 1.1 - Clean Energy Finance Corporation
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Clean Energy Innovation Fund is jointly managed by the Agency and the Clean Energy Finance Corporation, drawing on their complementary experience and expertise. The Clean Energy Innovation Fund has up to \$200 million available for debt and equity investments in emerging clean energy projects and businesses, targeting projects at the later end of the innovation chain while delivering a financial return to taxpayers, in addition to the public good return of improving competitiveness of renewable energy and related technologies.</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: Support improvements in the competitiveness of renewable energy and related technologies and the supply of renewable energy by administering financial assistance, developing analysis and advice about, and sharing information and knowledge with regards to, renewable energy and related technologies

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Program 1.1: Australian Renewable Energy Agency					
Revenue from Government					
Payment from related entities	204,656	280,112	179,261	198,486	208,874
Expenses not requiring appropriation in the budget year (a)	1,478	1,453	1,167	1,167	1,167
Revenues from other independent sources	10,300	700	220	110	250
Total expenses for Program 1	216,434	282,265	180,648	199,763	210,291
Outcome 1 totals by resource type					
Revenue from Government					
Payment from related entities	204,656	280,112	179,261	198,486	208,874
Expenses not requiring appropriation in the budget year (a)	1,478	1,453	1,167	1,167	1,167
Revenues from other independent sources	10,300	700	220	110	250
Total expenses for Outcome 1	216,434	282,265	180,648	199,763	210,291
	2020-21	2021-22			
Average staffing level (number) (b)	2	2			

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

- (a) Expenses not requiring appropriation in the Budget year are non-cash charges in relation to concessional loans, write-down and impairment of assets, depreciation and amortisation and a share of net loss from associates accounted for under the equity method.
- (b) The Agency has only two employees, the Chief Executive Officer and Chief Financial Officer. Under section 62 of the ARENA Act all other staff necessary to assist the Agency must be persons employed under the *Public Services Act 1999* who are employed by the Department of Industry, Science, Energy and Resources (DISER) and made available to the agency by the Secretary of the Department.

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2021-22 Budget measures have created new programs or materially changed existing programs.

Outcome 1 – Support improvements in the competitiveness of renewable energy and related technologies and the supply of renewable energy by administering financial assistance, developing analysis and advice about, and sharing information and knowledge with regard to, renewable energy and related technologies		
Program 1.1 – Australian Renewable Energy Agency		
To provide financial assistance to Australian scientists, innovators and businesses for projects that have the potential to lead to the commercialisation of new renewable energy products or services; and to support collaboration and knowledge sharing to make information and data available to a diverse audience and help increase the spread of ideas.		
Delivery	<p>To deliver this outcome, the Agency:</p> <ul style="list-style-type: none"> • Provides financial assistance for the research, development, demonstration, deployment and commercialisation of renewable energy and related technologies. • Provides financial assistance for, and undertakes, the collection, storage, analysis and sharing of knowledge and information about renewable energy and related technologies. • Provides advice to the Minister for Energy and Emissions Reduction about renewable energy and related technologies and the renewable energy industry. • Jointly administers the Clean Energy Innovation Fund with the Clean Energy Finance Corporation. • Administers the King Review Technology Co-Investment Fund including the Industrial Engineering Grant Fund and Freight Energy Productivity Fund, the Future Fuels Fund and the expansion of the Regional and Remote Communities Reliability Fund. <p>The Agency's financial assistance goes primarily to activities that are expected to advance renewable energy technologies towards commercial readiness, improve business models, or reduce overall industry costs. Organisations developing, testing or deploying innovative renewable energy solutions are the immediate beneficiaries of much of the Agency's activity. In the long term, Australian energy users will benefit from the availability of more competitive renewable energy, and Australians generally will benefit through more options to reduce emissions and grow the economy.</p>	
Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020-21	Financial assistance: ARENA-funded projects increase supply of renewable energy.	Total energy production from ARENA-funded demonstration and deployment projects is at least 80% of that intended at time of commitment.
	Knowledge sharing and collaboration: ARENA shares knowledge to enhance the competitiveness of renewable energy technologies.	At least 75% of stakeholders surveyed report that knowledge shared by ARENA has informed part of their decision-making processes. On track

ARENA Budget Statements

2021-22	Financial assistance: ARENA-funded projects increase supply of renewable energy.	Total energy production from ARENA-funded demonstration and deployment projects is at least 80% of that intended at time of commitment.
	Knowledge sharing and collaboration: ARENA shares knowledge to enhance the competitiveness of renewable energy technologies.	At least 75% of stakeholders surveyed report that knowledge shared by ARENA has informed part of their decision making processes.
2022-23 and beyond	As per 2021-22	As per 2021-22
Purposes	To improve the competitiveness of renewable energy technologies and increase the supply of renewable energy through innovation that benefits Australian consumers and businesses.	
Material changes to Program 1.1 resulting from the following measures: Nil		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021-22 Budget year, including the impact of Budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

ARENA's existing legislated funding is scheduled to continue through to 2021-22. While the legislated funds are expected to be fully committed to eligible projects in the current year, grant payments are forecast to go beyond the end of 2021-22.

Grant expenditure beyond 2021-22 will be met by funds that have been drawn down or funds returned to the Agency from grant projects in previous years and retained and invested by the Agency. Consequently, ARENA has budgeted for a deficit in those years.

3.2 Budgeted financial statements tables

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
EXPENSES					
Employee benefits	1,165	1,207	1,237	1,268	1,273
Suppliers	27,658	32,027	27,222	27,109	26,948
Grants	186,115	247,566	151,010	170,207	180,891
Depreciation and amortisation	1,478	1,453	1,167	1,167	1,167
Finance costs	18	12	12	12	12
Total expenses	216,434	282,265	180,648	199,763	210,291
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	800	600	150	150	150
Other	9,500	100	100	100	100
Total own-source revenue	10,300	700	250	250	250
Gains					
Other	4,980	5,193	5,560	5,587	4,624
Total gains	4,980	5,193	5,560	5,587	4,624
Total own-source income	15,280	5,893	5,810	5,837	4,874
Net (cost of)/contribution by services	(201,154)	(276,372)	(174,838)	(193,926)	(205,417)
Revenue from Government	227,535	359,174	170,109	148,662	179,001
Surplus/(deficit) attributable to the Australian Government	26,381	82,802	(4,729)	(45,264)	(26,416)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	(988)	(2,157)	(1,000)	(1,000)	-
Total other comprehensive income	(988)	(2,157)	(1,000)	(1,000)	-
Total comprehensive income/(loss)	25,393	80,645	(5,729)	(46,264)	(26,416)
Total comprehensive income/(loss) attributable to the Australian Government	25,393	80,645	(5,729)	(46,264)	(26,416)

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Total comprehensive income/(loss) less depreciation/amortisation expenses previously funded through revenue appropriations	26,420	81,653	(4,691)	(45,226)	(25,378)
plus: depreciation/amortisation expenses for ROU (a)	1,045	1,020	1,050	1,050	1,050
less: principal repayments on leased assets (a)	18	12	12	12	12
Total comprehensive income/(loss) - as per the Statement of comprehensive income	25,393	80,645	(5,729)	(46,264)	(26,416)

Prepared on Australian Accounting Standards basis.

a) Applies leases under AASB 16 Leases.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	110,778	185,738	179,238	131,261	104,057
Trade and other receivables	2,391	1,291	266	166	1,121
Other investments	33,306	39,215	41,215	43,215	43,215
Total financial assets	146,475	226,244	220,719	174,642	148,393
Non-financial assets					
Land and buildings	1,020	5,000	4,000	3,000	2,000
Property, plant and equipment	624	191	524	357	190
Other non-financial assets	179	141	41	41	41
Total non-financial assets	1,823	5,332	4,565	3,398	2,231
Total assets	148,298	231,576	225,284	178,040	150,624
LIABILITIES					
Payables					
Suppliers	1,373	623	650	650	650
Grants	500	500	500	500	500
Other payables	61	61	61	61	61
Total payables	1,934	1,184	1,211	1,211	1,211
Interest bearing liabilities					
Leases	1,092	5,000	4,000	3,000	2,000
Total interest bearing liabilities	1,092	5,000	4,000	3,000	2,000
Provisions					
Employee provisions	259	159	179	199	199
Other provisions	439	14	404	404	404
Total provisions	698	173	583	603	603
Total liabilities	3,724	6,357	5,794	4,814	3,814
Net assets	144,574	225,219	219,490	173,226	146,810
EQUITY*					
Parent entity interest					
Reserves	238	238	238	238	238
Retained surplus / (accumulated deficit)	144,336	224,981	219,252	172,988	146,572
Total parent entity interest	144,574	225,219	219,490	173,226	146,810
Total Equity	144,574	225,219	219,490	173,226	146,810

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 2021-22)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Total equity \$'000
Opening balance as at 1 July 2021			
Balance carried forward from previous period	144,336	238	144,574
Adjusted opening balance	144,336	238	144,574
Comprehensive income			
Surplus/(deficit) for the period	80,645	-	80,645
Total comprehensive income	80,645	-	80,645
of which:			
Attributable to the Australian Government	224,981	238	225,219
Closing balance attributable to the Australian Government	224,981	238	225,219

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Receipts from Government	227,535	359,174	170,109	148,662	179,001
Interest	950	700	245	35	98
Net GST received	21,618	25,299	17,800	16,075	18,587
Other	9,705	100	100	100	100
Total cash received	259,808	385,273	188,254	164,872	197,786
Cash used					
Employees	1,145	1,307	1,217	1,248	1,273
Suppliers	22,726	26,916	20,457	20,321	21,088
Grants	186,115	247,566	151,010	170,207	180,891
Net GST paid	21,434	25,443	16,597	15,660	19,490
Interest payments on lease liability	18	12	12	12	12
Total cash used	231,438	301,244	189,293	207,448	222,754
Net cash from/(used by) operating activities	28,370	84,029	(1,039)	(42,576)	(24,968)
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant, and equipment and intangibles	-	-	500	-	-
Investments	4,481	8,066	3,000	3,000	-
Total cash used	4,481	8,066	3,500	3,000	-
Net cash from/(used by) investing activities	(4,481)	(8,066)	(3,500)	(3,000)	-
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	943	1,003	1,050	1,050	989
Total cash used	943	1,003	1,050	1,050	989
Net cash from/(used by) financing activities	(943)	(1,003)	(1,050)	(1,050)	(989)
Net increase/(decrease) in cash held	22,946	74,960	(5,589)	(46,626)	(25,957)
Cash and cash equivalents at the beginning of the reporting period	87,832	110,778	184,827	177,887	130,014
Cash and cash equivalents at the end of the reporting period	110,778	185,738	179,238	131,261	104,057

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources (a)	-	-	500	-	-
TOTAL	-	-	500	-	-
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	-	-	500	-	-
Total cash used to acquire assets	-	-	500	-	-

Prepared on Australian Accounting Standards basis.

(a) Includes the following sources of funding:

- Funding provided by the portfolio department reflecting the Agency's Special Appropriation under section 64 of the *Australian Renewable Energy Agency Act 2011*, including rollover of unspent funds.
- Internally developed assets.

Table 3.6: Statement of asset movements (Budget year 2021-22)

	Buildings \$'000	Other property, plant and equipment \$'000	Total \$'000
As at 1 July 2021			
Gross book value	-	2,405	2,405
Gross book value - ROU assets	3,098	-	-
Accumulated depreciation/amortisation and impairment - ROU assets	(2,078)	(1,781)	(3,859)
Opening net book balance	1,020	624	(1,454)
Other movements			
Depreciation/amortisation on ROU assets	(1,020)	(433)	(1,453)
Other - ROU assets	5,000	-	5,000
Total other movements	3,980	(433)	3,547
As at 30 June 2022			
Gross book value	-	2,405	2,405
Gross book value - ROU assets	8,098	-	8,098
Accumulated depreciation/amortisation and impairment - ROU assets	(3,098)	(2,214)	(5,312)
Closing net book balance	5,000	191	5,191

Prepared on Australian Accounting Standards basis.

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

ARENA has no budgeted income and expenses administered on behalf of government; therefore Table 3.7 is not presented.

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

ARENA has no budgeted assets and liabilities administered on behalf of government; therefore Table 3.8 is not presented.

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

ARENA has no budgeted administered cash flows; therefore Table 3.9 is not presented.

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

ARENA has no administered capital budget; therefore Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2020-21)

ARENA has no administered asset movements; therefore Table 3.11 is not presented.

Clean Energy Finance Corporation

**Entity resources and planned
performance**

Clean Energy Finance Corporation

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Clean Energy Finance Corporation

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Clean Energy Finance Corporation (CEFC or Corporation) was established to facilitate increased flows of finance into the clean energy sector. The Corporation invests in accordance with its legislation, the *Clean Energy Finance Corporation Act 2012* (the CEFC Act); and the Clean Energy Finance Corporation Investment Mandate Direction 2020 (Investment Mandate Direction 2020), as made by the Minister for Energy and Emissions Reduction and the Minister for Finance (which took effect on 2 May 2020).

The Corporation is an independent statutory authority, defined as a Corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013*, and is governed by an independent Board. The Board reports to Parliament through its responsible ministers.

The Corporation's investment objectives are to catalyse and leverage an increased flow of funds for the commercialisation and deployment of renewable energy, energy efficiency and low emissions technologies. The CEFC invests with commercial rigour in a diverse portfolio across the spectrum of clean energy technologies that are solely or mainly Australian based – either directly or indirectly through industry and the banking sector – that, in aggregate, have an acceptable but not excessive level of risk relative to the sector. The CEFC is required to liaise with relevant persons and bodies, including the Australian Renewable Energy Agency, the Clean Energy Regulator, the Australian Energy Market Operator, other Australian Government entities, and state and territory governments, for the purposes of facilitating its investment function.

In the Investment Mandate Direction 2020, the responsible ministers have also directed the CEFC Board to prioritise investments that support reliability and security of electricity supply and make available (from the existing CEFC Special Account) up to:

- \$1.0 billion of investment finance over 10 years for the Reef Funding Program.
- \$1.0 billion of investment finance over 10 years for a Sustainable Cities Investment Program.
- \$200 million for debt and equity investment through the Clean Energy Innovation Fund.

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- \$100 million for debt and equity investment through an Australian Recycling Investment Fund to support recycling or recycled content projects utilising clean energy technologies, with a particular focus on waste plastics, paper, glass and tyres.
- \$300 million for concessional debt and equity investments through the Advancing Hydrogen Fund to support the growth of a clean, innovative, safe and competitive Australian hydrogen industry.

The Clean Energy Finance Corporation Amendment (Grid Reliability Fund) Bill 2020, currently before the Parliament will make available up to \$1.0 billion additional capital to the CEFC to support investment in grid reliability.

The ways in which the Corporation addresses financial barriers include:

- Attracting finance to the Australian market to improve the flow and diversification of funds for investment in the sector.
- Assisting project proponents as an arranger, helping to develop the business case and introduce the proponents to other financiers to seek transaction close.
- Building knowledge and capacity within the finance sector by participating in transactions to de-risk the investment, familiarising financiers with new asset types or through reducing the size of their exposure.
- Supporting the fledgling innovation ecosystem surrounding clean energy technologies through direct investment in early-stage technologies and through the Clean Energy Innovation Fund.
- Working with the finance sector to develop new financial products and deliver them to the market, tailored to the needs, attributes and emerging delivery models for new technologies, which in turn enables small and mid-sized businesses to access finance for energy productivity enhancing capital investment.
- Building knowledge and capacity within industry through demonstration and case studies to promote successful models and opportunities in energy productivity and clean energy investment.
- Providing loans at commercial and concessional rates. Where it is necessary and justified, the Corporation may choose to deploy concessional finance to assist in overcoming financial impediments and facilitate realisation of the project.

The annual rate of new CEFC investments in 2019–20 slowed compared with previous years, reflecting challenges in the renewable energy sector, including marginal loss factors, grid constraints and connection delays. The CEFC is working with investors, project proponents and regulators to address these structural issues where possible. This reflects a wider trend toward higher levels of privately financed investment in the renewable energy sector, and the success of the CEFC with renewable energy where private sector finance is increasingly available.

Coronavirus (COVID-19) impact

COVID-19 was declared a world-wide pandemic by the World Health Organisation in March 2020. COVID-19, as well as measures to slow the spread of the virus, have since had a significant impact on global economies and equity, debt and commodity markets. In addition to the macro-level impacts there is variability in impact across industry sectors ranging from the catastrophic (e.g. international tourism) to positive (e.g. telecommunications), with unclear visibility as to how long these impacts will continue.

The CEFC has considered the impact of COVID-19 and other market volatility in preparing its forecast. Given the dynamic and evolving nature of COVID-19, limited recent experience of the economic and financial impacts of such a pandemic, the preparation of these forecasts, changes to the estimates and outcomes that have been applied in the measurement of the entity's assets and liabilities may arise in the future.

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: CEFC resource statement – Budget estimates for 2021-22 as at Budget May 2021

	2020-21 Estimated actual \$'000	2021-22 Estimate \$'000
Opening balance/cash reserves at 1 July (a) (b)	848,179	371,391
Funds from Government		
Annual appropriations - ordinary annual services (c)		
Outcome 1 (d)	4,270	4,532
Total annual appropriations	4,270	4,532
Total funds from Government	4,270	4,532
Funds from other sources		
Interest and dividends	171,541	152,253
Total funds from other sources	171,541	152,253
Total net resourcing for CEFC	1,023,990	528,176
	2020-21	2021-22
Average staffing level (number)	126	146

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

- (a) The Corporation is not directly appropriated as it is a Corporate Commonwealth entity as defined under the *Public Governance, Performance and Accountability Act 2013*.
- (b) The Corporation does not hold the special account itself and therefore does not have a balance carried forward from earlier years. Under the CEFC Act, the CEFC is able to draw on the cumulative funds available in the Special Account, which was \$5.4 billion at 1 July 2020.
- (c) Appropriation Bill (No. 1) 2021-22.
- (d) Amounts relate to funding for estimated expenses associated with the Grid Reliability Fund.

1.3 Budget measures

There are no new Budget measures relating to CEFC detailed in Budget Paper No. 2; therefore Table 1.2 is not presented.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance 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 a complete picture of an entity's planned and actual performance.

The most recent corporate plan for the CEFC can be found at:
<https://www.cefc.com.au/who-we-are/how-we-operate/corporate-plan/>

The most recent annual performance statement can be found at:
<https://www.cefc.com.au/annual-report-2020/performance/>

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Facilitate increased flows of finance into Australia’s clean energy sector, applying commercial rigour to investing in renewable energy, low emissions and energy efficiency technologies, building industry capacity, and disseminating information to industry stakeholders

Linked programs

Department of Industry, Science, Energy and Resources
<p>Programs</p> <ul style="list-style-type: none"> • Program 2.1 – Reducing Australia’s greenhouse gas emissions • Program 2.2 – Developing clean energy technology • Program 3.1 – Supporting reliable, secure and affordable energy
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of Industry, Science, Energy and Resources has responsibility for policies that reduce Australia’s greenhouse gas emissions, contribute to effective global action on climate change, and support technological innovation in clean and renewable energy, through developing and implementing a national response to climate change.</p> <p>They also support the affordable, reliable, secure and competitive operation of energy markets for the long-term benefit of the Australian community through improving Australia’s energy supply, efficiency, quality, performance and productivity.</p> <p>The Clean Energy Finance Corporation contributes to these programs by facilitating increased flows of finance into the clean energy sector.</p>
Department of Agriculture, Water and the Environment
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Sustainable Management of Natural Resources and the Environment • Program 1.6 – Management of Hazardous Wastes, Substances and Pollutants
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Clean Energy Finance Corporation contributes to policies that reduce waste and increase domestic recycling capacity. CEFC makes available funding to the Clean Energy Innovation Fund and Reef Funding Program. Through the Australian Recycling Investment Fund, CEFC provides flows of finance into clean energy technologies that support the recycling of waste, in particular wastes that are – or by 1 July 2024 will be – banned for export.</p>

Australian Renewable Energy Agency
Program
<ul style="list-style-type: none"> • Program 1.1 – Australian Renewable Energy Agency
Contribution to Outcome 1 made by linked programs
<p>The Clean Energy Innovation Fund is jointly managed by the Corporation and the Australian Renewable Energy Agency, drawing on their complementary experience and expertise. The Clean Energy Innovation Fund has up to \$200 million available for debt and equity investments in emerging clean energy projects and businesses, targeting projects at the later end of the innovation chain while delivering a financial return to taxpayers, in addition to the public good return of improving the competitiveness of renewable energy and related technologies.</p>
Great Barrier Reef Marine Park Authority
Programs
<ul style="list-style-type: none"> • Program 1.1 – Great Barrier Reef Marine Park Authority
Contribution to Outcome 1 made by linked programs
<p>The Clean Energy Finance Corporation is making available up to \$1 billion of investment finance over 10 years for the Reef Funding Program. The Program invests in clean energy projects delivered in the Great Barrier Reef catchment region. In targeting the financing of clean energy projects and businesses in the region, the Reef Funding Program supports delivery of the Australian and Queensland governments' <i>Reef 2050 Plan</i>.</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: Facilitate increased flows of finance into Australia's clean energy sector, applying commercial rigour to investing in renewable energy, low emissions and energy efficiency technologies, building industry capacity, and disseminating information to industry stakeholders

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Program 1: Clean Energy Finance Corporation					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1) (a)	4,270	4,532	4,263	4,379	4,379
Expenses not requiring appropriation in the budget year (b)	92,694	84,191	94,294	90,374	90,777
Revenues from other independent sources	42,203	52,277	56,443	58,948	61,244
Total expenses for Program 1	139,167	141,000	155,000	153,701	156,400
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1) (a)	4,270	4,532	4,263	4,379	4,379
Expenses not requiring appropriation in the budget year (b)	92,694	84,191	94,294	90,374	90,777
Revenues from other independent sources	42,203	52,277	56,443	58,948	61,244
Total expenses for Outcome 1	139,167	141,000	155,000	153,701	156,400
Average staffing level (number)					
	2020-21	2021-22			
	126	146			

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

- (a) Amounts relate to funding for estimated incremental operating expenses associated with the Grid Reliability Fund.
- (b) Expenses not requiring appropriation in the budget year are non-cash charges in relation to concessional loans, write-down and impairment of assets, depreciation and amortisation and share of net loss from associates accounted for under the equity method.

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2021-22 Budget measures have created new programs or materially changed existing programs.

Outcome 1 – Facilitate increased flows of finance into Australia’s clean energy sector, applying commercial rigour to investing in renewable energy, low emissions and energy efficiency technologies, building industry capacity, and disseminating information to industry stakeholders	
Program 1.1 – Clean Energy Finance Corporation	
<p>The Clean Energy Finance Corporation’s mission is: “To accelerate Australia’s transformation towards a more competitive economy in a carbon constrained world, by acting as a catalyst to increase investment in emissions reduction” through:</p> <ul style="list-style-type: none"> • Investing directly and indirectly, while also attracting private sector investment into clean energy technologies and projects. • Applying commercial rigour and using financial products and structures to address the barriers inhibiting private sector investment in the sector. 	
Delivery	<p>The Corporation helps mobilise investment in renewable energy, low emissions and energy efficiency projects and technologies in Australia, as well as into businesses and services that produce the required inputs. It uses financial products and structures to address the barriers inhibiting investment at the demonstration, commercialisation and deployment stages of innovation.</p> <p>The Corporation works with private sector financiers and project sponsors to facilitate and leverage increased flows of finance into the clean energy sector. In undertaking its investment activities, the Corporation must consider the potential effect on other market participants and the efficient operation of the Australian financial and energy markets.</p> <p>The Corporation shares knowledge and expertise with project sponsors, lenders and the broader industry, helping build capacity within the private sector.</p> <p>The Corporation is being directed to focus particular attention on investing debt and equity in:</p> <ul style="list-style-type: none"> • Emerging clean energy projects and businesses that involve technologies that have passed beyond the research and development stages but are not yet established or of sufficient maturity, size or otherwise commercially ready to attract sufficient private sector investment. • Renewable energy, low emissions and energy efficiency projects and businesses that improve liveability, accessibility and productivity of cities • Clean energy technology projects and businesses that support the delivery of the Government’s Reef 2050 Plan. • Supporting emerging and innovative renewable technologies and energy efficiency, such as large scale solar, storage associated with large and small-scale solar, offshore wind technologies, and energy efficiency technologies for the built environment. • Investments that support reliability and security of electricity supply. <p>The Corporation can also provide up to \$300m per annum of concessionality in relation to loans issued at below market interest rates and has a limited scope to provide guarantees where appropriate and unavoidable. The Corporation must ensure the total value of guarantees at any time does not exceed 5% of the total amount that has been credited to the Special Account under section 46 of the Act.</p> <p>The Corporation is not a grant making organisation. It seeks to generate positive financial returns and this is expressed in the Investment Mandate as a target portfolio benchmark rate of return. The Corporation therefore makes investments with a commercial approach, based on careful risk assessment and appropriate terms, with an expectation that such investments will be repaid. The Corporation</p>

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	undertakes its investment activity responsibly and manages risk to minimise the likelihood of losses.	
Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020-21	Be financially sustainable and maintain an investment portfolio that, over the longer term, facilitates emissions reductions, generates positive financial returns within risk appetite. <ul style="list-style-type: none"> Free Cash Flows from Operations (FCFO) after implied costs of government funding – ‘paying our way’. Total Operating Result adjusted for: (1) GRF and Innovation Fund revaluations, (2) concessionality charges and unwinds, (3) bond revaluations. 	<p>> \$20m</p> <p>> \$90m</p>
	Increase investment in clean energy technologies and infrastructure. <ul style="list-style-type: none"> Commitments to renewable energy, energy efficiency and low emission technology transactions. Invest in the grid’s transition to a lower emissions energy market. Carbon emission reduction from FY2021 new investments.	<p>Funds contracted during the year > \$0.8b</p> <p>Evidence of supporting the grid’s transition to a lower emissions energy market.</p> <p>0.45MtCO₂e p.a.</p>
	Increase private sector capital flowing to the Australian clean energy sector and attract new investor classes into the sector. <ul style="list-style-type: none"> The degree to which CEFC leverages and influences third party capital invested to pursue increased emission reductions. Unlock new private sector finance (including Super). 	<p>2:1</p> <p>Evidence of CEFC attracting investors into transactions.</p>
	Be financially sustainable and maintain an investment portfolio that, over the longer term, facilitates emissions reductions, generates positive financial returns within risk appetite. <ul style="list-style-type: none"> Free Cash Flows from Operations (FCFO) after implied costs of government funding – ‘paying our way’. Total Operating Result adjusted for: (1) GRF and Innovation Fund revaluations, (2) concessionality charges and unwinds, (3) bond revaluations. 	<p>> \$0m</p> <p>> \$80m</p>
2021-22	Increase investment in clean energy technologies and infrastructure. <ul style="list-style-type: none"> Commitments to renewable energy, energy efficiency and low emission technology transactions (including grid, Investment Mandate areas of focus and the Technology Roadmap). 	<p>\$0.8b - \$1.0b</p>

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	Carbon emission reduction from FY2022 new investments.	> 0.45MtCO ₂ e p.a.
	Increase private sector capital flowing to the Australian clean energy sector and attract new investor classes into the sector.	> 2:1
	<i>Expected to be updated if the Grid Reliability Fund is legislated and to reflect consequential investment mandate directions anticipated to be received during 2020-21.</i>	
2022-23 and beyond	Currently as per 2021-22. <i>Expected to be updated if the Grid Reliability Fund is legislated and to reflect consequential investment mandate directions anticipated to be received during 2020-21.</i>	
Purposes	The CEFC's purpose is to overcome financing barriers to facilitate increased flows of finance into Australia's clean energy sector and in turn to achieve emissions reductions.	
Material changes to Program 1.1 resulting from the following measures: Nil		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021-22 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

The Corporation incurs significant non-cash expenses and income which give rise to a significant difference between the financial information presented in the budgeted financial statements and the underlying cash impact of its operations.

Table 3.1 Comprehensive income statement (showing net cost of services) includes a reconciliation of the impact of non-cash concessionality income and charges and write down and impairment of assets. Table 3.4 Budgeted departmental statement of cash flows also shows the net cash from operating activities which is significantly higher than the surplus shown in Table 3.1 Comprehensive Income Statement.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The financial statements, included in Tables 3.1 to 3.6 have been prepared in accordance with the requirements of the *Public Governance, Performance and Accountability Act 2013*, the Public Governance, Performance and Accountability (Financial Reporting) Rule 2015, Australian Accounting Standards issued by the Australian Accounting Standards Board and the Department of Finance guidance for the preparation of financial statements (noting additional disclosure of the reconciliation of the impact of the significant non-cash income and charges is not required by Australian Accounting Standards).

Forward estimates are prepared on the basis of accounting standards currently in force. Adoption of new accounting standards may impact the measurement and classification of certain assets, liabilities and expenses in future periods.

The financial report has been prepared on an accrual basis and is prepared in accordance with the historical cost convention.

Notes to the budgeted financial statements

The budget statements and estimated forward years should be read taking into account the following matters:

Interest rates

The Corporation is in the business of making loans and is therefore impacted significantly by movements in market interest rates. Market rates of interest have dropped significantly over the last few years, and this has resulted in (a) a number of CEFC financed projects being refinanced at lower market-based rates of interest, some of which have been refinanced by the private sector (particularly those that have been de-risked through completion of construction) and some of which the CEFC has refinanced, and (b) lower rates of return (income) in new investments (both debt and equity). This has had a significant impact on the budget and forward estimates of both interest income and cash flows received from operations.

Concession loan discount

Some of the loans which the Corporation makes may be at a discount to the prevailing market equivalent rates or terms (or, in the absence of equivalent market rates or terms, an estimate of these). For each debt investment, the Corporation attempts to maximise its return and provide only the level of discount from market rates/terms that is required to ensure the project proceeds. This may involve the Corporation taking a position that is not generally offered by other market participants (for example, longer term fixed rate debt or subordinated debt) at rates that may be below those that an equivalent market participant would demand if it were to participate in this market.

The Corporation is required to record a non-cash charge referred to as a concessional loan discount in relation to any such loans and it is a matter of judgment as to the market equivalent rate used to ascertain the extent of the implicit discount attached to the loan.

Concessionality is made available on an individual transaction basis through longer tenor or lower cost of finance or by absorbing additional risk. The Corporation sets terms on a case-by-case basis, lending at the rate that is commercially reasonable and on the least generous terms possible for the project to proceed (that is, as close to market terms as possible).

Impairment

(a) Loans

The Corporation is required to ascertain the extent to which its portfolio of loans is likely to be recoverable. Given the Corporation is in the business of lending and earning a margin it takes credit risk and it is appropriate to provision for expected credit losses. As the Corporation's portfolio is mainly senior, secured debt and secured project finance facilities, and there have been limited specific impairments identified to date, a statistical probability of default must be used in accordance with AASB9 to determine the level of appropriate provisioning. The forecast impairment charge is a provision determined as reasonable and appropriate when looking at the risks within the Corporation's current loans and, in particular, the current environment faced by the borrowers.

(b) Equity Investments

The Corporation carries its equity investments at fair value. Since the adoption of AASB9 – Financial Instruments effective 1 July 2018, any reduction in these fair values is required to be recorded as a charge to the income statement. The Corporation is, among other things, in the business of investing equity in early-stage clean energy technology entities under the Clean Energy Innovation Fund. The performance of the Innovation Fund portfolio will reflect the nature, status and lifecycle of the underlying investments and the Corporation expects that a number of these investments will become impaired over the period covered by these financial statements. This is consistent with the design of the Clean Energy Innovation Fund as essentially a venture capital-style offering, where perhaps 40 per cent of investments are expected to fail, 40 per cent expected to yield average returns and the remaining 20 per cent expected to outperform. It is envisaged that the outperforming investments in the Clean Energy Innovation Fund will therefore cover, and ideally exceed, any investment losses – enabling the Fund to meet or exceed its performance benchmark return of the 5-year government bond rate +1 per cent per annum.

The Corporation is also in the business of investing in equity in more mature companies, businesses and projects. In some situations it may be necessary for the Corporation to take a lower rate of return than the risk of the project would indicate is appropriate for a commercial investor. For example, this may be a subordinated return or a period of lower returns in the early years of a project. The Corporation does this in limited situations, and only when it is necessary to ensure the project proceeds, as this will trigger a write-down in the fair value of the Corporation's equity investment.

Variability in forecasts

The responsible Ministers give guidance to the Board in relation to the performance of the Corporation's investment function in the form of an Investment Mandate issued under subsection 64(1) of the CEFC Act. The current Investment Mandate, the Investment Mandate Direction 2020, became effective on 2 May 2020 and was issued by the Hon Angus Taylor MP, Minister for Energy and Emissions Reduction, and Senator the Hon Mathias Cormann, the then Minister for Finance. This Investment Mandate includes specific areas of focus. These areas of focus have direct implication on the likely rate of return that is achievable in the portfolio, the amount of risk that the Corporation will be incurring across its portfolio and the variability of earnings from period to period.

For example, the Clean Energy Innovation Fund will likely result in a greater proportion of equity investments than the Corporation's core portfolio. Similarly, the focus of both the Innovation Fund and Advancing Hydrogen Fund on emerging clean energy projects and businesses that involve technologies that have passed beyond the research and development stages, but are not yet established or of sufficient maturity, size or otherwise commercially ready to attract sufficient private sector investment, will expose the Corporation to a greater risk of loss on individual investments and is likely to result in a greater variability in returns between reporting periods. The Australian Government is conscious of the risks inherent in investing in earlier stage technologies and acknowledges that in practice this will involve some short-term volatility in the Corporation's returns, including the possibility of losses in some years. See also the discussion on the Clean Energy Innovation Fund in the section on "Impairments" above.

Investments in the Grid Reliability Fund (once established) will also likely require considerable concession or a subordination of returns which will result in either impairment or a write-down in the fair value of the investment at inception. As these projects will be large and infrequent, the precise timing of when they will trigger a concessional charge or write-down in their fair value is not possible to predict with any degree of certainty and are likely to result in significant fluctuations between periods.

3.2 Budgeted financial statements tables

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
EXPENSES					
Employee benefits	34,091	40,155	42,616	44,868	46,667
Suppliers	12,357	16,644	18,069	18,443	18,946
Depreciation and amortisation	3,694	4,191	5,044	4,874	4,777
Concessional loan discount	42,000	35,000	40,000	32,000	32,000
Other financing costs	25	10	21	16	10
Write-down and impairment of assets	47,000	45,000	49,250	53,500	54,000
Total expenses	139,167	141,000	155,000	153,701	156,400
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Unwind of concessional loan discount	6,800	7,400	8,200	10,400	12,000
Interest	154,170	132,404	130,815	133,961	136,621
Dividends	16,260	21,464	25,322	28,461	29,800
Total own-source revenue	177,230	161,268	164,337	172,822	178,421
Gains					
Profit on Sale of Financial Assets	30,151	6,500	5,000	4,000	2,000
Foreign exchange gains	16	-	-	-	-
Total gains	30,167	6,500	5,000	4,000	2,000
Total own-source income	207,397	167,768	169,337	176,822	180,421
Net (cost of)/contribution by services	68,230	26,768	14,337	23,121	24,021
Revenue from Government	4,270	4,532	4,263	4,379	4,379
Surplus/(deficit) attributable to the Australian Government	72,500	31,300	18,600	27,500	28,400
Total comprehensive income/(loss) attributable to the Australian Government	72,500	31,300	18,600	27,500	28,400

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Total comprehensive income/(loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	72,725	31,391	18,392	27,532	28,502
less: Depreciation/amortisation expenses on ROU assets (a)	1,721	1,990	2,543	2,365	2,359
add: Principal repayments on leased assets (a)	(1,946)	(2,081)	(2,335)	(2,397)	(2,461)
Total comprehensive income/(loss) - as per the Statement of comprehensive income	72,500	31,300	18,600	27,500	28,400
Reconciliation of the impact of significant non-cash concessionality income and charges and fair value adjustments					
Total comprehensive income/(loss) attributable to the Australian Government	72,500	31,300	18,600	27,500	28,400
Add concessional loan discount	42,000	35,000	40,000	32,000	32,000
Less unwind of concessional loan discount	(6,800)	(7,400)	(8,200)	(10,400)	(12,000)
Net non-cash concessionality impact	35,200	27,600	31,800	21,600	20,000
Add Write-down and impairment of assets	47,000	45,000	49,250	53,500	54,000
Net adjustments to investment carrying values	47,000	45,000	49,250	53,500	54,000
Total comprehensive income attributable to the Australian Government after eliminating significant non-cash adjustments	154,700	103,900	99,650	102,600	102,400

Prepared on Australian Accounting Standards basis.

(a) Applies leases under AASB 16 Leases.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	371,391	411,436	330,225	293,719	266,154
Advances and loans	2,451,191	2,553,244	2,732,809	3,009,289	3,462,562
Investment in shares	837,235	1,102,599	1,208,846	1,361,719	1,531,983
Investments in other interest bearing securities	1,304,097	1,200,070	1,288,710	1,135,782	771,641
Investment in derivative financial instruments	5,607	5,607	5,607	5,607	5,607
Trade and other receivables	15,165	15,225	14,784	14,784	14,784
Investments accounted for under the equity method	271,259	324,719	363,231	365,452	361,709
Total financial assets	5,255,945	5,612,900	5,944,212	6,186,352	6,414,440
Non-financial assets					
Land and buildings	6,427	4,437	7,894	5,529	3,170
Property, plant and equipment	2,928	2,564	2,571	2,342	2,019
Intangibles	267	435	427	397	502
Other non-financial assets	535	535	535	535	535
Total non-financial assets	10,157	7,971	11,427	8,803	6,226
Total assets	5,266,102	5,620,871	5,955,639	6,195,155	6,420,666
LIABILITIES					
Payables					
Suppliers	5,787	5,787	5,787	5,787	5,787
Personal benefits	6,985	8,816	9,275	9,767	10,213
Other payables	39,785	38,230	35,143	33,907	33,001
Total payables	52,557	52,833	50,205	49,461	49,001
Interest bearing liabilities					
Leases	6,655	4,574	8,239	5,842	3,381
Total interest bearing liabilities	6,655	4,574	8,239	5,842	3,381
Provisions					
Employee provisions	3,644	3,918	4,049	4,206	4,238
Other provisions	3,443	3,443	3,443	3,443	3,443
Total provisions	7,087	7,361	7,492	7,649	7,681
Total liabilities	66,299	64,768	65,936	62,952	60,063
Net assets	5,199,803	5,556,103	5,889,703	6,132,203	6,360,603
EQUITY*					
Parent entity interest					
Contributed equity	4,568,363	4,893,363	5,208,363	5,423,363	5,623,363
Reserves	(6,455)	(6,455)	(6,455)	(6,455)	(6,455)
Retained surplus / (accumulated deficit)	637,895	669,195	687,795	715,295	743,695
Total parent entity interest	5,199,803	5,556,103	5,889,703	6,132,203	6,360,603
Total Equity	5,199,803	5,556,103	5,889,703	6,132,203	6,360,603

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 2021-22)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2021					
Balance carried forward from previous period	637,895	(6,455)	-	4,568,363	5,199,803
Adjusted opening balance	637,895	(6,455)	-	4,568,363	5,199,803
Comprehensive income					
Surplus/(deficit) for the period	31,300	-	-	-	31,300
Total comprehensive income	31,300	-	-	-	31,300
of which:					
Attributable to the Australian Government	31,300	-	-	-	31,300
Transactions with owners					
Distribution to owners					
Return to CEFC Special Account held by portfolio department	-	-	-	(500,000)	(500,000)
Contributions by owners					
Equity Injection from CEFC Special Account	-	-	-	740,000	740,000
Equity Injection from GRF Special Account (a)	-	-	-	85,000	85,000
Sub-total transactions with owners	-	-	-	325,000	325,000
Estimated closing balance as at 30 June 2022	669,195	(6,455)	-	4,893,363	5,556,103
Closing balance attributable to the Australian Government	669,195	(6,455)	-	4,893,363	5,556,103

Prepared on Australian Accounting Standards basis.

(a) Budgeted drawings from the Grid Reliability Fund Special Account to be established upon passing of the Grid Reliability Fund Legislation.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Receipts from Government	4,270	4,532	4,263	4,379	4,379
Interest	171,441	125,560	132,243	133,737	137,144
Dividends	16,705	21,464	25,322	28,461	29,800
Total cash received	192,416	151,556	161,828	166,577	171,323
Cash used					
Employees	34,322	38,050	42,026	44,219	46,189
Suppliers	12,084	16,644	18,069	18,443	18,946
Lease liability - Interest payments	25	10	21	16	10
Total cash used	46,431	54,704	60,116	62,678	65,145
Net cash from/(used by) operating activities	145,985	96,852	101,712	103,899	106,178
INVESTING ACTIVITIES					
Cash received					
Repayments of loans and advances	391,299	401,048	325,103	445,503	424,153
Other investing cash receipts for policy purposes	514,002	502,104	209,159	448,690	673,377
Total cash received	905,301	903,152	534,262	894,193	1,097,530
Cash used					
Purchase of property plant, and equipment and intangibles	3,902	2,005	2,500	2,250	2,200
Advances and loans made	643,667	544,774	550,880	758,037	912,949
Other investing cash payments for policy purposes	778,559	736,099	476,470	486,914	513,663
Total cash used	1,426,128	1,282,878	1,029,850	1,247,201	1,428,812
Net cash from/(used by) investing activities	(520,827)	(379,726)	(495,588)	(353,008)	(331,282)

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
FINANCING ACTIVITIES					
Cash received					
Contributed equity					
from CEFC Special Account	540,000	740,000	530,000	645,000	280,000
from GRF Special Account	-	85,000	85,000	220,000	220,000
Total cash received	540,000	825,000	615,000	865,000	500,000
Cash used					
Lease liability - principal Payments	1,946	2,081	2,335	2,397	2,461
Return to CEFC Special Account held by portfolio department	640,000	500,000	300,000	650,000	300,000
Total cash used	641,946	502,081	302,335	652,397	302,461
Net cash from/(used by) financing activities	(101,946)	322,919	312,665	212,603	197,539
Net increase/(decrease) in cash held	(476,788)	40,045	(81,211)	(36,506)	(27,565)
Cash and cash equivalents at the beginning of the reporting period	848,179	371,391	411,436	330,225	293,719
Cash and cash equivalents at the end of the reporting period	371,391	411,436	330,225	293,719	266,154

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources	3,902	2,005	2,500	2,250	2,200
TOTAL	3,902	2,005	2,500	2,250	2,200
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	3,902	2,005	2,500	2,250	2,200
Total cash used to acquire assets	3,902	2,005	2,500	2,250	2,200

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2021-22)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2021				
Gross book value	-	5,739	2,520	8,259
Gross book value - ROU assets	9,743	-	-	9,743
Accumulated depreciation/ amortisation and impairment	-	(2,811)	(2,253)	(5,064)
Accumulated depreciation/amortisation and impairment - ROU assets	(3,316)	-	-	(3,316)
Opening net book balance	6,427	2,928	267	9,622
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - other	-	555	1,450	2,005
Total additions	-	555	1,450	2,005
Other movements				
Depreciation/amortisation expense	-	(919)	(1,282)	(2,201)
Depreciation/amortisation on ROU	(1,990)	-	-	(1,990)
Total other movements	(1,990)	(919)	(1,282)	(4,191)
As at 30 June 2022				
Gross book value	-	6,294	3,970	10,264
Gross book value - ROU	9,743	-	-	9,743
Accumulated depreciation/ amortisation and impairment	-	(3,730)	(3,535)	(7,265)
Accumulated depreciation/amortisation and impairment - ROU	(5,306)	-	-	(5,306)
Closing net book balance	4,437	2,564	435	7,436

Prepared on Australian Accounting Standards basis.

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

CEFC has no budgeted income and expenses administered on behalf of Government, therefore Table 3.7 is not presented.

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

CEFC has no budgeted assets and liabilities administered on behalf of Government, therefore Table 3.8 is not presented.

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

CEFC has no budgeted administered cash flows, therefore Table 3.9 is not presented.

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

CEFC has no administered capital budget statement; therefore Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2021-22)

CEFC has no administered asset movements; therefore Table 3.11 is not presented.

Clean Energy Regulator

**Entity resources and planned
performance**

Clean Energy Regulator

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Clean Energy Regulator

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Clean Energy Regulator (CER) is a Non-corporate Commonwealth entity and statutory agency established under the *Clean Energy Regulator Act 2011*. The CER is responsible for the Outcome:

Contribute to a reduction in Australia's net greenhouse gas emissions, including through the administration of market based mechanisms that incentivise reduction in emissions and the promotion of additional renewable electricity generation.

The following schemes administered by CER work together to provide economic incentives, backed by robust data, to reduce greenhouse gas emissions and increase the use of renewable energy to achieve the agency's purpose of 'accelerating carbon abatement for Australia.' In administering its schemes, CER is actively supporting the Australian Government's commitment to addressing climate change while maintaining energy security and affordability.

The Emissions Reduction Fund, established under the *Carbon Credits (Carbon Farming Initiative) Act 2011*, provides incentives for a range of organisations and individuals to adopt new practices and technologies to reduce their emissions. Together with the reporting obligations under the *National Greenhouse and Energy Reporting Act 2007*, the safeguard mechanism complements the Emissions Reduction Fund through providing a framework for Australia's largest emitters to measure, report and manage their emissions.

- The National Greenhouse and Energy Reporting Scheme, established by the *National Greenhouse and Energy Reporting Act 2007*, is a single national framework for reporting and disseminating company information about greenhouse gas emissions, energy production, energy consumption and other information specified under the legislation.
- The Renewable Energy Target, established by the *Renewable Energy (Electricity) Act 2000*, encourages the additional generation of electricity from renewable sources, reduces emissions of greenhouse gases in the electricity sector and ensures that renewable energy sources are ecologically sustainable.
- The Australian National Registry of Emissions Units, established by the *Australian National Registry of Emissions Units Act 2011*, is a secure electronic registry system that tracks the location and ownership of units issued under the Kyoto Protocol and the Emissions Reduction Fund.

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CER's strategies for delivering this outcome and achieving its purpose are to:

- Invest in knowing CER's clients and communicating with them in a way which meets their needs. Use client education and guidance materials to help potential clients understand how to participate in and comply with CER's schemes. Set clear and consistent expectations with clients. Further develop tools that assist CER's clients to self-select in only if they have adequate capacity and capability to meet the requirements and achieve the anticipated results. Manage non-compliance and influence client behaviour by communicating the regulatory responses and actions we take to address non-compliance, including the use of targeted enforcements to act as a deterrent.
- Use risk-based and continuous improvement approaches to deploy agency resources to best effect. Maintain and enhance the skills and expertise of CER's people and encourage innovation to benefit CER and its clients.
- Build and sustain CER's reputation and impact through sound stakeholder and client relationships and partnerships with other relevant institutions and regulatory bodies. Promote the value of CER's assets, the quality of its results and the strength of its capabilities. Place a strong emphasis on using the data we hold to generate insights and make lawful, consistent, transparent and robust decisions. Share the data CER holds for the public good, in line with the secrecy and privacy provisions of CER's legislation.
- Ensure CER's infrastructure is reliable, resilient and flexible enough to be reused in response to policy or operational change. Protect the integrity and utility of the core elements of CER's schemes, including greenhouse and energy data, contracts, units and certificates.

The carbon market is evolving, including through deeper voluntary action. The CER is implementing several Government initiatives to support this development including the Corporate Emissions Reduction Transparency report and acceleration of the emergence of an exchange traded market.

Further information on CER's purpose, objectives, planning priorities and key performance indicators is detailed in the Clean Energy Regulator Corporate Plan on the Regulator's website at www.cleanenergyregulator.gov.au.

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: Clean Energy Regulator resource statement – Budget estimates for 2021-22 as at Budget May 2021

	2020-21 <i>Estimated actual</i> \$'000	2021-22 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	19,689	19,449
Departmental appropriation (b)	76,511	86,503
Departmental capital budget (c)	1,148	1,143
Annual appropriations - other services - non-operating (d)		
Equity injection	2,950	6,681
Total departmental annual appropriations	<u>100,298</u>	<u>113,776</u>
Total departmental resourcing	<u>100,298</u>	<u>113,776</u>
Administered		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	92,258	92,258
Outcome 1	245,940	295,387
Total administered annual appropriations	<u>338,198</u>	<u>387,645</u>
Total administered special appropriations	<u>68,146</u>	<u>482</u>
Special accounts (e)		
Opening balance	82	82
Non-appropriation receipts	3,500	3,500
Total special account receipts	<u>3,582</u>	<u>3,582</u>
Total administered resourcing	<u>409,926</u>	<u>391,709</u>
Total resourcing for CER	<u>510,224</u>	<u>505,485</u>
<hr/>		
	2020-21	2021-22
Average staffing level (number)	<u>325</u>	<u>332</u>

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

- (a) Appropriation Bill (No. 1) 2021-22.
- (b) Excludes departmental capital budget (DCB).
- (c) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (d) Appropriation Bill (No. 2) 2021-22.
- (e) For further information on special accounts, please refer to Budget Paper No. 4 - Agency Resourcing.

1.3 Budget measures

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

**Table 1.2: CER 2021-22 budget measures
Measures announced after the 2020-21 Mid-Year Economic and Fiscal Outlook
(MYEFO)**

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000
Payment measures					
Commonwealth's Deregulation Agenda (a)	1.1				
Departmental payment		2,429	6,400	2,215	463
Total		2,429	6,400	2,215	463
Emissions Reduction and New Investments under the Technology Investment Roadmap	1.1				
Administered payment		-	10,040	20,080	30,116
Departmental payment		2,818	4,908	7,013	4,241
Total		2,818	14,948	27,093	34,357
Improving Energy Affordability and Reliability	1.1				
Administered payment		-	-	-	-
Departmental payment		5,734	7,316	2,551	1,710
Total		5,734	7,316	2,551	1,710
Total payment measures					
Administered		-	10,040	20,080	30,116
Departmental		10,981	18,624	11,779	6,414
Total		10,981	28,664	31,859	36,530

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

(a) The lead entity for this measure is the Department of Prime Minister and Cabinet. The full measure and package details appear in Budget Paper No. 2 under Cross Portfolio.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance 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 a complete picture of an entity's planned and actual performance.

The most recent corporate plan for CER can be found at:
<http://www.cleanenergyregulator.gov.au/About/Accountability-and-reporting/Corporate-plans>

The most recent annual performance statement can be found at:
<http://www.cleanenergyregulator.gov.au/About/Accountability-and-reporting/Annual-Reports>

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Contribute to a reduction in Australia's net greenhouse gas emissions, including through the administration of market based mechanisms that incentivise reduction in emissions and the promotion of additional renewable electricity generation

Linked programs

Department of Industry, Science, Energy and Resources
<p>Programs</p> <ul style="list-style-type: none"> • Program 2.1 - Reducing Australia's greenhouse gas emissions • Program 3.1 - Supporting reliable, secure and affordable energy
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of Industry, Science, Energy and Resources has policy responsibility for the Emissions Reduction Fund, the Renewable Energy Target, the National Greenhouse and Energy Reporting Scheme and the Australian National Registry of Emissions Units. The Clean Energy Regulator works collaboratively with the Department as the delivery agency and regulator for these schemes. The Department is responsible for energy policy and the Clean Energy Regulator works collaboratively with the Department to understand the impacts of its regulatory activity on the market.</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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Outcome 1: Contribute to a reduction in Australia's net greenhouse gas emissions, including through the administration of market based mechanisms that incentivise reduction in emissions and the promotion of additional renewable electricity generation					
Program 1: Clean Energy Regulator					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	245,940	295,387	293,079	365,843	394,995
Special appropriations					
<i>Renewable Energy (Electricity) Act 2000</i>	412,215	482	523	509	509
Administered total	658,155	295,869	293,602	366,352	395,504
Departmental expenses					
Departmental appropriation	76,493	86,542	90,988	85,057	82,401
Expenses not requiring appropriation in the budget year (a)	2,794	3,162	2,361	2,299	4,122
Departmental total	79,287	89,704	93,349	87,356	86,523
Total expenses for Program 1	737,442	385,573	386,951	453,708	482,027
Outcome 1 totals by resource type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	245,940	295,387	293,079	365,843	394,995
Special appropriations					
<i>Renewable Energy (Electricity) Act 2000</i>	412,215	482	523	509	509
Administered total	658,155	295,869	293,602	366,352	395,504
Departmental expenses					
Departmental appropriation	76,493	86,542	90,988	85,057	82,401
Expenses not requiring appropriation in the budget year (a)	2,794	3,162	2,361	2,299	4,122
Departmental total	79,287	89,704	93,349	87,356	86,523
Total expenses for Outcome 1	737,442	385,573	386,951	453,708	482,027
	2020-21	2021-22			
Average staffing level (number)	325	332			

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

(a) Expenses not requiring appropriation in the budget year are non-cash charges in relation to concessional loans, write-down and impairment of assets, depreciation and amortisation and a share of net loss from associates accounted for under the equity method.

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2021-22 Budget measures have created new programs or materially changed existing programs.

Outcome 1 – Contribute to a reduction in Australia's net greenhouse gas emissions, including through the administration of market based mechanisms that incentivise reduction in emissions and the promotion of additional renewable electricity generation		
Program 1.1 – Effective and efficient regulation of greenhouse and energy reporting and market based schemes that contribute to a reduction in Australia's net greenhouse gas emissions and promote investment in renewable energy.		
Delivery	The Clean Energy Regulator delivers Program 1.1 by: <ul style="list-style-type: none"> • Collecting, analysing, assessing, providing and publishing emissions and energy data, to inform government policy and the Australian public, to meet international reporting obligations and to support Australia's emissions and energy data needs. • Operating the Australian National Registry of Emissions Units and the Renewable Energy Certificate Registry for market participants. • Monitoring, facilitating and enforcing compliance by its clients for the schemes it administers. • Issuing Australian carbon credit units to organisations and individuals for approved projects that reduce greenhouse gas emissions. • Conducting auctions and managing contracts. • Accrediting greenhouse and energy auditors to undertake audit activities under its schemes. • Working with other Commonwealth, state and territory law enforcement and regulatory bodies. • Providing education and information to current and potential scheme participants on the schemes it administers and how they work. 	
Performance information		
Year	Performance criteria (a)	Actual Achievements/Targets
2020-21	Proportion of contracted carbon abatement delivered.	On track. Against a target of: 90% of contracted carbon abatement with fixed delivery contracts is delivered on time.
	Compliance levels by regulated and liable entities.	On track. Against a target of: ≥ 95% of regulated and liable entities are materially compliant with their statutory obligations.
	Development of new methods for the Emissions Reduction Fund.	On track. Against a target of: Methods are to be developed within 12 months.

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2021-22	Proportion of contracted carbon abatement delivered.	90% of contracted carbon abatement with fixed delivery contracts is delivered on time
	Compliance levels by regulated and liable entities.	≥ 95% of regulated and liable entities are materially compliant with their statutory obligations.
	Development of new methods for the Emissions Reduction Fund.	Methods are to be developed within 12 months.
2022-23 and beyond	As for 2021-22	As for 2021-22
Purposes	Accelerating carbon abatement for Australia.	
Material changes to Program 1.1 resulting from the following measures: Nil		

- (a) Performance criteria for Outcome 1 are derived from the key performance indicators identified in the Clean Energy Regulator Corporate Plan 2021-25.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021-22 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

The entity resource statement (Table 1.1) provides a consolidated view of all the resources in 2021-22. For departmental items, this includes equity injections and appropriation receivable that is yet to be drawn down to cover payables and provisions on the Departmental Balance Sheet (Table 3.2). The comprehensive income statement (Table 3.1) shows only the operating appropriation provided each year and excludes appropriation shown in the Departmental Capital Budget Statement (Table 3.5).

3.1.2 Explanatory notes and analysis of budgeted financial statements

Budgeted Departmental Comprehensive Income Statement

CER is budgeting to a break-even position excluding non-appropriated expenses relating to depreciation and amortisation.

The budgeted Net Cost of Services to CER for delivering its programs in 2021-22 is \$89.3 million (2020-21: \$78.9 million).

Budgeted Revenue from Government in 2021-22 is estimated at \$86.5 million (2020-21: \$76.5 million).

Budgeted Departmental Balance Sheet

The statement shows the estimated end of year position for departmental assets and liabilities.

The net assets position in 2021-22 is estimated to increase by \$5.0 million to \$20.5 million. Total net assets and equity continue to increase over the forward years as a result of the increase in contributed equity received for the budget measures outlined in table 1.2.

In addition, in 2021-22 CER will be entering into a new lease arrangement for office accommodation. The increase in both non-financial assets – land and buildings, and interest bearing liabilities – leases, reflects the recognition of the \$35.4 million right of use asset and lease liability for the office accommodation.

Budgeted Departmental Capital Budget Statement

The departmental capital budget statement shows the expected capital works program for the current and forward years. Total capital expenditure in 2021-22 is estimated to be \$9.8 million, including \$2.0 million for the fitout of the new office accommodation that will be funded internally from departmental resources.

Schedule of Budgeted Income and Expenses administered on behalf of government

The schedule shows the estimated income and expenses for programs administered by the CER on behalf of the Australian Government.

Estimated administered expenses for 2021-22 and the budget and forward years reflect the increase in funds due to the budget measure: Emissions Reduction and New Investments under the Technology Investment Roadmap (refer table 1.2).

3.2 Budgeted financial statements tables

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
EXPENSES					
Employee benefits	40,315	41,732	42,281	42,287	41,792
Suppliers	32,920	41,088	45,434	39,523	37,389
Depreciation and amortisation (a)	5,867	6,795	5,338	5,276	7,099
Finance costs	45	89	296	270	243
Losses from asset sales	140	-	-	-	-
Total expenses	79,287	89,704	93,349	87,356	86,523
LESS:					
OWN-SOURCE INCOME					
Gains					
Other	425	425	425	425	425
Total gains	425	425	425	425	425
Total own-source income	425	425	425	425	425
Net (cost of)/contribution by services	(78,862)	(89,279)	(92,924)	(86,931)	(86,098)
Revenue from Government	76,511	86,503	90,545	84,746	82,226
Surplus/(deficit) attributable to the Australian Government	(2,351)	(2,776)	(2,379)	(2,185)	(3,872)
Total comprehensive income/(loss)	(2,351)	(2,776)	(2,379)	(2,185)	(3,872)
Total comprehensive income/(loss) attributable to the Australian Government	(2,351)	(2,776)	(2,379)	(2,185)	(3,872)

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	-	-	-	-	-
less: depreciation/amortisation expenses previously funded through revenue appropriations (a)	2,369	2,737	1,936	1,874	3,697
less: depreciation/amortisation expenses for ROU (b)	3,498	4,058	3,402	3,402	3,402
add: principal repayments on leased assets (b)	3,516	4,019	2,959	3,091	3,227
Total comprehensive income/(loss) - as per the statement of comprehensive income	(2,351)	(2,776)	(2,379)	(2,185)	(3,872)

Prepared on Australian Accounting Standards basis.

- (a) From 2010-11, the Government introduced net cash appropriation arrangements. This involved 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.
- (b) Applies leases under AASB 16 Leases.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	391	391	391	391	391
Trade and other receivables	19,360	17,360	17,360	17,360	17,360
Total financial assets	19,751	17,751	17,751	17,751	17,751
Non-financial assets					
Land and buildings	4,237	37,543	33,853	30,163	26,473
Property, plant and equipment	848	1,797	1,701	1,605	1,509
Intangibles	8,363	14,577	21,846	26,964	25,008
Other non-financial assets	642	642	642	642	642
Total non-financial assets	14,090	54,559	58,042	59,374	53,632
Total assets	33,841	72,310	75,793	77,125	71,383
LIABILITIES					
Payables					
Suppliers	2,366	2,366	2,366	2,366	2,366
Other payables	653	653	653	653	653
Total payables	3,019	3,019	3,019	3,019	3,019
Interest bearing liabilities					
Leases	3,040	36,461	33,502	30,411	27,184
Total interest bearing liabilities	3,040	36,461	33,502	30,411	27,184
Provisions					
Employee provisions	12,368	12,368	12,368	12,368	12,368
Total provisions	12,368	12,368	12,368	12,368	12,368
Total liabilities	18,427	51,848	48,889	45,798	42,571
Net assets	15,414	20,462	26,904	31,327	28,812
EQUITY*					
Parent entity interest					
Contributed equity	88,514	96,338	105,159	111,767	113,124
Reserves	9,598	9,598	9,598	9,598	9,598
Retained surplus / (accumulated deficit)	(82,698)	(85,474)	(87,853)	(90,038)	93,910
Total parent entity interest	15,414	20,462	26,904	31,327	28,812
Total Equity	15,414	20,462	26,904	31,327	28,812

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 2021-22)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2021				
Balance carried forward from previous period	(82,698)	9,598	88,514	15,414
Adjusted opening balance	(82,698)	9,598	88,514	15,414
Comprehensive income				
Surplus/(deficit) for the period	(2,776)	-	-	(2,776)
Total comprehensive income	(2,776)	-	-	(2,776)
Transactions with owners				
Contributions by owners				
Equity injection - Appropriation	-	-	6,681	6,681
Departmental Capital Budget (DCB)	-	-	1,143	1,143
Sub-total transactions with owners	-	-	7,824	7,824
Estimated closing balance as at 30 June 2022	(85,474)	9,598	96,338	20,462
Closing balance attributable to the Australian Government	(85,474)	9,598	96,338	20,462

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	76,751	88,503	90,545	84,746	82,226
Net GST received	2,778	2,662	2,629	2,679	-
Total cash received	79,529	91,165	93,174	87,425	82,226
Cash used					
Employees	40,315	41,732	42,281	42,287	41,792
Suppliers	35,273	43,325	47,638	41,777	36,964
Interest payments on lease liability	45	89	296	270	243
Total cash used	75,633	85,146	90,215	84,334	78,999
Net cash from/(used by) operating activities	3,896	6,019	2,959	3,091	3,227
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	4,478	9,824	8,821	6,608	1,357
Total cash used	4,478	9,824	8,821	6,608	1,357
Net cash from/(used by) investing activities	(4,478)	(9,824)	(8,821)	(6,608)	(1,357)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	4,098	7,824	8,821	6,608	1,357
Total cash received	4,098	7,824	8,821	6,608	1,357
Cash used					
Principal payments on lease liability					
Other	3,516	4,019	2,959	3,091	3,227
Total cash used	3,516	4,019	2,959	3,091	3,227
Net cash from/(used by) financing activities	582	3,805	5,862	3,517	(1,870)
Cash and cash equivalents at the beginning of the reporting period	391	391	391	391	391
Cash and cash equivalents at the end of the reporting period	391	391	391	391	391

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	1,148	1,143	1,149	1,153	1,158
Equity injections - Bill 2	2,950	6,681	7,672	5,455	199
Total new capital appropriations	4,098	7,824	8,821	6,608	1,357
<i>Provided for:</i>					
Purchase of non-financial assets	4,098	7,824	8,821	6,608	1,357
Total Items	4,098	7,824	8,821	6,608	1,357
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	3,330	6,681	7,672	5,455	199
Funded by capital appropriation - DCB (b)	1,148	1,143	1,149	1,153	1,158
Funded internally from departmental resources (c)	-	2,000	-	-	-
TOTAL	4,478	9,824	8,821	6,608	1,357
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	4,478	47,264	8,821	6,608	1,357
less: ROU Additions	-	35,440	-	-	-
less: gifted assets / lease incentives	-	2,000	-	-	-
Total cash used to acquire assets	4,478	9,824	8,821	6,608	1,357

Prepared on Australian Accounting Standards basis.

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

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

(c) Includes purchases from current and prior year cash reserves.

Table 3.6: Statement of asset movements (Budget year 2021-22)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2021				
Gross book value	5,514	2,295	67,353	75,162
Gross book value - ROU assets	10,203	-	-	10,203
Accumulated depreciation/ amortisation and impairment	(4,484)	(1,447)	(58,990)	(64,921)
Accumulated depreciation/amortisation and impairment - ROU assets	(6,996)	-	-	(6,996)
Opening net book balance	4,237	848	8,363	13,448
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	-	-	7,824	7,824
By purchase - appropriation ordinary annual services (b)	2,000	-	-	2,000
By purchase - appropriation ordinary annual services - ROU assets (b)	35,440	-	-	35,440
Assets received as gifts/donations/lease incentives	1,000	1,000	-	2,000
Total additions	38,440	1,000	7,824	47,264
Other movements				
Depreciation/amortisation expense	(1,076)	(51)	(1,610)	(2,737)
Depreciation/amortisation on ROU	(4,058)	-	-	(4,058)
Total other movements	(5,134)	(51)	(1,610)	(6,795)
As at 30 June 2022				
Gross book value	3,000	3,295	75,177	81,472
Gross book value - ROU assets	35,440	-	-	35,440
Accumulated depreciation/ amortisation and impairment	(46)	(1,498)	(60,600)	(62,144)
Accumulated depreciation/amortisation and impairment - ROU assets	(851)	-	-	(851)
Closing net book balance	37,543	1,797	14,577	53,917

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2021-22.

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2021-22 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)

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
EXPENSES					
Suppliers	416,032	4,299	4,340	4,326	4,326
Other expenses	242,123	291,570	289,262	362,026	391,178
Total expenses administered on behalf of Government	658,155	295,869	293,602	366,352	395,504
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Taxation revenue					
Other taxes	413,253	1,234	1,220	1,220	1,220
Total taxation revenue	413,253	1,234	1,220	1,220	1,220
Non-taxation revenue					
Sale of goods and rendering of services	30,973	28,632	26,930	24,418	23,000
Total non-taxation revenue	30,973	28,632	26,930	24,418	23,000
Total own-source revenue administered on behalf of Government	444,226	29,866	28,150	25,638	24,220
Net (cost of)/contribution by services	(213,929)	(266,003)	(265,452)	(340,714)	(371,284)
Total comprehensive income/(loss)	(213,929)	(266,003)	(265,452)	(340,714)	(371,284)

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	167	167	167	167	167
Taxation receivables	394	394	394	394	394
Trade and other receivables	114	114	114	114	114
Total financial assets	675	675	675	675	675
Total assets administered on behalf of Government	675	675	675	675	675
LIABILITIES					
Payables					
Suppliers	781	781	781	781	781
Other payables	91,553	91,553	91,553	91,553	91,553
Total payables	92,334	92,334	92,334	92,334	92,334
Provisions					
Other provisions	1,044,038	1,044,038	1,044,038	1,044,038	1,044,038
Total provisions	1,044,038	1,044,038	1,044,038	1,044,038	1,044,038
Total liabilities administered on behalf of Government	1,136,372	1,136,372	1,136,372	1,136,372	1,136,372
Net assets/(liabilities)	(1,135,697)	(1,135,697)	(1,135,697)	(1,135,697)	(1,135,697)

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	30,973	28,632	26,930	24,418	23,000
Taxes	413,253	1,234	1,220	1,220	1,220
Net GST received	382	382	382	382	382
Total cash received	444,608	30,248	28,532	26,020	24,602
Cash used					
Suppliers	4,259	4,299	4,340	4,326	4,326
Net GST paid	382	382	382	382	382
Other	309,827	291,570	289,262	362,026	391,178
Total cash used	314,468	296,251	293,984	366,734	395,886
Net cash from / (used by) operating activities	130,140	(266,003)	(265,452)	(340,714)	(371,284)
FINANCING ACTIVITIES					
Cash received					
Special Account	3,500	3,500	3,500	3,500	3,500
Total cash received	3,500	3,500	3,500	3,500	3,500
Cash used					
Special Account	3,500	3,500	3,500	3,500	3,500
Total cash used	3,500	3,500	3,500	3,500	3,500
Net increase/(decrease) in cash held	130,140	(266,003)	(265,452)	(340,714)	(371,284)
Cash and cash equivalents at beginning of reporting period	167	167	167	167	167
Cash from Official Public Account for:					
- Appropriations	314,086	295,869	293,602	366,352	395,504
Total cash from Official Public Account	314,086	295,869	293,602	366,352	395,504
Cash to Official Public Account for:					
- Appropriations	(443,844)	(29,484)	(27,768)	(25,256)	(23,838)
- GST Appropriation	(382)	(382)	(382)	(382)	(382)
Total cash to Official Public Account	(444,226)	(29,866)	(28,150)	(25,638)	(24,220)
Cash and cash equivalents at end of reporting period	167	167	167	167	167

Prepared on Australian Accounting Standards basis.

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

CER has no administered capital budget; therefore Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2021-22)

CER has no administered asset movements; therefore Table 3.11 is not presented.

Climate Change Authority

Entity resources and planned performance

Climate Change Authority

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Climate Change Authority

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Climate Change Authority (CCA) is a Non-corporate Commonwealth entity and a statutory agency operating under the *Climate Change Authority Act 2011*. The CCA is responsible for the Outcome:

Provide expert advice to the Australian Government on climate change mitigation initiatives, including through conducting regular and specifically commissioned reviews and through undertaking climate change research.

The specific functions of the CCA are set out in the *Climate Change Authority Act 2011*. These include conducting statutory reviews of climate change policies, special reviews and research about matters relating to climate change.

1.2 Entity resource statement

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

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

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

Table 1.1: CCA resource statement – Budget estimates for 2021-22 as at Budget May 2021

	<i>2020-21 Estimated actual \$'000</i>	2021-22 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	601	343
Departmental appropriation	2,600	2,584
Total departmental annual appropriations	3,201	2,927
Total departmental resourcing	3,201	2,927
Total resourcing for CCA	3,201	2,927
	<i>2020-21</i>	<i>2021-22</i>
Average staffing level (number)	9	9

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

(a) Appropriation Bill (No. 1) 2021-22.

1.3 Budget measures

There are no new Budget measures relating to CCA detailed in Budget Paper No. 2; therefore Table 1.2 is not presented.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance 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 a complete picture of an entity's planned and actual performance.

The most recent corporate plan for CCA can be found at:
<https://www.climatechangeauthority.gov.au/corporate-plan-2020-21>

The most recent annual performance statement can be found in the annual report at:
<http://www.climatechangeauthority.gov.au/about-cca>

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Provide expert advice to the Australian Government on climate change mitigation initiatives, including through conducting regular and specifically commissioned reviews and through undertaking climate change research

Linked programs

Department of Industry, Science, Energy and Resources
Programs <ul style="list-style-type: none">• Program 2.1 - Reducing Australia's greenhouse gas emissions• Program 3.1 - Supporting reliable, secure and affordable energy
Contribution to Outcome 1 made by linked programs <p>The Climate Change Authority supports the Department of Industry, Science, Energy and Resources in reducing Australia's greenhouse gas emissions by providing independent climate change mitigation policy advice to the Government, including in relation to the energy sector.</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: Provide expert advice to the Australian Government on climate change mitigation initiatives, including through conducting regular and specifically commissioned reviews and through undertaking climate change research

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Program 1.1: Reviewing Climate Change Mitigation Policies					
Departmental expenses					
Departmental appropriation	2,600	2,584	2,599	2,634	1,657
Departmental total	2,600	2,584	2,599	2,634	1,657
Total expenses for Program 1	2,600	2,584	2,599	2,634	1,657
Outcome 1 totals by resource type					
Departmental expenses					
Departmental appropriation	2,600	2,584	2,599	2,634	1,657
Departmental total	2,600	2,584	2,599	2,634	1,657
Total expenses for Outcome 1	2,600	2,584	2,599	2,634	1,657
	2020-21	2021-22			
Average staffing level (number)	9	9			

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

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2021-22 Budget measures have created new programs or materially changed existing programs.

Outcome 1 – Provide expert advice to the Australian Government on climate change mitigation initiatives, including through conducting regular and specifically commissioned reviews and through undertaking climate change research		
Program 1.1 – Reviewing climate change mitigation policies		
The Climate Change Authority's objective is to provide rigorous, independent and balanced advice to the Minister for Energy and Emissions Reduction, to assist the Department and the Australian Parliament on climate change policy, in order to improve the quality of life for all Australians.		
Delivery	The CCA will conduct regular legislative reviews, and undertake climate change research by: <ul style="list-style-type: none"> • Performing desktop and in-depth research and analysis. • Commissioning external resources to do analytic work where needed. • Conducting meaningful and transparent consultation with experts and stakeholders including business, industry, environment and other community groups. • Monitoring developments in climate change policy by reviewing publicly available resources and building networks with expert, local and international organisations. 	
Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020-21	The Authority's reviews and research reports are timely, of high quality and used in public policy forums and discussions.	Reviews and research reports are provided by the due date. Forecast: Met Reviews and research reports draw on the best available knowledge and are informed by a broad range of perspectives. Forecast: Met Government considers the Authority's findings and recommendations in developing and implementing policy. Forecast: Met The Authority's reviews, research and analysis influences the public policy debate on climate change issues. Forecast: Met
	The Authority's public consultation processes are transparent, accessible and are highly regarded by stakeholders.	Public consultation is comprehensive, representative and transparent. Forecast: Met

CCA Budget Statements

2021-22	The Authority's reviews and research reports are timely, of high quality and used in public policy forums and discussions.	Forecast: on-track
	The Authority's public consultation processes are transparent, accessible and are highly regarded by stakeholders.	Forecast: on-track
2022-23 and beyond	As per 2021-22	As per 2021-22
Purposes	<p>The CCA's objective is to provide rigorous, independent and balanced advice to the Minister for Energy and Emissions Reduction and the Australian Parliament on climate change policy, in order to improve the quality of life for all Australians.</p> <p>The CCA will do this by conducting robust and transparent research, reviews and analysis. The Authority will take account of diverse perspectives by engaging with a wide range of contributors.</p>	
Material changes in Program 1.1 resulting from the following measures: Nil		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021-22 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

The financial statements reflect the CCA's operations to 30 June 2022.

3.2 Budgeted financial statements tables

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
EXPENSES					
Employee benefits	1,853	1,839	1,848	1,875	1,180
Suppliers	747	745	751	759	477
Total expenses	2,600	2,584	2,599	2,634	1,657
Net (cost of)/contribution by services	(2,600)	(2,584)	(2,599)	(2,634)	(1,657)
Revenue from Government	2,600	2,584	2,599	2,634	1,657
Surplus/(deficit) attributable to the Australian Government	-	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	81	81	81	81	81
Trade and other receivables	923	923	923	923	923
Total financial assets	1,004	1,004	1,004	1,004	1,004
Non-financial assets					
Other non-financial assets	7	7	7	7	7
Total non-financial assets	7	7	7	7	7
Total assets	1,011	1,011	1,011	1,011	1,011
LIABILITIES					
Payables					
Suppliers	318	318	318	318	318
Other payables	24	24	24	24	24
Total payables	342	342	342	342	342
Provisions					
Employee provisions	384	384	384	384	384
Total provisions	384	384	384	384	384
Total liabilities	726	726	726	726	726
Net assets	285	285	285	285	285
EQUITY*					
Parent entity interest					
Contributed equity	1,088	1,088	1,088	1,088	1,088
Retained surplus (accumulated deficit)	(803)	(803)	(803)	(803)	(803)
Total parent entity interest	285	285	285	285	285
Total equity	285	285	285	285	285

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 2021-22)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2021					
Balance carried forward from previous period	(803)	-	-	1,088	285
Adjusted opening balance	(803)	-	-	1,088	285
Estimated closing balance as at 30 June 2022	(803)	-	-	1,088	285
Closing balance attributable to the Australian Government	(803)	-	-	1,088	285

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	2,600	2,584	2,599	2,634	1,657
Total cash received	2,600	2,584	2,599	2,634	1,657
Cash used					
Employees	1,853	1,839	1,848	1,875	1,180
Suppliers	747	745	751	759	477
Total cash used	2,600	2,584	2,599	2,634	1,657
Net cash from/(used by) operating activities	-	-	-	-	-
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	81	81	81	81	81
Cash and cash equivalents at the end of the reporting period	81	81	81	81	81

Prepared on Australian Accounting Standards basis.

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

CCA has no departmental capital budget; therefore Table 3.5 is not presented.

Table 3.6: Statement of asset movements (Budget year 2020-21)

CCA has no departmental asset movements; therefore Table 3.6 is not presented.

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

CCA has no budgeted income and expenses administered on behalf of government; therefore Table 3.7 is not presented.

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

CCA has no budgeted assets and liabilities administered on behalf of government; therefore Table 3.8 is not presented.

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

CCA has no budgeted administered cash flows; therefore Table 3.9 is not presented.

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

CCA has no administered capital budget; therefore Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2020-21)

CCA has no administered asset movements; therefore Table 3.11 is not presented.

**Commonwealth Scientific and
Industrial Research
Organisation**

**Entity resources and planned
performance**

Commonwealth Scientific and Industrial Research Organisation

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Commonwealth Scientific and Industrial Research Organisation

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Commonwealth Scientific and Industrial Research Organisation (CSIRO) is a Corporate Commonwealth entity within the Industry, Science, Energy and Resources Portfolio. The organisation's primary functions are set out in the *Science and Industry Research Act 1949*.

Consistent with its legislation, CSIRO aims to deliver scientific and innovative solutions for Australian industry, society and the environment to contribute to national benefit, knowledge and capabilities.

In pursuing this outcome, CSIRO embraces its distinct role as the national science agency. This includes delivering large-scale, mission directed, multi-disciplinary science and technology solutions, while also managing essential national research infrastructure and providing trusted advice to government and industry on challenges of national significance.

CSIRO's research programs and commercial services are key mechanisms for delivering excellent science and achieving outcomes aligned with the Australian Government's national science and technology priorities. CSIRO does this by working with government, industry and others in the innovation system, to support existing industries grow and to create new ones.

The capacity to deliver impact is underpinned by investing in and connecting to capabilities that build strength in areas of national need, ensuring that Australia has the knowledge, skills and infrastructure required to respond to national and international challenges.

Fundamental to CSIRO's impact is:

- Strengthening existing industry alliances to actively encourage the application and adoption of CSIRO and others research, creating new industries and expanding collaborations with small and medium enterprises.

CSIRO Budget Statements

- Increasing collaboration with other parts of the national and international innovation system, including other publicly funded research agencies, universities, industry, and other innovators. This includes, but is not limited to, CSIRO's missions program, which establishes large-scale scientific and collaborative research initiatives. By availing a variety of partnership and collaboration models, this will bolster Australia's COVID-19 recovery and build long-term resilience focused on outcomes that lead to positive impact, new jobs and economic growth.
- Maximising use of national research facilities and collections by Australian and international researchers, as well as by encouraging industry access to relevant research facilities and maintaining collections of national importance.
- Establishing stronger connections with top global research and technology peers.
- Promoting careers in science, investing in research training, and improving science, technology, engineering and mathematics (STEM) education, to encourage career opportunities and research endeavours to support school students and teachers to understand how STEM is applied in the real world.
- Providing the Australian Government with independent scientific and technical advice as required, and informing the policy making process to assist the Government to decide how to best meet the challenges Australia faces.
- Delivering the CSIRO Innovation Fund to commercialise breakthroughs from CSIRO, universities and publicly funded research for the national interest, by investing in start-up and spin-off companies, existing small and medium enterprises engaged in translation of research, and company formation opportunities.
- Maintaining science excellence in CSIRO research to deliver future impact.

1.2 Entity resource statement

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

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

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

Table 1.1: CSIRO resource statement – Budget estimates for 2021-22 as at Budget May 2021

	<i>2020-21 Estimated actual \$'000</i>	<i>2021-22 Estimate \$'000</i>
Opening balance/cash reserves at 1 July	383,826	380,922
Funds from Government		
Annual appropriations - ordinary annual services (a) (b) Outcome 1	960,537	946,001
Annual appropriations - other services (c) (d) Equity injection	16,430	4,000
Total annual appropriations (e)	976,967	950,001
Total funds from Government	976,967	950,001
Funds from other sources		
Interest	4,733	4,534
Royalties	37,325	38,945
Sale of goods and services	352,830	383,825
Rental income	6,200	6,300
Proceeds from asset sales	5,204	44,100
Other	49,146	31,960
Total funds from other sources	455,438	509,664
Total net resourcing for CSIRO	1,816,231	1,840,587
	<i>2020-21</i>	<i>2021-22</i>
Average staffing level (number)	5,018	5,414

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

(a) Appropriation Bill (No. 1) 2021-22.

(b) The 2020-21 estimated actual includes *Appropriation Act (No. 1) 2020-21* and Appropriation Bill (No. 3) 2020-21.

(c) Appropriation Bill (No. 2) 2021-22.

(d) The 2020-21 estimated actual includes *Appropriation Act (No. 2) 2020-21* and Appropriation Bill (No. 4) 2020-21.

(e) CSIRO is not directly appropriated as it is a Corporate Commonwealth entity. Appropriations are made to the Department of Industry, Innovation and Science and are then paid to CSIRO and are considered departmental for all purposes.

1.3 Budget measures

There are no new Budget measures relating to CSIRO detailed in Budget Paper No. 2; therefore Table 1.2 is not presented.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance 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 a complete picture of an entity's planned and actual performance.

The most recent corporate plan for CSIRO can be found at:
<https://www.csiro.au/en/About/Strategy-structure/Corporate-plan>

The most recent annual performance statement can be found at:
<https://www.csiro.au/en/About/Our-impact/Reporting-our-impact>

Table 2: Changes to CSIRO's outcome and program structures since the last portfolio statement

Program No.	Program title	Description of change
1	Research - Science, Services and Innovation Fund	Program closed. Activities moved into new program 1 Scientific and Industrial Research and Infrastructure.
2	National Research Infrastructure - National Facilities and Collections	Program closed. Activities moved into new program 1 Scientific and Industrial Research and Infrastructure.
3	Science and Industry Endowment Fund	Program closed. Activities moved into new program 1 Scientific and Industrial Research and Infrastructure.
1	Scientific and Industrial Research and Infrastructure	New program created.

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Innovative scientific and technology solutions to national challenges and opportunities to benefit industry, the environment and the community, through scientific research and capability development, services and advice

Linked programs

Department of Industry, Science, Energy and Resources
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Investing in science, technology and commercialisation • Program 1.2 – Growing innovative and competitive businesses, industries and regions • Program 2.1 – Reducing Australia’s greenhouse gas emissions • Program 2.2 – Developing clean energy technology
<p>Contribution to Outcome 1 made by linked program</p> <p>The Department of Industry, Science, Energy and Resources contributes to Outcome 1 through its policies and programs supporting science, research and commercialisation, through the operation of the Australian Space Agency, the Office of the Chief Scientist and the Office of Innovation and Science Australia and through provision of funding in the areas of climate science research.</p>
Department of Agriculture, Water and the Environment
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Sustainable Management of Natural Resources and the Environment • Program 1.2 – Environmental Information and Research • Program 2.1 – Antarctica: Science, Policy and Presence • Program 4.2 – Plant and Animal Health
<p>Contribution to Outcome 1 made by linked program</p> <p>The Department of Agriculture, Water and the Environment contributes to Outcome 1 through its policies and programs, and the provision of funding, to support science and research in the areas of marine science, climate science, ecology, ecotoxicology, hydrology, hydrogeology, informatics and risk analysis.</p> <p>This includes the support of the Earth Systems and Climate Change Hub and other CSIRO partner Hubs, by providing funding through the National Environmental Science Program. It also includes contributions to the operating costs to the Australian Centre for Disease Preparedness (formerly the Australian Animal Health Laboratory).</p>

Department of Education, Skills and Employment
Program
<ul style="list-style-type: none"> • Program 2.6 – Research Capacity
Contribution to Outcome 1 made by linked program
The Department of Education, Skills and Employment contributes to Outcome 1 through its policies and programs to invest in Australia's research capacity, including the National Collaborative Research Infrastructure Strategy.
Bureau of Meteorology
Program
<ul style="list-style-type: none"> • Program 1.1 – Bureau of Meteorology
Contribution to Outcome 1 made by linked program
The Bureau of Meteorology contributes to Outcome 1 as a Hub partner, and co-research organisation, for the Earth Systems and Climate Change Hub to which CSIRO is the host organisation.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Outcome 1: Innovative scientific and technology solutions to national challenges and opportunities to benefit industry, the environment and the community, through scientific research and capability development, services and advice					
Program 1: Research - Science, Services and Innovation Fund					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	814,889	-	-	-	-
Expenses not requiring appropriation in the budget year (a)	11,197	-	-	-	-
Revenues from other independent sources	346,486	-	-	-	-
Total expenses for Program 1	1,172,572	-	-	-	-
Program 2: National Research Infrastructure - National Facilities and Collections					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	145,648	-	-	-	-
Expenses not requiring appropriation in the budget year (a)	18,069	-	-	-	-
Revenues from other independent sources	65,191	-	-	-	-
Total expenses for Program 2	228,908	-	-	-	-
Program 3: Science and Industry Endowment Fund					
Revenue from Government					
Expenses not requiring appropriation in the budget year (a)	19,178	-	-	-	-
Revenues from other independent sources	379	-	-	-	-
Total expenses for Program 3	19,557	-	-	-	-
Program 1: Science and Industrial Research and Infrastructure					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	-	946,001	956,713	945,726	853,336
Expenses not requiring appropriation in the budget year (a)	-	58,709	40,860	32,589	32,571
Revenues from other independent sources	-	445,851	455,556	483,513	515,094
Total expenses for Program 1	-	1,450,561	1,453,129	1,461,828	1,401,001

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	960,537	946,001	956,713	945,726	853,336
Expenses not requiring appropriation in the budget year (a)	48,444	58,709	40,860	32,589	32,571
Revenues from other independent sources	412,056	445,851	455,556	483,513	515,094
Total expenses for Outcome 1	1,421,037	1,450,561	1,453,129	1,461,828	1,401,001
Average staffing level (number)	2020-21 5,018	2021-22 5,414			

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

(a) Expenses not requiring appropriation in the Budget year consists of approved operating losses.

Table 2.1.2: Program components for Outcome 1

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Program 1.1: Scientific and Industrial Research and Infrastructure					
<i>Program 1: Scientific and Industrial Research and Infrastructure</i>					
Annual departmental expenses:					
Research - Science	814,889	799,208	808,509	796,367	702,802
Research - National Facilities and Collections	145,648	146,793	148,204	149,359	150,534
Revenues from other independent sources	412,056	445,851	455,556	483,513	515,094
Total annual departmental expenses	1,372,593	1,391,852	1,412,269	1,429,239	1,368,430
Expenses not requiring appropriation in the Budget year	48,444	58,709	40,860	32,589	32,571
Total program expenses	1,421,037	1,450,561	1,453,129	1,461,828	1,401,001

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 2021-22 Budget measures have created new programs or materially changed existing programs.

<p>Outcome 1 – Innovative scientific and technology solutions to address national challenges and opportunities to benefit industry, the environment and the community, through scientific research and capability development, services and advice</p>	
<p>Program 1 – Scientific and Industrial Research and Infrastructure This program contributes to the outcome by providing scientific solutions, access to world-class research facilities and collections, and technical and advisory services to industry and government, which all focusses on identifying pathways for adoption and delivery of impacts. Research programs conduct scientific research aligned to the greatest challenges and encourage or facilitate the application and utilisation of results generated from collaborative solutions. The approach is driven by establishing collaborations and multidisciplinary research partnerships (with public and private sector organisations, other publicly funded research agencies, universities and schools) to integrate the best solution for CSIRO’s customers. Underpinned by science excellence and world-class talent, research programs also invest in frontier and cross-cutting science that reinvents and creates new industries for Australia, accelerating the scale and pace of adoption, while also building the next generation of talent. CSIRO hosts national research facilities and collections on behalf of the scientific community to assist with the delivery of research. This research infrastructure is available for use by the Australian and international research communities and are increasingly accessible to industry. Technical, educational and advisory services are also provided to industry, government and the community, which builds and supports capacity to adopt research and innovations, as well as STEM education and training across the national system. In addition, strategic investments are made in scientific research that addresses issues of national priority for Australia through a variety of mechanisms, such as the Science and Industry Endowment Fund (SIEF - established by Commonwealth legislation, the <i>Science and Industry Endowment Act 1926</i>), for the purpose of funding research activities, commercialisation of technologies and assistance to industry through research collaboration and capacity building.</p>	
<p>Delivery</p>	<p>CSIRO delivers Program 1 by:</p> <ul style="list-style-type: none"> • Providing advice and solutions that inform and protect society and the environment, help industry competitiveness, and improve the quality of goods and services for industry and consumers. • Providing products, technical and advisory services to industry and government. • Collaborating with businesses, public sector organisations and other publicly funded research agencies (PFRAs), universities and schools to undertake research, fund eligible investment proposals and provide education programs. • Investing in proposals from universities, PFRAs and their partners to bring forward the commercialisation of research-based solutions aligned with the Government’s Science and Research Priorities. • Managing and operating the national facilities including the Australian Centre for Disease Preparedness, Australia Telescope National Facility, Marine National Facility and Pawsey Supercomputing Centre. • Managing and operating the Australian national research collections including the Australian National Fish Collection, Australian National Insect Collection, Australian National Herbarium, Australian National Wildlife Collection, National Tree Seed Collection, National Algae Culture Collection, and the Atlas of Living Australia, the portal to the collections, providing free online access. • Ensuring access, both nationally and internationally, to the national facilities and collections for the research community.

	<ul style="list-style-type: none"> • Education and outreach activities to develop increased knowledge of science and its applications for students, teachers and the Australian community. • Administering the Innovation Fund to support start-up businesses and a culture of innovation and entrepreneurship in Australia. • Investing in science that contributes to Australia's sustainable future, progresses experimental research and technology development, supports substantial scale research activities in the field of information and communications technology, and programs that attract students into STEM at school, higher and vocational education. 	
Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020-21	Demonstrated value of benefits underpinned by an increasing annual portfolio of externally validated impact case studies capturing triple bottom line impacts.	<ul style="list-style-type: none"> • Evidence of maintained or increased impact demonstrated by a minimum of 25 externally validated case studies.
	Use of the national facilities and collections as measured through: successful astronomical observations, supercomputer core-hour use, outward loans of collections, and successful marine research days delivered.	<ul style="list-style-type: none"> • Minimum of 70% successful astronomical observations. • 90% core hours on Pawsey supercomputer facility. • 70% outward loans of collections (averaged over 5 years). • Minimum of 90% successful research days delivered on Marine National Facilities, subject to any COVID-19 restrictions.
	SIEF invests in programs aligned with published strategic objectives that address national challenges and contribute to Australia's sustainable future.	<ul style="list-style-type: none"> • Evidenced by an impact case study or evaluation for each active SIEF program.
2021-22 (a)	<p>Demonstrated value of benefits underpinned by an increasing annual portfolio of externally validated impact case studies capturing triple bottom line impacts.</p> <p>Facilities and collections achieve a threshold rate of successful usage, with lost time minimised.</p>	<ul style="list-style-type: none"> • Evidence of maintained or increased impact. • Minimum of 70% successful astronomical observations. • 90% core hours on Pawsey supercomputer facility. • 70% outward loans of collections (averaged over 5 years). • Minimum of 90% successful research days delivered on Marine National Facilities, subject to any COVID-19 restrictions.
2022-23 and beyond	As per 2021-22	As per 2021-22
Purposes	We solve Australia's greatest challenges through innovative science and technology.	
Material changes to Program 1 resulting from the following measures: Nil		

(a) CSIRO is moving from 3 programs in 2020-21 to one program in 2021-22 and forward years. Refer to Table 2 for detail.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021-22 Budget year, including the impact of Budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

The budgeted consolidated financial statements comprise the financial statements of the CSIRO and its subsidiaries. CSIRO has several subsidiaries, including the Science and Industry Endowment Fund (SIEF), the CSIRO Chile Research Fundación (Fundación), National ICT Australia (NICTA), the Innovation Fund entities and the US Office entities.

Budgeted Departmental Income Statement

The Revenue from Government estimate for 2021-22 is \$946.0 million. This has increased from \$945.7 million as reported in the Portfolio Additional Estimates Statements 2020-21.

CSIRO is expecting an operating loss in 2021-22 and the forward estimates predominantly due to the distribution of funds by the Science and Industry Endowment Fund and unfunded depreciation expenses relating to assets for which capital was previously provided by the Government.

Budgeted Departmental Balance Sheet

Land and buildings are estimated to decrease in 2021-22 from 2020-21 due to planned site divestment in line with the CSIRO 2019-29 Property Strategy and leased assets depreciating at a high rate as the leases near their close.

Property, plant and equipment assets are estimated to decrease in 2021-22 from 2020-21 due to assets depreciating at a higher rate than assets are acquired or replaced in 2021-22. In the forward estimates, property, plant and equipment are estimated to increase each year due to more funds being invested into this asset class.

Equity is estimated to decrease in 2021-22 and across the forward estimates, reflecting the change in the accumulated deficit in relation to the approved operating loss.

Departmental Capital Budget Statement

The budgeted internally funded capital expenditure relates to construction of new, and refurbishment of existing, buildings and purchase of plant and equipment, including scientific equipment and information technology related assets.

The total capital budget estimate for 2021-22 is \$162.2 million, this is an increase from the \$146.4 million reported in the Portfolio Additional Estimates Statements 2020-21. The movement is mainly due to approved Movement of Funds.

3.2 Budgeted financial statements tables

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
EXPENSES					
Employee benefits	789,439	800,884	812,617	824,758	837,132
Suppliers	435,627	461,872	467,765	465,977	392,776
Depreciation and amortisation	191,390	183,990	169,516	167,969	167,969
Finance costs	3,581	3,315	3,231	3,124	3,124
Write-down and impairment of assets	1,000	500	-	-	-
Total expenses	1,421,037	1,450,561	1,453,129	1,461,828	1,401,001
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	352,830	383,825	391,501	412,941	435,512
Interest	4,404	4,421	4,468	4,485	4,790
Rental income	6,200	6,300	6,300	6,300	6,450
Royalties and licence fees	37,325	38,945	40,510	45,510	50,061
Other revenue	49,146	31,960	45,377	37,877	121,381
Total own-source revenue	449,905	465,451	488,156	507,113	618,194
Total own-source income	449,905	465,451	488,156	507,113	618,194
Net (cost of)/contribution by services	(971,132)	(985,110)	(964,973)	(954,715)	(782,807)
Revenue from Government	960,537	946,001	956,713	945,726	853,336
Surplus/(deficit) attributable to the Australian Government	(10,595)	(39,109)	(8,260)	(8,989)	70,529
Total comprehensive income/ (loss) attributable to the Australian Government	(10,595)	(39,109)	(8,260)	(8,989)	70,529

Note: Impact of net cash appropriation arrangements

Total comprehensive income/ (loss) excluding depreciation on ROU, principal repayments on leased assets	(12,292)	(35,340)	(8,302)	(9,219)	70,299
less: Depreciation/amortisation expenses on ROU assets (a)	35,488	31,079	11,050	10,065	10,065
add: Principal repayments on leased assets (a)	37,185	27,310	11,092	10,295	10,295
Total comprehensive income/ (loss) - as per the statement of comprehensive income	(10,595)	(39,109)	(8,260)	(8,989)	70,529

Prepared on Australian Accounting Standards basis.

(a) Applies leases under AASB 16 Leases.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and equivalents	380,922	382,136	387,820	432,005	477,008
Trade and other receivables	88,616	88,503	88,444	88,444	88,444
Other investments	200,854	204,854	208,854	212,854	216,854
Total financial assets	670,392	675,493	685,118	733,303	782,306
Non-financial assets					
Land and buildings	1,586,921	1,544,946	1,508,425	1,440,609	1,371,993
Property, plant and equipment	546,425	527,522	537,038	537,783	618,028
Heritage and cultural assets	4,463	4,463	4,463	4,463	4,463
Investment property	49,373	49,373	49,373	49,373	49,373
Intangibles	15,574	16,248	16,922	17,596	18,270
Inventories	1,420	1,420	1,420	1,420	1,420
Other non-financial assets	18,748	18,748	18,748	18,748	18,748
Total non-financial assets	2,222,924	2,162,720	2,136,389	2,069,992	2,082,295
Total assets	2,893,316	2,838,213	2,821,507	2,803,295	2,864,601
LIABILITIES					
Payables					
Suppliers	211,416	211,496	211,454	211,454	211,454
Other payables	18,760	18,760	18,760	18,760	18,760
Total payables	230,176	230,256	230,214	230,214	230,214
Interest bearing liabilities					
Interest bearing liabilities	84,431	63,286	53,882	43,659	33,436
Deposits	22,508	22,508	22,508	22,508	22,508
Total Interest bearing liabilities	106,939	85,794	76,390	66,167	55,944
Provisions					
Employee provisions	266,905	270,976	270,976	270,976	270,976
Other provisions	31,288	28,288	25,288	22,288	19,288
Total provisions	298,193	299,264	296,264	293,264	290,264
Total liabilities	635,308	615,314	602,868	589,645	576,422
Net assets	2,258,008	2,222,899	2,218,639	2,213,650	2,288,179
EQUITY*					
Parent entity equity					
Contributed equity	327,384	331,384	335,384	339,384	343,384
Reserves	1,522,989	1,522,989	1,522,989	1,522,989	1,522,989
Retained surplus (accumulated deficit)	407,635	368,526	360,266	351,277	421,806
Total parent entity equity interest	2,258,008	2,222,899	2,218,639	2,213,650	2,288,179
Total equity	2,258,008	2,222,899	2,218,639	2,213,650	2,288,179

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 2021-22)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2021					
Balance carried forward from previous period	407,635	1,523,229	(240)	327,384	2,258,008
Adjusted opening balance	407,635	1,523,229	(240)	327,384	2,258,008
Comprehensive income					
Surplus/(deficit) for the period	(39,109)	-	-	-	(39,109)
Total comprehensive income	(39,109)	-	-	-	(39,109)
of which:					
Attributable to the Australian Government	(39,109)	-	-	-	(39,109)
Transactions with owners					
Contributions by owners					
Equity Injection - Appropriation	-	-	-	4,000	4,000
Sub-total transactions with owners	-	-	-	4,000	4,000
Estimated closing balance as at 30 June 2022	368,526	1,523,229	(240)	331,384	2,222,899
Closing Balance attributable to the Australian Government	368,526	1,523,229	(240)	331,384	2,222,899

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Receipts from Government	960,537	946,001	956,713	945,726	853,336
Sale of goods and rendering of services	490,571	511,543	535,057	555,891	677,744
Interest	4,733	4,534	4,527	4,485	4,790
Total cash received	1,455,841	1,462,078	1,496,297	1,506,102	1,535,870
Cash used					
Employees	785,447	796,813	812,617	824,758	837,132
Suppliers	479,052	507,979	514,584	512,575	432,054
Net GST paid	589	4,326	4,592	6,665	25,062
Interest payments on lease liabilities	3,581	3,315	3,231	3,124	3,124
Other	9,169	3,000	3,000	3,000	3,000
Total cash used	1,277,838	1,315,433	1,338,024	1,350,122	1,300,372
Net cash from/(used by) operating activities	178,003	146,645	158,273	155,980	235,498
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	5,204	44,100	30,000	30,000	30,000
Total cash received	5,204	44,100	30,000	30,000	30,000
Cash used					
Purchase of property, plant and equipment and intangibles	155,356	162,221	171,497	131,500	210,200
Purchase of financial instruments	10,000	4,000	4,000	4,000	4,000
Total cash used	165,356	166,221	175,497	135,500	214,200
Net cash from/(used by) investing activities	(160,152)	(122,121)	(145,497)	(105,500)	(184,200)

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
FINANCING ACTIVITIES					
Cash received					
Contributed equity	16,430	4,000	4,000	4,000	4,000
Total cash received	16,430	4,000	4,000	4,000	4,000
Cash used					
Principal payments on lease liabilities	37,185	27,310	11,092	10,295	10,295
Total cash used	37,185	27,310	11,092	10,295	10,295
Net cash from/(used by) financing activities	(20,755)	(23,310)	(7,092)	(6,295)	(6,295)
Net increase/(decrease) in cash held	(2,904)	1,214	5,684	44,185	45,003
Cash and cash equivalents at the beginning of the reporting period	383,826	380,922	382,136	387,820	432,005
Cash and cash equivalents at the end of the reporting period	380,922	382,136	387,820	432,005	477,008

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	16,430	4,000	4,000	4,000	4,000
Total new capital appropriations	16,430	4,000	4,000	4,000	4,000
Provided for:					
<i>Purchase of non-financial assets</i>	6,430	-	-	-	-
<i>Other Items</i>	10,000	4,000	4,000	4,000	4,000
Total Items	16,430	4,000	4,000	4,000	4,000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	6,430	-	-	-	-
Funded internally from departmental resources (b)	148,926	162,221	171,497	131,500	210,200
TOTAL	155,356	162,221	171,497	131,500	210,200
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	155,356	162,221	171,497	131,500	210,200
Total cash used to acquire assets	155,356	162,221	171,497	131,500	210,200

Prepared on Australian Accounting Standards basis.

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

(b) Includes the following sources of funding:

- Current Bill 1 and prior year Act 1/3/5 appropriations.
- Internally developed assets.
- Donations and contributions.
- Own-source revenue receipts.
- Proceeds from the sale of assets.

Table 3.6: Statement of departmental asset movements (Budget year 2021-22)

	Land \$'000	Buildings \$'000	Property, plant and equipment \$'000	Heritage and cultural \$'000	Investment property \$'000	Intangibles \$'000	Total \$'000
As at 1 July 2021							
Gross book value	378,096	2,624,099	1,398,491	13,997	49,373	57,878	4,521,934
Gross book value - ROU assets	8,500	285,869	4,250	-	-	-	298,619
Accumulated depreciation/ amortisation and impairment	-	(1,563,446)	(854,961)	(9,534)	-	(42,304)	(2,470,245)
Accumulated depreciation/amortisation and impairment - ROU assets	-	(146,197)	(1,355)	-	-	-	(147,552)
Opening net book balance	386,596	1,200,325	546,425	4,463	49,373	15,574	2,202,756
Capital asset additions							
Estimated expenditure on new or replacement assets							
By purchase - appropriation ordinary annual services (a)	-	26,500	49,500	-	-	4,000	80,000
By purchase - other	-	77,621	4,600	-	-	-	82,221
By purchase - other - ROU assets	-	5,282	883	-	-	-	6,165
Total additions	-	109,403	54,983	-	-	4,000	168,386
Other movements							
Depreciation/amortisation expense	-	(76,467)	(73,118)	-	-	(3,326)	(152,911)
Depreciation/amortisation on ROU assets	-	(30,311)	(768)	-	-	-	(31,079)
Disposals	(44,100)	-	-	-	-	-	(44,100)
Other	-	(500)	-	-	-	-	(500)
Total other movements	(44,100)	(107,278)	(73,886)	-	-	(3,326)	(228,590)

Table 3.6: Statement of departmental asset movements (2021-22 Budget year) (continued)

	Land	Buildings	Property, plant and equipment	Heritage and cultural	Investment property	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 30 June 2022							
Gross book value	333,996	2,728,220	1,452,591	13,997	49,373	61,878	4,640,055
Gross book value - ROU assets	8,500	291,151	5,133	-	-	-	304,784
Accumulated depreciation/ amortisation and impairment	-	(1,640,413)	(928,079)	(9,534)	-	(45,630)	(2,623,656)
Accumulated depreciation/ amortisation and impairment - ROU assets	-	(176,508)	(2,123)	-	-	-	(178,631)
Closing net book balance	342,496	1,202,450	527,522	4,463	49,373	16,248	2,142,552

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2021-22 for depreciation/amortisation expenses.

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

CSIRO has no budgeted income and expenses administered on behalf of Government; therefore Table 3.7 is not presented.

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

CSIRO has no budgeted assets and liabilities administered on behalf of Government; therefore Table 3.8 is not presented.

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

CSIRO has no budgeted administered cash flows; therefore Table 3.9 is not presented.

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

CSIRO has no administered capital budget; therefore Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2021-22)

CSIRO has no administered asset movements; therefore Table 3.11 is not presented.

Geoscience Australia

Entity resources and planned performance

Geoscience Australia

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Geoscience Australia

Section 1: Entity overview and resources

1.1 Strategic direction statement

Geoscience Australia is the national public sector geoscience organisation. Its purpose is to be the trusted source of information on Australia's geology and geography for government, industry and community decision making, and contribute to a safer, more prosperous and well-informed Australia.

Geoscience Australia supports evidence-based decisions through information, advice and services for a strong economy, resilient society and sustainable environment.

The decadal strategy, Strategy 2028, sets out the impacts that Geoscience Australia will deliver over the next 10 years to support the Australian Government, industry and communities.

Geoscience Australia's impacts focus on six key areas:

- Building Australia's resource wealth.
- Supporting Australia's community safety.
- Securing Australia's water resources.
- Managing Australia's marine jurisdictions.
- Creating a location-enabled Australia.
- Enabling an informed Australia.

Of particular focus during the Budget and forward estimates will be the continuation of key activities supporting delivery of Geoscience Australia's 10-year targets.

The 4 year (2020-2024), \$125 million Exploring for the Future (phase two) program will deliver new data and information on the resource potential in underexplored regions throughout Australia. This will support investment in Australia's resource sector and strengthen the agricultural sector, as part of Australia's post-pandemic recovery.

Geoscience Australia Budget Statements

In the 2018-19 budget, the Australian Government committed \$225 million over 4 years to improve global positioning system (GPS) information. Geoscience Australia's Positioning Australia program is developing a Satellite-Based Augmentation System and upgrading Australia's ground network of Global Navigation Satellite System sites to deliver highly-trusted 10 cm accuracy of positioning services across Australia and its maritime zones, and 3 to 5 cm accuracy for areas with mobile phone coverage.

Through the Digital Earth Australia program, Geoscience Australia will continue to partner with industry to develop new innovative and commercially viable products that integrate satellite imagery and analysis to support Australia's agricultural sector.

As part of the Digital Economy Strategy, Geoscience Australia will develop a Digital Atlas of Australia. The Digital Atlas is an interactive geospatial map that will provide better information to allow governments, businesses and the community to make more informed decisions about planning, infrastructure and investment at the local and national level.

Geoscience Australia will achieve its impacts with a focus on science excellence, optimising its data, fostering strong partnerships and collaborations, and providing a more diverse and inclusive workplace.

1.2 Entity resource statement

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

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

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

Table 1.1: Geoscience Australia resource statement – Budget estimates for 2021-22 as at Budget May 2021

	2020-21 Estimated actual \$'000	2021-22 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	49,764	43,570
Departmental appropriation (c)	171,236	260,028
s74 External Revenue (d)	39,377	53,570
Departmental capital budget (e)	4,605	4,583
Annual appropriations - other services - non-operating (f)		
Prior year appropriation available (b)	5,827	5,827
Equity injection	9,674	9,486
Total departmental annual appropriations	<u>280,483</u>	<u>377,064</u>
Total departmental resourcing	280,483	377,064
Administered		
Annual appropriations - ordinary annual services (a)		
Grant	19	19
Total administered annual appropriations	<u>19</u>	<u>19</u>
Total administered resourcing	19	19
Total resourcing for Geoscience Australia	280,502	377,083
	<u>2020-21</u>	<u>2021-22</u>
Average staffing level (number)	600	600

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

- (a) Appropriation Bill (No. 1) 2021-22.
- (b) Excludes \$31.691m operating and \$20.087m capital subject to administrative quarantine by the Department of Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).
- (c) Excludes departmental capital budget (DCB).
- (d) Estimated external revenue receipts under section 74 of the PGPA Act.
- (e) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (f) Appropriation Bill (No. 2) 2021-22.

1.3 Budget measures

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

**Table 1.2: Geoscience Australia 2021-22 budget measures
Measures announced after the 2020-21 Mid-Year Economic and Fiscal
Outlook (MYEFO)**

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000
Payment Measures					
Digital Economy Strategy (a)	1				
Departmental expenses		11,566	12,366	9,987	6,247
Total		11,566	12,366	9,987	6,247
Total payment measures					
Departmental		11,566	12,366	9,987	6,247
Total		11,566	12,366	9,987	6,247

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

(a) The lead entity for this measure is the Department of Prime Minister and Cabinet. The full measure and package details appear in Budget Paper No. 2 under Cross Portfolio.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance 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 a complete picture of an entity's planned and actual performance.

The most recent corporate plan for Geoscience Australia can be found at:
<http://www.ga.gov.au/about/corporate-plan>

The most recent annual performance statement can be found at:
<https://www.industry.gov.au/about-us/what-we-do/annual-report>

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Informed government, industry and community decisions on the economic, social and environmental management of the nation's natural resources through enabling access to geoscientific and spatial information

Linked programs

<p>Department of Industry, Science, Energy and Resources</p> <hr style="border-top: 1px dotted black;"/> <p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Investing in science, technology and commercialisation • Program 1.2 – Growing innovative and competitive businesses, industries and regions • Program 1.3 – Supporting a strong resources sector • Program 1.4 – Growing a stronger northern Australian economy
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of Industry, Science, Energy and Resources contributes to Outcome 1 through its policies and programs supporting science, commercialisation, the sustainable development of the resources sector, and encouraging innovative technologies.</p>
<p>Bureau of Meteorology</p> <hr style="border-top: 1px dotted black;"/> <p>Program</p> <ul style="list-style-type: none"> • Program 1 – Bureau of Meteorology
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Bureau of Meteorology partners with Geoscience Australia to provide the Joint Australian Tsunami Warning Centre.</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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Outcome 1: Informed government, industry and community decisions on the economic, social and environmental management of the nation's natural resources through enabling access to geoscientific and spatial information					
Program 1: Geoscientific and Spatial Information Services					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	19	19	19	19	19
Administered total	19	19	19	19	19
Departmental expenses					
Departmental appropriations	171,236	260,028	224,814	191,167	172,941
74 External Revenue (a)	45,437	55,614	48,293	48,750	45,822
Expenses not requiring appropriation in the Budget year (b)	15,311	14,974	14,637	14,098	13,926
Departmental total	231,984	330,616	287,744	254,015	232,689
Total expenses for program 1.1	232,003	330,635	287,763	254,034	232,708
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	19	19	19	19	19
Administered total	19	19	19	19	19
Departmental expenses					
Departmental appropriations	171,236	260,028	224,814	191,167	172,941
74 External Revenue (a)	45,437	55,614	48,293	48,750	45,822
Expenses not requiring appropriation in the Budget year (b)	15,311	14,974	14,637	14,098	13,926
Departmental total	231,984	330,616	287,744	254,015	232,689
Total expenses for Outcome 1	232,003	330,635	287,763	254,034	232,708
Average staffing level (number)					
	2020-21	2021-22			
	600	600			

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

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

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

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2021-22 Budget measures have created new programs or materially changed existing programs.

Outcome 1 – Informed government, industry and community decisions on the economic, social and environmental management of the nation’s natural resources through enabling access to geoscientific and spatial information		
Program 1 – Geoscientific and Spatial Information Services		
This program contributes to the outcome by providing trusted information and advice on Australia’s geology and geography to support faster and smarter decision making.		
Delivery	<p>To deliver Program 1, Geoscience Australia develops innovative applications and solutions in response to Australia’s most important challenges by bringing together observations, data and knowledge from across the geoscience disciplines.</p> <p>This includes:</p> <ul style="list-style-type: none"> • Supporting the development of a diverse resources sector in Australia’s low-carbon economy. • Providing disaster risk information to help Australia under the consequences of hazard events, contributing to more resilient communities. • Supporting the fair sharing of Australia’s water resources for a strong economy, resilient society and sustainable environment. • Supporting the effective, efficient and sustainable management of the marine environment through the provision of geoscience data, information and advice. • Providing trusted fundamental geographic information, spatially-enabled insights, and advice to support evidence-based decision making. • Delivering world-class, trusted data, platforms and expertise to support high-impact geoscience, transparent evidence-based decisions and social license to operate. 	
Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020-21	Geoscience Australia’s products and services are underpinned by quality science, are fit-for purpose and meet stakeholder needs.	<p>Performance target achieved.</p> <p>Geoscience Australia continues to be well-regarded by its stakeholders with feedback confirming that its advice, information, products and services are fit-for-purpose and are underpinned by quality science.</p> <p>Geoscience Australia works towards the outcomes and targets identified in its decadal strategy, Strategy 2028. The delivery of science is guided by the organisation’s Science Principles that describe how its science is conducted. The 6 science principles include: relevant science; collaborative science; quality science;</p>

Geoscience Australia Budget Statements

		transparent science; communicated science; and sustaining science capability.
2021-22	Geoscience Australia's products and services are underpinned by quality science, are fit-for-purpose and meet stakeholder needs.	Products and services adhere to Geoscience Australia's science principles and stakeholders are satisfied with the information, data, products and services delivered.
2022-23 and beyond	As per 2021-22	As per 2021-22
Purposes	Geoscience Australia is the national public sector geoscience organisation. Its purpose is to be the trusted source of information on Australia's geology and geography for government, industry and community decision making, and contribute to a safer, more prosperous and well-informed Australia.	
Material changes to Program 1 resulting from the following measures: Nil		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021-22 Budget year, including the impact of Budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

Budgeted Departmental Income Statement

Total revenues for 2021-22 are budgeted at \$315.6 million, an increase of \$99.0 million from estimated actual revenue in 2020-21. This is mainly due to an \$88.8 million increase in appropriation revenue from the Australian Government, comprised of:

- Satellite-Based Augmentation System – increase of \$65.4 million
- Exploring for the Future (phase two) – increase of \$17.3 million
- Priority activity to contribute to establishing resilience services – decrease of 3.9 million
- Digital Atlas of Australia – increase of \$11.6 million
- Efficiency dividend and indexation – net decrease of \$1.7 million.

Own source revenue is expected to increase by \$10.2 million.

Total expenses for 2021-22 are budgeted at \$330.6 million.

The budgeted deficit for 2021-22 is \$15.0 million. The deficit represents depreciation and amortisation of \$10.3 million, which is not funded under the Government's net cash appropriation arrangements, and depreciation and amortisation on right-of-use assets of \$27.7 million, less principal repayments on leased assets of \$23.0 million.

Budgeted Departmental Balance Sheet

Geoscience Australia's budgeted total assets of \$468.3 million and total liabilities of \$358.7 million in 2021-22 represent a decrease of \$22.5 million and \$21.6 million respectively from 2020-21. This reflects an expected decrease in right-of-use assets and lease liabilities as they approach their lease end date. This decrease is partially offset by the upgrade and expansion of the national positioning network.

Budgeted Capital Budget Statement

Planned capital expenditure for Geoscience Australia in 2021-22 is \$14.1 million. This comprises capital expenditure funded from equity injections of \$9.5 million and the departmental capital budget of \$4.6 million.

Budgeted Administered Income Statement

Geoscience Australia will make one payment on behalf of the Australian Government in 2021-22, being a grant of \$0.02 million for the International Geological Correlation Program.

Budgeted Administered Balance Sheet

Geoscience Australia does not expect to hold any administered assets or liabilities in 2020-21 and 2021-22.

3.2 Budgeted financial statements tables

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
EXPENSES					
Employee benefits	79,592	81,803	81,803	81,497	81,803
Suppliers	111,195	207,216	163,900	130,221	107,924
Depreciation and amortisation (a)	37,302	37,984	38,724	39,289	40,277
Finance costs	3,895	3,613	3,317	3,008	2,685
Total expenses	231,984	330,616	287,744	254,015	232,689
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	44,106	54,281	46,958	47,453	44,523
Sublease income	189	189	189	189	189
Other	1,142	1,144	1,146	1,108	1,110
Total own-source revenue	45,437	55,614	48,293	48,750	45,822
Total own-source income	45,437	55,614	48,293	48,750	45,822
Net (cost of)/contribution by services	(186,547)	(275,002)	(239,451)	(205,265)	(186,867)
Revenue from Government	171,236	260,028	224,814	191,167	172,941
Surplus/(deficit) attributable to the Australian Government	(15,311)	(14,974)	(14,637)	(14,098)	(13,926)
Total comprehensive income/(loss)	(15,311)	(14,974)	(14,637)	(14,098)	(13,926)
Total comprehensive income/(loss) attributable to the Australian Government	(15,311)	(14,974)	(14,637)	(14,098)	(13,926)

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	-	-	-	-	-
plus: depreciation/amortisation expenses previously funded through revenue appropriations (a)	9,552	10,255	11,024	11,590	12,578
plus: depreciation/amortisation expenses for ROU (b)	27,750	27,729	27,700	27,699	27,699
less: principal repayments on leased assets (b)	21,991	23,010	24,087	25,191	26,351
Total comprehensive income/(loss) - as per the statement of comprehensive income	(15,311)	(14,974)	(14,637)	(14,098)	(13,926)

Prepared on Australian Accounting Standards basis.

- (a) From 2010-11, the Government introduced net cash appropriation arrangements. 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.
- (b) Applies leases under AASB 16 Leases.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	2,500	2,500	2,500	2,500	2,500
Trade and other receivables	109,412	110,808	112,203	113,293	114,688
Other financial assets	1,610	1,610	1,610	1,610	1,610
Total financial assets	113,522	114,918	116,313	117,403	118,798
Non-financial assets					
Land and buildings	323,574	294,085	264,730	235,389	206,039
Property, plant and equipment	43,039	48,881	66,420	95,919	110,926
Heritage and cultural assets	1,059	791	471	314	333
Intangibles	3,221	3,221	3,221	3,221	3,221
Other non-financial assets	6,430	6,430	6,430	6,430	6,430
Total non-financial assets	377,323	353,408	341,272	341,273	326,949
Total assets	490,845	468,326	457,585	458,676	445,747
LIABILITIES					
Payables					
Suppliers	9,428	9,428	9,428	9,428	9,428
Personal benefits	1,925	2,231	2,536	2,536	2,841
Other payables	24,900	24,900	24,900	24,900	24,900
Total payables	36,253	36,559	36,864	36,864	37,169
Interest bearing liabilities					
Leases	312,595	289,585	265,498	240,307	213,956
Total interest bearing liabilities	312,595	289,585	265,498	240,307	213,956
Provisions					
Employee provisions	27,344	28,286	29,228	30,170	31,112
Other provisions	4,128	4,276	4,424	4,572	4,720
Total provisions	31,472	32,562	33,652	34,742	35,832
Total liabilities	380,320	358,706	336,014	311,913	286,957
Net assets	110,525	109,620	121,571	146,763	158,790
EQUITY*					
Parent entity interest					
Contributed equity	103,402	117,471	144,059	183,349	209,302
Reserves	14,916	14,916	14,916	14,916	14,916
Retained surplus (accumulated deficit)	(7,793)	(22,767)	(37,404)	(51,502)	(65,428)
Total parent entity interest	110,525	109,620	121,571	146,763	158,790
Total equity	110,525	109,620	121,571	146,763	158,790

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 2021-22)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2021				
Balance carried forward from previous period	(7,793)	14,916	103,402	110,525
Adjusted opening balance	(7,793)	14,916	103,402	110,525
Comprehensive income				
Surplus/(deficit) for the period	(14,974)	-	-	(14,974)
Total comprehensive income	(14,974)	-	-	(14,974)
of which:				
Attributable to the Australian Government	(14,974)	-	-	(14,974)
Transactions with owners				
Contributions by owners				
Equity injection - Appropriation	-	-	9,486	9,486
Departmental Capital Budget (DCB)	-	-	4,583	4,583
Sub-total transactions with owners	-	-	14,069	14,069
Estimated closing balance as at 30 June 2022	(22,767)	14,916	117,471	109,620
Closing balance attributable to the Australian Government	(22,767)	14,916	117,471	109,620

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	217,554	290,699	252,927	220,206	201,390
Sale of goods and rendering of services	38,828	53,190	48,410	48,223	45,578
Net GST received	10,786	10,907	10,658	8,777	7,160
Other	1,301	1,002	1,010	1,001	1,001
Total cash received	268,469	355,798	313,005	278,207	255,129
Cash used					
Employees	78,698	80,554	80,556	80,555	80,556
Suppliers	109,425	207,014	163,696	130,113	107,814
Net GST paid	11,816	11,530	11,281	9,399	7,782
Interest payments on lease liability	3,845	3,563	3,267	2,958	2,635
s74 External Revenue transferred to the OPA	40,124	30,127	30,118	30,089	30,089
Grants	40	-	-	(98)	(98)
Total cash used	243,948	332,788	288,918	253,016	228,778
Net cash from/(used by) operating activities	24,521	23,010	24,087	25,191	26,351
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	14,869	14,069	26,588	39,290	25,953
Total cash used	14,869	14,069	26,588	39,290	25,953
Net cash from/(used by) investing activities	(14,869)	(14,069)	(26,588)	(39,290)	(25,953)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	14,279	14,069	26,588	39,290	25,953
Total cash received	14,279	14,069	26,588	39,290	25,953
Cash used					
Principal payments on lease liability	21,991	23,010	24,087	25,191	26,351
Total cash used	21,991	23,010	24,087	25,191	26,351
Net cash from/(used by) financing activities	(7,712)	(8,941)	2,501	14,099	(398)
Net increase/(decrease) in cash held	1,940	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	560	2,500	2,500	2,500	2,500
Cash and cash equivalents at the end of the reporting period	2,500	2,500	2,500	2,500	2,500

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	4,605	4,583	7,632	7,669	7,706
Equity injections - Bill 2	9,674	9,486	18,956	31,621	18,247
Total new capital appropriations	14,279	14,069	26,588	39,290	25,953
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	<i>14,279</i>	<i>14,069</i>	<i>26,588</i>	<i>39,290</i>	<i>25,953</i>
Total items	14,279	14,069	26,588	39,290	25,953
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	9,674	9,486	18,956	31,621	18,247
Funded by capital appropriation - DCB (b)	4,605	4,583	7,632	7,669	7,706
TOTAL	14,279	14,069	26,588	39,290	25,953
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	14,279	14,069	26,588	39,290	25,953
Total cash used to acquire assets	14,279	14,069	26,588	39,290	25,953

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 2021-22)

	Land	Buildings	Other property, plant and equipment	Heritage and cultural	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2021						
Gross book value	1,165	22,624	47,606	3,221	9,839	84,455
Gross book value - ROU assets	1,000	356,245	265	-	-	357,510
Accumulated depreciation/ amortisation and impairment	-	(2,284)	(4,724)	-	(8,780)	(15,788)
Accumulated depreciation/amortisation and impairment - ROU assets	(134)	(55,042)	(108)	-	-	(55,284)
Opening net book balance	2,031	321,543	43,039	3,221	1,059	370,893
Capital asset additions						
Estimated expenditure on new or replacement assets						
By purchase - appropriation equity (a)	-	-	9,486	-	-	9,486
By purchase - appropriation ordinary annual services (b)	-	500	3,883	-	200	4,583
Total additions	-	500	13,369	-	200	14,069
Other movements						
Depreciation/amortisation expense	-	2,299	7,488	-	468	10,255
Depreciation/amortisation expense on ROU assets	93	27,597	39	-	-	27,729
Disposals (c)	-	-	2,123	-	984	3,107
Total other movements	93	29,896	9,650	-	1,452	41,091
As at 30 June 2022						
Gross book value	1,165	23,124	58,852	3,221	9,055	95,417
Gross book value - ROU assets	1,000	356,245	265	-	-	357,510
Accumulated depreciation/ amortisation and impairment	-	(4,583)	(10,089)	-	(8,264)	(22,936)
Accumulated depreciation/ amortisation and impairment - ROU assets	(227)	(82,639)	(147)	-	-	(83,013)
Closing net book balance	1,938	292,147	48,881	3,221	791	346,978

Prepared on Australian Accounting Standards basis.

- (a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2021-22.
- (b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2021-22 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)

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
EXPENSES					
Grants	19	19	19	19	19
Total expenses administered on behalf of Government	19	19	19	19	19
Net (cost of)/contribution by services	19	19	19	19	19
Surplus/(deficit) before income tax	19	19	19	19	19
Surplus/(deficit) after income tax	19	19	19	19	19
Total comprehensive income/(loss)	19	19	19	19	19

Prepared on Australian Accounting Standards basis.

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

Geoscience Australia has no budgeted assets and liabilities administered on behalf of government; therefore Table 3.8 is not presented.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Other	19	19	19	19	19
Total cash received	19	19	19	19	19
Cash used					
Grant	19	19	19	19	19
Total cash used	19	19	19	19	19
Net cash from/(used by) operating activities	-	-	-	-	-
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

Geoscience Australia has no administered capital budget; therefore Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2021-22)

Geoscience Australia has no administered asset movements; therefore Table 3.11 is not presented.

IP Australia

Entity resources and planned performance

IP Australia

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IP Australia

Section 1: Entity overview and resources

1.1 Strategic direction statement

IP Australia is responsible for administering Australia's intellectual property (IP) rights system, specifically trade marks, patents, designs and plant breeder's rights. IP Australia operates as a listed entity within the portfolio and recovers more than 99% of its costs by charging fees for its IP rights services.

IP Australia grants exclusive IP rights for a period of time. This fosters innovation, investment and international competitiveness by:

- Providing an effective legal framework for protection of innovative products and brands which creates a secure environment for investment.
- Providing incentives for undertaking research and development.
- Promoting the disclosure of discoveries and follow-on generation of ideas.
- Enabling firms to build brand value and business reputation which in turn contributes to improved consumer confidence.

IP Australia also promotes awareness of IP, regulates the IP attorney profession, provides advice to the Government on the development of IP policy and contributes to bilateral and multilateral negotiations and the development of cooperation programs to support the global IP system.

The IP Australia Corporate Plan guides the entity's future direction in pursuit of its goal to deliver a world leading IP system and build prosperity for Australia. The plan provides an overview of IP Australia's priorities for the next 4 years to ensure all Australians benefit from great ideas, and the key strategies used to deliver those priorities.

Priority areas for IP Australia include:

- High performing core business and customer services.
- High performing internal operations that support IP Australia's core business.
- IP Australia's expertise and data are leveraged to deliver value to the Australian IP system, stakeholders and the broader economy.
- Building the capability of IP Australia's people and the entity.

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IP Australia's key initiatives and challenges for 2021-22 are to:

- Support jobs and growth by contributing to Australia's economic recovery objectives.
- Continue to deliver high quality and timely patents, trade marks, designs and plant breeder's rights.
- Continue to modernise ICT platforms and environment to enhance support for IP Australia's customers and workforce.
- Provide targeted education and awareness offerings that facilitate greater understanding of the IP rights system.
- Continue the policy work on the Australian design rights system to ensure it is fit for purpose and supports the Australian economy now and in the future.
- Improve Australia's IP system to promote the cultural integrity and economic potential of Indigenous Knowledge.
- Implement the International Engagement Strategy to support Australians to export and invest.
- Enhance the entity's data capability to ensure that IP Australia's information is used to deliver, shape and inform policy making and services across government as well as for IP Australia's core business and customers.
- Review, in collaboration with the New Zealand government, the bilateral arrangement establishing the Trans-Tasman IP Attorney regime for regulation of the IP profession.

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: IP Australia resource statement – Budget estimates for 2021-22 as at Budget May 2021

	2020-21 Estimated actual \$'000	2021-22 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Departmental appropriation	358	356
Total departmental annual appropriations	358	356
Special accounts (b)		
Opening balance	22,992	38,916
Appropriation receipts (c)	358	356
Non-appropriation receipts	219,944	233,926
Total special accounts	243,294	273,198
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	358	356
Total departmental resourcing	243,294	273,198
Total resourcing for IP Australia	243,294	273,198
	2020-21	2021-22
Average staffing level (number)	1,040	1,054

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

- (a) Appropriation Bill (No. 1) 2021-22.
- (b) 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.
- (c) Amounts credited to the special account from IP Australia's annual appropriations.

1.3 Budget measures

There are no Budget measures relating to IP Australia detailed in Budget Paper No. 2; therefore Table 1.2 is not presented.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance 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 a complete picture of an entity's planned and actual performance.

The most recent corporate plan for IP Australia can be found at:
<https://www.ipaustralia.gov.au/corporate-plan-2020-21>

The most recent annual performance statement can be found at:
<https://www.industry.gov.au/about-us/annual-report>

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Increased innovation, investment and trade in Australia, and by Australians overseas, through the administration of the registrable intellectual property rights system, promoting public awareness and industry engagement, and advising government

Linked programs

Department of Industry, Science, Energy and Resources
Programs <ul style="list-style-type: none">• Program 1.1 - Investing in science, technology and commercialisation• Program 1.2 - Growing innovative and competitive businesses, industries and regions
Contribution to Outcome 1 made by linked programs <p>The Department of Industry, Science, Energy and Resources contributes to Outcome 1 through its policies and programs supporting science and commercialisation and through the operation of the Office of the Chief Scientist and the Office of Innovation and Science Australia.</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: Increased innovation, investment and trade in Australia, and by Australians overseas, through the administration of the registrable intellectual property rights system, promoting public awareness and industry engagement, and advising government

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Program 1: IP Rights Administration and Professional Registration					
Departmental expenses					
Special accounts	194,480	206,980	214,618	221,433	229,156
Expenses not requiring appropriation in the Budget year (a)	155	160	165	170	175
Departmental total	194,635	207,140	214,783	221,603	229,331
Total expenses for program 1	194,635	207,140	214,783	221,603	229,331
Program 2: Education and Awareness					
Departmental expenses					
Special accounts	2,240	2,384	2,472	2,551	2,640
Departmental total	2,240	2,384	2,472	2,551	2,640
Total expenses for program 2	2,240	2,384	2,472	2,551	2,640
Program 3: Advice to Government and International Engagement					
Departmental expenses					
Departmental appropriation	358	356	359	359	360
Special accounts	12,617	13,453	13,961	14,415	14,929
Departmental total	12,975	13,809	14,320	14,774	15,289
Total expenses for program 3	12,975	13,809	14,320	14,774	15,289
Outcome 1 Totals by appropriation type					
Departmental expenses					
Departmental appropriation	358	356	359	359	360
Special accounts	209,337	222,817	231,051	238,399	246,725
Expenses not requiring appropriation in the Budget year (a)	155	160	165	170	175
Departmental total	209,850	223,333	231,575	238,928	247,260
Total expenses for Outcome 1	209,850	223,333	231,575	238,928	247,260
	2020-21	2021-22			
Average staffing level (number)	1,040	1,054			

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

(a) Expenses not requiring appropriation in the budget year are made up of audit fees.

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2021-22 Budget measures have created new programs or materially changed existing programs.

Outcome 1 – Increased innovation, investment and trade in Australia, and by Australians overseas, through the administration of the registrable intellectual property rights system, promoting public awareness and industry engagement, and advising government		
Program 1 – IP Rights Administration and Professional Registration		
This program delivers robust intellectual property (IP) rights that satisfy IP Australia's customers in terms of timeliness and quality, and by maintaining the professional registration of persons wishing to qualify for registration as Patent and/or Trade Marks Attorneys.		
Delivery	IP Australia delivers Program 1 by: <ul style="list-style-type: none"> Administering patent, trade mark, design and plant breeder's rights legislation. Administering the Trans-Tasman IP Attorneys Board for Patent and Trade Marks Attorneys and the Patent Attorneys Disciplinary Tribunal. Charging customers for the deliverables listed below and under legislation for the retention of rights once granted (renewal fees). 	
Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020-21	Customer Service Charter and legislative commitments are met.	IP Australia expects to meet 8 of 9 key targets under IP Australia's Customer Service Charter.
	Process trans-Tasman attorney registration applications within 15 working days from the date that the application complies with registration requirements.	IP Australia expects to achieve 100% of applications processed within the required timeframe.
2021-22	Customer Service Charter and legislative commitments are met.	Meet the 9 key targets under IP Australia's Customer Service Charter.
	Process trans-Tasman attorney registration applications within 15 working days from the date that the application complies with registration requirements.	100% of applications are processed within the required timeframe.
2022-23 and beyond	As per 2021-22	As per 2021-22
Purpose	Ensure Australians benefit from great ideas.	
Material changes to Program 1 resulting from the following measures: NIL		
Program 2 – Education and Awareness		
IP Australia will facilitate understanding of the value of and access to the domestic and international intellectual property system among its stakeholders in line with Australia's interests.		
Delivery	IP Australia delivers Program 2 by: <ul style="list-style-type: none"> Delivering public education and awareness programs which promote the importance of IP and provide Australians with the tools and information they require to make informed decisions regarding IP. 	

Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020-21	Improved awareness of the IP rights system.	IP Australia expects to meet the target of 90% of people and partners accessing IP Australia's public education, awareness and information products have an improved understanding of how IP rights can benefit their business.
2021-22	Improved awareness of the IP rights system.	Effective delivery of public education and awareness programs, which promote the importance of IP and provide Australians with the tools they require to make informed decisions. Increase the level of knowledge of Australia's IP system on the 2020-21 baseline.
2022-23 and beyond	As per 2021-22	As per 2021-22
Purpose	Ensure Australians benefit from great ideas.	
Material changes to Program 2 resulting from the following measures: NIL		
Program 3 – Advice to Government and International Engagement		
Supporting policy and legislative change to foster Australian innovation by shaping the development of the IP system both domestically and abroad. IP Australia engages internationally to influence the development of effective intellectual property systems in line with Australia's interests.		
Delivery	IP Australia delivers Program 3 by: <ul style="list-style-type: none"> • Providing advice to government on intellectual property matters and supporting research into the current and future use of IP rights, and engaging with key international stakeholders and IP bodies. • Providing policy advice across government and internationally to support policy and legislative objectives. • Proactively managing international engagement activities to support IP Australia's customers and further Australia's interest and contribute to capacity building activities focused on the region. 	
Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020-21	Provision of high-quality advice to the Australian Government on policy, legislation, ministerial correspondence and briefs.	Ministerial briefs and correspondence delivered to the Minister's Office are of a high quality. IP Australia expects to meet the target of less than 10% requested to be redrafted. IP Australia expects to meet the target of 100% of ministerial briefs and correspondence requested by the Minister's Office are delivered within the agreed timeframes.

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2021-22	Provision of high-quality advice to the Australian Government on policy, legislation, ministerial correspondence and briefs.	Ministerial briefs and correspondence delivered to the Minister's Office are of a high quality with less than 10% requested to be redrafted. 100% of ministerial briefs and correspondence requested by the Minister's Office are delivered within the agreed timeframes.
2022-23 and beyond	As per 2021-22	As per 2021-22
Purpose	Ensure Australians benefit from great ideas.	
Material changes to Program 3 resulting from the following measures: Nil		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021-22 Budget year, including the impact of Budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

IP Australia is budgeting for an operating surplus of \$11.0 million for 2021-22, compared with the forecasted surplus of \$3.0 million reported in the 2020-21 Portfolio Budget Statements.

Budgeted Departmental Income Statement

Departmental revenue from contracts with customers in 2021-22 is estimated to be \$233.1 million. The increase from the 2020-21 estimated actual of \$218.1 million reflects the full year impacts of fee changes that came into effect from 1 October 2020, and forecasted growth in demand for IP Rights.

Rental income of \$0.7 million is budgeted for 2021-22 and reflects income received from sub-leasing arrangements at Discovery House.

Revenue from Government for 2021-22 is budgeted at \$0.4 million and reflects an appropriation for non-regulatory charging activities undertaken by IP Australia.

Total departmental expenses budgeted in 2021-22 are \$223.3 million, comprising \$138.8 million for employee benefits, \$49.9 million for suppliers, \$33.0 million for depreciation and amortisation and \$1.7 million in finance costs.

Budgeted Departmental Balance Sheet

The statement shows the estimated end of year position for departmental assets and liabilities.

Assets

Total departmental assets budgeted for in 2021-22 are \$335.1 million, comprising \$52.8 million in financial assets and \$282.4 million in non-financial assets.

IP Australia Budget Statements

Financial assets consist of \$49.8 million for cash and \$2.9 million for receivables. Non-financial assets include \$153.3 million for land and buildings, \$117.7 million for intangibles, \$2.7 million for property, plant and equipment and \$8.7 million in other assets.

Liabilities

Total departmental liabilities budgeted for in 2021-22 are \$237.1 million, comprising \$52.8 million in payables, \$131.2 million in interest bearing liabilities (leases) and \$53.1 million in provisions.

The other payables estimate represents the unearned income attributable to unexamined IP Rights.

Budgeted Departmental Statement of Cash Flows

The movements in the cash flows are consistent with movements in the income statement and the balance sheet.

3.2 Budgeted financial statements tables

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
EXPENSES					
Employee benefits	131,545	138,782	142,327	146,432	150,655
Suppliers	42,795	49,873	56,697	58,479	60,752
Depreciation and amortisation	33,659	32,957	30,961	32,563	34,539
Finance costs	1,851	1,721	1,590	1,454	1,314
Total expenses	209,850	223,333	231,575	238,928	247,260
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Revenue from contracts with customers	218,085	233,078	238,357	244,205	250,031
Rental income	752	739	3,694	3,694	3,694
Other	155	160	165	170	175
Total own-source revenue	218,992	233,977	242,216	248,069	253,900
Total own-source income	218,992	233,977	242,216	248,069	253,900
Net (cost of)/contribution by services	9,142	10,644	10,641	9,141	6,640
Revenue from Government	358	356	359	359	360
Surplus/(deficit) attributable to the Australian Government	9,500	11,000	11,000	9,500	7,000
Total comprehensive income/(loss)	9,500	11,000	11,000	9,500	7,000
Total comprehensive income/(loss) attributable to the Australian Government	9,500	11,000	11,000	9,500	7,000

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	38,916	49,834	58,137	65,964	73,712
Trade and other receivables	1,644	2,928	3,502	3,882	4,160
Total financial assets	40,560	52,762	61,639	69,846	77,872
Non-financial assets					
Land and buildings	168,178	153,257	137,417	121,556	105,833
Property, plant and equipment	4,755	2,697	2,885	5,531	9,201
Intangibles	110,193	117,715	127,406	133,058	135,572
Other non-financial assets	7,477	8,714	9,906	10,218	10,615
Total non-financial assets	290,603	282,383	277,614	270,363	261,221
Total assets	331,163	335,145	339,253	340,209	339,093
LIABILITIES					
Payables					
Suppliers	7,078	8,249	9,378	9,673	10,049
Other payables	44,290	44,579	45,008	45,437	45,865
Total payables	51,368	52,828	54,386	55,110	55,914
Interest bearing liabilities					
Leases	141,704	131,171	120,596	109,681	98,498
Total interest bearing liabilities	141,704	131,171	120,596	109,681	98,498
Provisions					
Employee provisions	51,073	53,128	55,253	56,900	59,163
Total provisions	51,073	53,128	55,253	56,900	59,163
Total liabilities	244,145	237,127	230,235	221,691	213,575
Net assets	87,018	98,018	109,018	118,518	125,518
EQUITY*					
Parent entity interest					
Contributed equity	5,908	5,908	5,908	5,908	5,908
Reserves	1,946	1,946	1,946	1,946	1,946
Retained surplus (accumulated deficit)	79,164	90,164	101,164	110,664	117,664
Total parent entity interest	87,018	98,018	109,018	118,518	125,518
Total equity	87,018	98,018	109,018	118,518	125,518

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 2021-22)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2021				
Balance carried forward from previous period	79,164	1,946	5,908	87,018
Adjusted opening balance	79,164	1,946	5,908	87,018
Comprehensive income				
Surplus/(deficit) for the period	11,000	-	-	11,000
Total comprehensive income	11,000	-	-	11,000
of which:				
Attributable to the Australian Government	11,000	-	-	11,000
Estimated closing balance as at 30 June 2022	90,164	1,946	5,908	98,018
Closing balance attributable to the Australian Government	90,164	1,946	5,908	98,018

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	358	356	359	359	360
Sale of goods and rendering of services	219,944	232,945	242,030	247,982	253,917
Net GST received	(11)	(123)	(124)	(34)	(42)
Total cash received	220,291	233,178	242,265	248,307	254,235
Cash used					
Employees	131,060	136,727	140,202	144,785	148,392
Suppliers	42,646	49,779	56,595	58,326	60,598
Interest payments on lease liability	1,851	1,721	1,590	1,454	1,314
Total cash used	175,557	188,227	198,387	204,565	210,304
Net cash from/(used by) operating activities	44,734	44,951	43,878	43,742	43,931
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	(18,500)	(23,500)	(25,000)	(25,000)	(25,000)
Total cash used	18,500	23,500	25,000	25,000	25,000
Net cash from/(used by) investing activities	(18,500)	(23,500)	(25,000)	(25,000)	(25,000)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	10,310	10,533	10,575	10,915	11,183
Total cash used	10,310	10,533	10,575	10,915	11,183
Net cash from/(used by) financing activities	(10,310)	(10,533)	(10,575)	(10,915)	(11,183)
Net increase/(decrease) in cash held	15,924	10,918	8,303	7,827	7,748
Cash and cash equivalents at the beginning of the reporting period	22,992	38,916	49,834	58,137	65,964
Cash and cash equivalents at the end of the reporting period	38,916	49,834	58,137	65,964	73,712

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources (a)	18,500	23,500	25,000	25,000	25,000
TOTAL	18,500	23,500	25,000	25,000	25,000
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	18,500	23,500	25,000	25,000	25,000
Total cash used to acquire assets	18,500	23,500	25,000	25,000	25,000

Prepared on Australian Accounting Standards basis.

(a) Includes the source of funding for own-source revenue receipts.

Table 3.6: Statement of asset movements (Budget year 2021-22)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2021				
Gross book value	41,949	18,010	234,468	294,427
Gross book value - ROU assets	160,113	1,704	-	161,817
Accumulated depreciation/ amortisation and impairment	(8,975)	(13,660)	(124,275)	(146,910)
Accumulated depreciation/amortisation and impairment - ROU assets	(24,909)	(1,299)	-	(26,208)
Opening net book balance	168,178	4,755	110,193	283,126
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - other	1,300	950	21,250	23,500
Total additions	1,300	950	21,250	23,500
Other movements				
Depreciation/amortisation expense	(3,874)	(2,611)	(13,728)	(20,213)
Depreciation/amortisation on ROU assets	(12,347)	(397)	-	(12,744)
Total other movements	(16,221)	(3,008)	(13,728)	(32,957)
As at 30 June 2022				
Gross book value	43,249	18,960	255,718	317,927
Gross book value - ROU assets	160,113	1,704	-	161,817
Accumulated depreciation/ amortisation and impairment	(12,849)	(16,271)	(138,003)	(167,123)
Accumulated depreciation/amortisation and impairment - ROU assets	(37,256)	(1,696)	-	(38,952)
Closing net book balance	153,257	2,697	117,715	273,669

Prepared on Australian Accounting Standards basis.

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

IP Australia has no budgeted income and expenses administered on behalf of government; therefore Table 3.7 is not presented.

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

IP Australia has no budgeted assets and liabilities administered on behalf of government; therefore Table 3.8 is not presented.

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

IP Australia has no budgeted administered cash flows; therefore Table 3.9 is not presented.

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

IP Australia has no administered capital budget; therefore Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2021-22)

IP Australia has no administered asset movements; therefore Table 3.11 is not presented.

**National Offshore Petroleum
Safety and Environmental
Management Authority**

**Entity resources and planned
performance**

National Offshore Petroleum Safety and Environmental Management Authority

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National Offshore Petroleum Safety and Environmental Management Authority

Section 1: Entity overview and resources

1.1 Strategic direction statement

The National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) was established as an independent statutory authority under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGS Act) and as a Corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). It operates on a cost recovery basis through levies and fees. NOPSEMA is an expertise-based regulator of occupational health and safety (OHS), well integrity and environmental management for all offshore petroleum operations in Commonwealth waters. Commonwealth waters comprise those areas beyond 3 nautical miles from the territorial sea baseline¹. NOPSEMA regulates petroleum operations in coastal waters only where a state or territory has conferred regulatory powers and functions on NOPSEMA². NOPSEMA fulfils its regulatory role through delivery of its core functions: assessment, inspection, investigation, and enforcement.

NOPSEMA's core functions are detailed in section 646 of the OPGGS Act. NOPSEMA will continue to focus on its core functions to promote improvement in industry performance and to secure duty holder compliance. In 2021-22, NOPSEMA's key priorities will include:

- Providing expert, consistent, and independent regulatory decisions in accordance with legislation.
- Communicating information and regulatory perspectives to stakeholders to drive forward improvements in industry performance while maintaining safety and environmental safeguards.
- Providing operational and regulatory advice to government on legislative development and reform initiatives.
- Further developing effective working relationships with stakeholders to aid understanding of relevant regulatory requirements.

¹ Note: The territorial sea baseline varies depending upon the shape of the coastline in any given locality. See <http://www.ga.gov.au/scientific-topics/marine/jurisdiction/maritime-boundary-definitions> for a comprehensive description and maps.

² Currently, only Victoria has conferred powers and functions for the regulation of health and safety and well integrity to NOPSEMA.

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- Progressing transparency and stakeholder engagement initiatives with a view to enhancing the community's level of trust in NOPSEMA as a robust, fair, and transparent regulator.
- Providing a basis for conferral of powers and functions for coastal waters from states/territories and further regulatory streamlining opportunities within Commonwealth waters.
- Working with industry and other stakeholders to reduce the regulatory burden and unnecessary compliance costs.
- Collaborating with international regulatory counterparts on joint program initiatives and information sharing.

NOPSEMA's Corporate Plan 2020-25 provides further details on the direction for the organisation. The corporate plan is prepared under the OPGGS Act and in compliance with the PGPA Act. It can be accessed at www.nopsema.gov.au, together with information about the history of NOPSEMA.

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: NOPSEMA resource statement – Budget estimates for 2021-22 as at Budget May 2021

	<i>2020-21 Estimated actual \$'000</i>	<i>2021-22 Estimate \$'000</i>
Opening balance/cash reserves at 1 July	14,289	14,301
Funds from Government		
Annual appropriations - ordinary annual services (a) (b)		
Outcome 1	739	667
Total annual appropriations	739	667
Amounts received from related entities		
Amounts from portfolio department (c)	34,191	34,572
Total amounts received from related entities	34,191	34,572
Total funds from Government	34,930	35,239
Funds from other sources		
Interest	128	67
Other	-	633
Total funds from other sources	128	700
Total net resourcing for NOPSEMA	49,347	50,240
	<i>2020-21</i>	<i>2021-22</i>
Average staffing level (number)	124	135

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

- (a) Appropriation Bill (No. 1) 2021-22.
- (b) The 2020-21 estimated actual includes *Appropriation Act (No. 1) 2020-21* and Appropriation Bill (No. 3) 2020-21.
- (c) NOPSEMA became a Corporate Commonwealth entity on 1 July 2014 and receives its funding through a special appropriation which is administered through the Department of Industry, Science, Energy and Resources. This funding is equal in value to the levies NOPSEMA collects from the oil and gas industries.

1.3 Budget measures

There are no new Budget measures relating to NOPSEMA detailed in Budget Paper No. 2; therefore Table 1.2 is not presented.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance 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 a complete picture of an entity's planned and actual performance.

The most recent corporate plan for NOPSEMA can be found at:
<https://www.nopsema.gov.au/about/people-planning-and-performance/corporate-plan>

The most recent annual performance statement can be found at:
<https://www.nopsema.gov.au/about/people-planning-and-performance/annual-report>

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Promote and enforce the effective management of risks to the workforce, the environment and the structural integrity of facilities, wells and the well-related equipment of the Australian offshore petroleum and greenhouse gas storage industries through regulatory oversight

Linked programs

Department of Industry, Science, Energy and Resources
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.2 – Growing innovative and competitive businesses, industries and regions • Program 1.3 – Supporting a strong resources sector
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of Industry, Science, Energy and Resources contributes to Outcome 1 through its policies and program relating to the management and administration of the <i>Offshore Petroleum and Greenhouse Gas Storage Act 2006</i> and associated regulations.</p>
Department of Agriculture, Water and the Environment
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.2 – Environmental Information and Research • Program 2.1 – Antarctica: Science Policy and Presence
<p>Contribution to Outcome 1 made by linked programs</p> <p>The National Environmental Science Program contributes knowledge and understanding of Australia’s marine environment to support environmental impact assessment and industry’s management of its impacts.</p> <p>Scientific capacity within the Australian Antarctic Division can be accessed to support regulatory functions.</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: Promote and enforce the effective management of risks to the workforce, the environment and the structural integrity of facilities, wells and well-related equipment of the Australian offshore petroleum and greenhouse gas storage industries through regulatory oversight

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Program 1: Regulatory oversight of Safety Cases, Wells Operations Management Plans and Environment Plans coupled with effective monitoring, investigation and enforcement					
Revenue from Government					
Ordinary annual services (Appropriation Bill No.1)	739	667	-	-	-
Payment from related entities	34,191	34,572	33,669	33,153	33,962
Expenses not requiring appropriation in the budget year (a)	3,900	3,272	4,390	5,457	3,114
Revenues from other independent	128	700	700	149	149
Total expenses for Program 1	38,958	39,211	38,759	38,759	37,225
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	739	667	-	-	-
Payment from related entities	34,191	34,572	33,669	33,153	33,962
Expenses not requiring appropriation in the budget year (a)	3,900	3,272	4,390	5,457	3,114
Revenues from other independent	128	700	700	149	149
Total expenses for Outcome 1	38,958	39,211	38,759	38,759	37,225
	2020-21	2021-22			
Average staffing level (number)	124	135			

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

(a) Expenses not requiring appropriation in the budget year consist of an approved operating loss.

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2021-22 Budget measures have created new programs or materially changed existing programs.

Outcome 1 – Promote and enforce the effective management of risks to the workforce, the environment and the structural integrity of facilities, wells and well-related equipment of the Australian offshore petroleum and greenhouse gas storage industries through regulatory oversight		
Program 1 – Regulatory oversight of Safety Cases, Well Operations Management Plans and Environment Plans coupled with effective monitoring, investigation and enforcement		
This program contributes to the outcome by fulfilling NOPSEMA's legislated functions, including assessment, inspection, enforcement, promotion and advisory activities, with its target group being duty holders in the offshore petroleum industry.		
Delivery	NOPSEMA delivers Program 1 by: <ul style="list-style-type: none"> • Implementing risk-based assessment procedures for all legislated submissions. • Implementing risk-based inspection programs for all offshore petroleum activities. • Taking proportionate enforcement actions that facilitate duty holder return to compliance. • Undertaking investigations in response to potential and reported non-compliances. 	
Performance information		
Year	Performance criteria (a)	Actual Achievement/Targets
2020-21	Assessments are undertaken in line with risk-based elements as per NOPSEMA policies.	92%
	Risk-based inspections are conducted to meet policy targets.	90%
	Enforcement actions are undertaken in accordance with the Enforcement Management Model.	100%
	Incidents are investigated in accordance with NOPSEMA policies.	95%
2021-22	As per 2020-21	As per 2020-21
2022-23 and beyond	As per 2020-21	As per 2020-21
Purposes	To assure the protection of lives and the environment.	
Material changes to Program 1 resulting from the following measures: Nil		

(a) As at 31 December 2020, NOPSEMA is on track to achieve its 2020-21 performance targets.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021-22 Budget year, including the impact of Budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

NOPSEMA cost recovers under the OPGGS Act and associated legislation. NOPSEMA's levies and fees are set and managed in accordance with the Australian Government Charging Framework. This framework builds upon the existing Australian Government Cost Recovery Guidelines, which require the preparation and review of a Cost Recovery Implementation Statement (CRIS).

Levies and fees are collected from duty holders planning for, and undertaking, offshore petroleum and greenhouse gas storage operations. These levies and fees allow NOPSEMA to recover its expenditure related to effectively discharging its regulatory responsibilities effectively and achieving the outcomes stated in Section 2.1. The CRIS is maintained to reflect changes to the cost recovery model and is updated regularly with financial and non-financial performance information.

The budgeted revenue of \$35.9 million for 2021-22 has decreased by \$2 million since the 2020-21 Portfolio Additional Estimates Statements were prepared.

Budgeted expenditure of \$39.2 million for 2021-22 has increased by \$1.3 million since the 2020-21 Portfolio Additional Estimates Statements were prepared.

NOPSEMA presents an annual report to stakeholders on cost effectiveness of its operations, in accordance with the legislation contained within the Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Regulations 2004.

3.2 Budgeted financial statements tables

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
EXPENSES					
Employee benefits	29,889	30,563	30,563	30,563	30,563
Suppliers	5,435	4,954	4,569	4,569	4,569
Depreciation and amortisation	3,554	3,554	3,554	3,554	2,020
Finance Costs	80	140	73	73	73
Total expenses	38,958	39,211	38,759	38,759	37,225
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	110	50	50	50	50
Sublease interest income	18	17	14	15	15
Other	-	633	636	84	84
Total own-source revenue	128	700	700	149	149
Total own-source income	128	700	700	149	149
Net (cost of)/contribution by services	(38,830)	(38,511)	(38,059)	(38,610)	(37,076)
Revenue from Government (a)	34,930	35,239	33,669	33,153	33,962
Surplus/(deficit) attributable to the Australian Government	(3,900)	(3,272)	(4,390)	(5,457)	(3,114)
Total comprehensive income/(loss)	(3,900)	(3,272)	(4,390)	(5,457)	(3,114)
Total comprehensive income/(loss) attributable to the Australian Government	(3,900)	(3,272)	(4,390)	(5,457)	(3,114)

Note: Impact of net cash appropriation arrangements

Total comprehensive income/(loss) less depreciation/amortisation expenses previously funded through revenue appropriations	(4,804)	(4,271)	(3,849)	(4,842)	(3,959)
plus: depreciation/amortisation expenses for ROU (b)	2,534	2,534	2,534	2,534	1,000
less: principal repayments on leased assets (b)	3,438	3,533	1,993	1,919	1,845
Total comprehensive income/(loss) - as per the Statement of comprehensive income	(3,900)	(3,272)	(4,390)	(5,457)	(3,114)

Prepared on Australian Accounting Standards basis.

- (a) NOPSEMA became a Corporate Commonwealth entity on 1 July 2014 and receives the majority of its funding through a special appropriation which is administered through the Department of Industry, Science, Energy and Resources. This funding is equal in value to the levies NOPSEMA collects from the oil and gas industries.
- (b) Applies leases under AASB 16.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	14,301	11,188	8,270	5,318	2,379
Trade and other receivables	12,225	12,689	11,778	11,843	11,843
Other financial assets	1,290	1,290	1,290	1,290	1,290
Total financial assets	27,816	25,167	21,338	18,451	15,512
Non-financial assets					
Land and buildings	2,775	5,560	3,026	2,165	1,165
Property, plant and equipment	1,438	1,438	1,438	838	238
Intangibles	1,624	1,604	1,584	1,164	744
Other non-financial assets	653	653	653	653	653
Total non-financial assets	6,490	9,255	6,701	4,820	2,800
Total assets	34,306	34,422	28,039	23,271	18,312
LIABILITIES					
Payables					
Suppliers	549	549	549	549	549
Other payables	9,444	9,444	9,444	9,444	9,444
Total payables	9,993	9,993	9,993	9,993	9,993
Interest bearing liabilities					
Leases	4,050	7,438	5,445	6,134	4,289
Total interest bearing liabilities	4,050	7,438	5,445	6,134	4,289
Provisions					
Employee provisions	6,665	6,665	6,665	6,665	6,665
Other provisions	549	549	549	549	549
Total provisions	7,214	7,214	7,214	7,214	7,214
Total liabilities	21,257	24,645	22,652	23,341	21,496
Net assets	13,049	9,777	5,387	(70)	(3,184)
EQUITY*					
Parent entity interest					
Contributed equity	896	896	896	896	896
Retained surplus (accumulated deficit)	12,153	8,881	4,491	(966)	(4,080)
Total parent entity interest	13,049	9,777	5,387	(70)	(3,184)
Total equity	13,049	9,777	5,387	(70)	(3,184)

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 2021-22)**

	Retained earnings \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2021			
Balance carried forward from previous period	12,153	896	13,049
Adjusted opening balance	12,153	896	13,049
Comprehensive income			
Surplus/(deficit) for the period	(3,272)	-	(3,272)
Total comprehensive income	(3,272)	-	(3,272)
of which:			
Attributable to the Australian Government	(3,272)	-	(3,272)
Estimated closing balance as at 30 June 2022	8,881	896	9,777
Closing balance attributable to the Australian Government	8,881	896	9,777

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Receipts from Government	38,830	35,239	33,669	33,153	33,962
Sale of goods and rendering of services	955	1,155	925	885	15
Interest	110	50	50	50	50
Other	-	633	636	84	84
Total cash received	39,895	37,077	35,280	34,172	34,111
Cash used					
Employees	29,889	30,563	30,563	30,563	30,563
Suppliers	5,476	4,954	4,569	4,569	4,569
Interest payments on lease liability	80	140	73	73	73
Total cash used	35,445	35,657	35,205	35,205	35,205
Net cash from/(used by) operating activities	4,450	1,420	75	(1,033)	(1,094)
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	1,000	1,000	1,000	1,000	1,000
Total cash used	1,000	1,000	1,000	1,000	1,000
Net cash from/(used by) investing activities	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	3,438	3,533	1,993	1,919	1,845
Total cash used	3,438	3,533	1,993	1,919	1,845
Net cash from/(used by) financing activities	(3,438)	(3,533)	(1,993)	(1,919)	(1,845)
Net increase/(decrease) in cash held	12	(3,113)	(2,918)	(3,952)	(3,939)
Cash and cash equivalents at the beginning of the reporting period	14,289	14,301	11,188	8,270	5,318
Cash and cash equivalents at the end of the reporting period	14,301	11,188	8,270	4,318	1,379

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources (a) (b)	1,000	1,000	1,000	1,000	1,000
TOTAL	1,000	1,000	1,000	1,000	1,000
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	1,000	1,000	1,000	1,000	1,000
Total cash used to acquire assets	1,000	1,000	1,000	1,000	1,000

Prepared on Australian Accounting Standards basis.

(a) Includes the following sources of funding:

- Revenue from Government.*
- Own-source revenue receipts.
- Proceeds from the sale of assets.

(b) NOPSEMA became a Corporate Commonwealth entity on 1 July 2014 and receives the majority of its funding through a special appropriation which is administered through the Department of Industry, Science, Energy and Resources. This funding is equal in value to the levies NOPSEMA collects from the oil and gas industries.

Table 3.6: Statement of asset movements (Budget year 2021-22)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2021				
Gross book value	431	8,301	9,040	17,772
Gross book value - ROU assets	7,412	-	-	7,412
Accumulated depreciation/ amortisation and impairment	(2,534)	(6,863)	(7,416)	(16,813)
Opening net book balance	2,775	1,438	1,624	5,837
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - other	-	600	400	1,000
By purchase - other - ROU assets	6,921	-	-	6,921
Total additions	6,921	600	400	7,921
Other movements				
Depreciation/amortisation expense	-	(600)	(420)	(1,020)
Depreciation/amortisation on ROU assets	(2,534)	-	-	(2,534)
Disposals (a)				
Other - ROU assets	(1,602)	-	-	(1,602)
Total other movements	(4,136)	(600)	(420)	(5,156)
As at 30 June 2022				
Gross book value	431	8,901	9,440	18,772
Gross book value - ROU assets	12,731	-	-	12,731
Accumulated depreciation/ amortisation and impairment	(2,534)	(7,463)	(7,836)	(17,833)
Accumulated depreciation/amortisation and impairment - ROU assets	(5,068)	-	-	(5,068)
Closing net book balance	5,560	1,438	1,604	8,602

Prepared on Australian Accounting Standards basis.

(a) Transfer to investment in sublease.

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

NOPSEMA has no budgeted income and expenses administered on behalf of government; therefore Table 3.7 is not presented.

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

NOPSEMA has no budgeted assets and liabilities administered on behalf of government; therefore Table 3.8 is not presented.

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

NOPSEMA has no budgeted administered cash flows; therefore Table 3.9 is not presented.

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

NOPSEMA has no administered capital budget; therefore Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2021-22)

NOPSEMA has no administered asset movements; therefore Table 3.11 is not presented.

Northern Australia Infrastructure Facility

Entity resources and planned performance

Northern Australia Infrastructure Facility

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Northern Australia Infrastructure Facility

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Northern Australia Infrastructure Facility (NAIF) was established on 1 July 2016 as a Corporate Commonwealth entity under the *Northern Australia Infrastructure Facility Act 2016* (NAIF Act). The Australian Government has announced reforms in this Budget to accelerate lending speed, expand eligibility and strengthen governance. The implementation of these reforms will require amendment to the NAIF Act and the issuance of a new Investment Mandate.

A commercially focused independent board oversees NAIF and is responsible for making Investment Decisions to provide financial assistance by way of loans or alternate financing mechanisms to infrastructure projects that will support the economic growth and stimulate population growth in northern Australia. The reforms announced by Government will see NAIF empowered to lend directly to proponents in certain circumstances, as well as using the existing pass-through arrangements with the Queensland, Western Australia and Northern Territory jurisdictions. The eligibility criteria will also be expanded so that activities which support the development of infrastructure can be financed by NAIF.

The NAIF Investment Mandate, effective 2 May 2018, outlines the mandatory criteria project proponents must meet for their project to be eligible for NAIF financial assistance. The infrastructure that NAIF is able to finance is wide ranging and includes assets that facilitate the establishment or enhancement of business activity or increase economic activity in a region. Examples of the sectors that NAIF can support include, but are not limited to, resources, airports, ports and rail, agriculture, water, energy, social infrastructure (including property, tourism, education and health), manufacturing and telecommunications. Eligible projects must bring new capacity online either through the construction of new infrastructure or by materially enhancing existing infrastructure. The reforms announced will expand eligibility to include projects and activities that contribute indirectly to the development of economic infrastructure in northern Australia.

NAIF projects must be of public benefit (being broad based and must demonstrate benefits to the broader economy and community, beyond those captured by a project proponent). In offering any concession pricing or terms, NAIF must have regard to the extent of the forecast public benefit.

NAIF Budget Statements

NAIF can provide up to 100% of debt funding for an eligible project provided there is appropriate risk sharing and subject to the Commonwealth not being a majority risk taker for a project. The reforms announced by the Government will increase NAIF's risk appetite by removing the requirement that it avoid the Commonwealth assuming the majority of financial risk in any single project. Notwithstanding this, where possible NAIF seeks to 'crowd in' other debt and equity financiers to support a Project.

In providing financing to support the development of a project, NAIF seeks to utilise several financing tools including longer loan tenor, deferral of interest and principal repayments, security and/or cash flow subordination and concessional pricing. The financing tools provided for a project are determined on a project specific basis. NAIF can accept a higher risk than commercial lenders particularly where the risk relates to factors that are unique to investing in northern Australia, including distance remoteness and climate. NAIF is only able to offer the minimum concessions necessary for a project to proceed. NAIF moneys are not grant funds and in all cases the loan or other finance must be able to be repaid or refinanced.

NAIF requires each proponent to provide an Indigenous participation, procurement and employment strategy tailored for the Indigenous population in the region of the proposed project. NAIF works with project proponents to ensure these strategies contain sustainable and achievable actions to support Indigenous advancement, including setting targets across employment, procurement, or other areas where suited to the circumstances of the project.

Since the 2020-21 Budget, the Government has announced further changes to NAIF to streamline its use of debt instruments and to permit NAIF to make equity investments. These changes are intended to maximise NAIF's flexibility in providing financial assistance to support the development of northern Australia in the wake of the COVID-19 pandemic. They will support NAIF to take a more proactive approach in delivering on its primary objectives of economic and population growth in the north.

NAIF is an initiative of the Government's *Our North, Our Future: White Paper on Developing Northern Australia*. Policy responsibility rests with the Department of Industry, Science, Energy and Resources.

More information about NAIF is available at www.naif.gov.au.

1.2 Entity resource statement

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

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

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

Table 1.1: NAIF resource statement – Budget estimates for 2021-22 as at Budget May 2021

	2020-21 <i>Estimated actual</i> \$'000	2021-22 Estimate \$'000
Opening balance/cash reserves at 1 July	1,192	-
Funds from Government		
Annual appropriations - ordinary annual services (a) (b) (c)		
Outcome 1	13,187	18,967
Total annual appropriations	13,187	18,967
Total funds from Government	13,187	18,967
Funds from other sources		
Interest	30	-
Total funds from other sources	30	-
Total net resourcing for NAIF	14,409	18,967
	2020-21	2021-22
Average staffing level (number) (d)	1	1

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

- (a) Appropriation Bill (No. 1) 2021-22. The \$5 billion in special appropriation identified in section 41 of the NAIF Act, for the purposes of NAIF loans is reported in the Department of Industry, Science, Energy and Resources (DISER) accounts. DISER is administering loan payments to the relevant jurisdictions, and if directed on to the project proponent.
- (b) The 2020-21 estimated actual includes *Appropriation Act (No. 1) 2020-21* and Appropriation Bill (No. 3) 2020-21.
- (c) NAIF is not directly appropriated as it is a Corporate Commonwealth entity. Appropriations are made to DISER, which are then paid to NAIF and are considered departmental for all purposes.
- (d) The ASL estimate represents the Chief Executive Officer (CEO) of the NAIF. Total staffing for the NAIF is 29.4 full time equivalents as at Budget 2021, including the CEO. The additional staff supporting the NAIF include specialist staff engaged under contract. Refer to Section 3.1.2 for further information.

1.3 Budget measures

There are no new Budget measures relating to NAIF detailed in Budget Paper No. 2; therefore Table 1.2 is not presented.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance 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 a complete picture of an entity's planned and actual performance.

The most recent corporate plan and annual performance statement for NAIF can be found at:
<https://naif.gov.au/corporate-reporting/reporting/>

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Enable economic growth in northern Australia, by facilitating private sector investment in economic infrastructure through the provision of concessional financing delivered through the state and territory governments

Linked programs

Department of Industry, Science, Energy and Resource
Program <ul style="list-style-type: none"> • Program 1.2 – Growing innovative and competitive businesses, industries and regions
Contribution to Outcome 1 made by linked programs The Department of Industry, Science, Energy and Resources contributes through its policies to increase economic growth and investment in northern Australia. The Department of Industry, Science, Energy and Resources has policy responsibility for NAIF.
Infrastructure Australia
Program <ul style="list-style-type: none"> • Program 1.1 – Infrastructure Australia
Contribution to Outcome 1 made by linked programs Infrastructure Australia contributes to Outcome 1 through feedback on matters relating to infrastructure and cost benefit analysis to support NAIF’s assessment of its mandatory criterion in regards to a project being of public benefit. NAIF must consult Infrastructure Australia where NAIF’s Investment Decision is for an amount more than \$100 million.
National Indigenous Australians Agency
Programs <ul style="list-style-type: none"> • Program 1.1 – Jobs, Land and the Economy • Program 1.2 – Children and Schooling • Program 1.3 – Safety and Wellbeing • Program 1.4 – Culture and Capability • Program 1.5 – Remote Australia Strategies • Program 1.6 – Evaluation and Research

Contribution to Outcome 1 made by linked programs

The National Indigenous Australians Agency contributes to Outcome 1 through engagement with Indigenous-led proponents or those partnering with Indigenous communities on projects related to areas like social infrastructure, ecotourism, agriculture and horticulture, resources and innovative energy solutions for remote communities. NAIF engages with Indigenous stakeholders. Furthermore, all NAIF project proponents must develop strategies for Indigenous participation, procurement and employment that is tailored for the Indigenous population in the region of the project.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Outcome 1: Enable economic growth in northern Australia, by facilitating private sector investment in economic infrastructure through the provision of concessional financing delivered through the state and territory governments					
Program 1: Northern Australia Infrastructure Facility					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	13,187	18,967	20,836	20,966	21,066
Expenses not requiring appropriation in the budget year	667	-	-	-	-
Revenues from other independent	30	-	-	-	-
Total expenses for Program 1	13,884	18,967	20,836	20,966	21,066
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	13,187	18,967	20,836	20,966	21,066
Expenses not requiring appropriation in the budget year	667	-	-	-	-
Revenues from other independent	30	-	-	-	-
Total expenses for Outcome 1	13,884	18,967	20,836	20,966	21,066
	2020-21	2021-22			
Average staffing level (number) (a)	1	1			

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

(a) The ASL estimate represents the Chief Executive Officer (CEO) of the NAIF. Total staffing for the NAIF is 29.4 full time equivalents as at Budget 2021, including the CEO. The additional staff supporting the NAIF include specialist staff engaged under contract. Refer to Section 3.1.2 for further information.

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2021-22 Budget measures have created new programs or materially changed existing programs.

Outcome 1 – Enable economic growth in northern Australia by facilitating private sector investment in economic infrastructure through the provision of concessional financing delivered through the state and territory governments		
Program 1 – Northern Australia Infrastructure Facility (NAIF)		
This program contributes to the outcome by accelerating and encouraging investment in infrastructure that provides a basis for economic growth and stimulates population growth in northern Australia.		
Delivery	NAIF delivers Program 1 by the making of Investment Decisions for financial assistance, which may be concessional to state and territory governments in Queensland, Western Australia and the Northern Territory to on-lend in their jurisdictions for the benefit of their jurisdictions, for the construction or material enhancement of infrastructure to enable long term economic and population growth to benefit northern Australia. The reforms announced by the Government will empower the NAIF to also lend directly, and expand the scope and scale of projects that can be funded.	
Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020-21	Public benefit.	Net public benefit for each Investment Decision. At a portfolio level, quantified forecast public benefit greater than the cost of concession. Published case studies and numerical data on project construction and operational jobs generated or supported, as reported by project proponents annually.
	Indigenous engagement.	Sustainable Indigenous participation, procurement and employment. Published case studies.
	Investment Decisions by NAIF Board (decision to offer finance).	7 to 10 Investment Decisions, with dollar value of NAIF investments between \$1b and \$1.25b and total capital value of projects supported between \$1.5b and \$2.0b. Contractual close of \$0.75 to \$0.85b. Demonstrate diversification on Investment Decisions to date across geography and sector. Evidence of supporting transformational projects that provide significant public benefit.
	Effective risk management.	Demonstrate active management within the Risk

		<p>Framework and Risk Appetite Statement.</p> <p>Compliance with NAIF Act and Investment Mandate.</p>
	Active stakeholder management.	<p>Board meetings held in each of the northern Australia jurisdictions per annum.</p> <p>Targeted regional industry events. Regular communication via newsletters, social and other media.</p> <p>Refreshed website highlighting key investment activities and impact.</p>
	Achieve sound financial performance.	<p>Operating expenses per annum are within budget.</p> <p>By 2023-24 transaction loan revenues exceed NAIF accumulated operating costs.</p>
2021-22	As per 2020-21	As per 2020-21- except for the performance criterion on Contractual close which is a target of \$0.8b to \$1b.
2022-23 and beyond	<p>As per 2021-22</p> <p>The KPI's were prepared on the basis that NAIF's total capital available for Investment Decisions remains unchanged and as a result contractual close is capped at \$5b as per the current NAIF Act. There is therefore a tapering off Investment Decision in 2022-24.</p>	<p>As per 2021-22 except for the performance criterion on Investment Decision by the NAIF Board which is:</p> <p>2022-23</p> <p>5-7 Investment Decisions with dollar value of NAIF investment between \$0.5b and \$0.75b for a total capital value of projects supported between \$0.75b and \$1b and contractual close per annum of \$0.8 to \$1b.</p> <p>2023-24</p> <p>5-7 Investment Decisions with dollar value of NAIF investment between \$0.25 and \$0.5b for a total capital value of projects supported between \$0.38 and \$0.75b and contractual close of \$0.4 to \$0.5b.</p>
Purposes	<p>NAIF's primary purpose is to accelerate infrastructure development and thereby drive transformational growth in northern Australia by innovative financing that:</p> <ul style="list-style-type: none"> • Generates public benefit including that outside of what is captured by the project proponent. • Encourages longer-term growth in the economy and population of northern Australia. • Encourages private sector participation in the financing of northern Australia's infrastructure needs. • Facilitates sustainable Indigenous participation, procurement and employment. 	
Material changes to Program 1 resulting from the following measures: Nil		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021-22 Budget year, including the impact of Budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

The income statement shows the estimated net cost of services for NAIF.

Total budgeted expenses for NAIF in 2021-22 is \$19.0 million, represented by \$14.5 million in employee benefits, and \$4.5 million in suppliers. Suppliers include specialist staff engaged under contract; board, travel and overhead costs as well as expenses relating to the Export Finance and Insurance Corporation, which provides services to NAIF through a service level agreement across two broad categories being: (1) transaction due diligence, environment and technical review, credit assessment, and loan management; and (2) corporate and administrative services (including financial management and reporting, human resources, information technology and communications and property management). NAIF has an approved operating loss of \$0.7 million for 2020-21.

Section 8(1) of the NAIF Act provides that NAIF must not make a decision after 30 June 2021 to provide financial assistance. On 17 July 2020 NAIF's Responsible Minister announced NAIF's extension for a further five years to 30 June 2026, which is subject to finalisation of legislation.

3.2 Budgeted financial statements tables

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
EXPENSES					
Employee benefits	9,657	14,484	16,035	16,191	15,622
Suppliers	4,139	4,483	4,801	4,775	5,444
Depreciation and amortisation	88	-	-	-	-
Total expenses	13,884	18,967	20,836	20,966	21,066
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	30	-	-	-	-
Total own-source revenue	30	-	-	-	-
Total own-source income	30	-	-	-	-
Net (cost of)/contribution by services	(13,854)	(18,967)	(20,836)	(20,966)	(21,066)
Revenue from Government	13,187	18,967	20,836	20,966	21,066
Surplus/(deficit) attributable to the Australian Government	(667)	-	-	-	-
Total comprehensive income/(loss)	(667)	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	(667)	-	-	-	-
Note: Impact of net cash appropriation					
Total comprehensive income/(loss) less depreciation/amortisation expenses previously funded through revenue appropriations	(671)	-	-	-	-
plus: depreciation/amortisation expenses for ROU (a)	88	-	-	-	-
less: principal repayments on leased assets (a)	92	-	-	-	-
Total comprehensive income/(loss) - as per the Statement of comprehensive income	(667)	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	3,188	3,188	3,188	3,188	3,188
Trade and other receivables	134	134	134	134	134
Total financial assets	3,322	3,322	3,322	3,322	3,322
Non-financial assets					
Other non-financial assets	12	12	12	12	12
Total non-financial assets	12	12	12	12	12
Total assets	3,334	3,334	3,334	3,334	3,334
LIABILITIES					
Payables					
Suppliers	1,436	1,370	1,304	1,238	1,238
Total payables	1,436	1,370	1,304	1,238	1,238
Provisions					
Employee provisions	1,373	1,439	1,505	1,571	1,571
Total provisions	1,373	1,439	1,505	1,571	1,571
Total liabilities	2,809	2,809	2,809	2,809	2,809
Net assets	525	525	525	525	525
EQUITY*					
Parent entity interest					
Retained surplus (accumulated deficit)	525	525	525	525	525
Total parent entity interest	525	525	525	525	525
Total equity	525	525	525	525	525

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 2021-22)

	Retained earnings	Total equity
	\$'000	\$'000
Opening balance as at 1 July 2020		
Balance carried forward from previous period	525	525
Adjusted opening balance	525	525
Estimated closing balance as at 30 June 2021	525	525
Closing balance attributable to the Australian Government	525	525

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Receipts from Government	13,208	18,967	20,836	20,966	21,066
Interest	30	-	-	-	-
Total cash received	13,238	18,967	20,836	20,966	21,066
Cash used					
Employees	9,480	14,418	15,969	16,125	15,622
Suppliers	4,113	4,549	4,867	4,841	5,444
Total cash used	13,593	18,967	20,836	20,966	21,066
Net cash from/(used by) operating activities	(355)	-	-	-	-
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	92	-	-	-	-
Total cash used	92	-	-	-	-
Net cash from/(used by) financing activities	(92)	-	-	-	-
Net increase/(decrease) in cash held	(447)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	3,635	3,188	3,188	3,188	3,188
Cash and cash equivalents at the end of the reporting period	3,188	3,188	3,188	3,188	3,188

Prepared on Australian Accounting Standards basis.

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

NAIF has no departmental capital budget; therefore Table 3.5 is not presented.

Table 3.6: Statement of asset movements (Budget year 2021-22)

NAIF has no departmental asset movements; therefore Table 3.6 is not presented.

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

NAIF has no budgeted income and expenses administered on behalf of government; therefore Table 3.7 is not presented.

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

NAIF has no budgeted assets and liabilities administered on behalf of government; therefore Table 3.8 is not presented.

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

NAIF has no budgeted administered cash flows; therefore Table 3.9 is not presented.

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

NAIF has no administered capital budget; therefore Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2021-22)

NAIF has no administered asset movements; therefore Table 3.11 is not presented.