



Budget 2021–22

Portfolio Budget Statements 2021–22 Budget Related Paper No. 1.1

Agriculture, Water and Environment Portfolio

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

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ISSN: 2652-8665 (print) 2652-8657 (online)

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**THE HON DAVID LITTLEPROUD MP
MINISTER FOR AGRICULTURE, DROUGHT AND
EMERGENCY MANAGEMENT**

**THE HON SUSSAN LEY MP
MINISTER FOR THE ENVIRONMENT**

**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 and Mr Speaker

We hereby submit Portfolio Budget Statements in support of the 2021-22 Budget for the Agriculture, Water and Environment portfolio.

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

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

Yours sincerely

A blue ink signature of David Littleproud, consisting of a stylized 'D' followed by a series of loops.

DAVID LITTLEPROUD

Minister for Agriculture, Drought
and Emergency Management

A blue ink signature of Susan Ley, written in a cursive style.

SUSSAN LEY

Minister for the
Environment

A blue ink signature of Keith Pitt, featuring a large 'K' and 'P' with a long horizontal stroke.

KEITH PITT

Minister for Resources,
Water and Northern Australia

Abbreviations and conventions

The following notation may be used:

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nfp	not for publication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

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

Enquiries

Should you have any enquiries regarding this publication please contact Paul Pak Poy, Acting Chief Finance Officer, Department of Agriculture, Water and the Environment, on (02) 6272 5523.

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

USER GUIDE TO THE PORTFOLIO BUDGET STATEMENTS

USER GUIDE

The purpose of the 2021–22 Portfolio Budget Statements (PBS) 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.

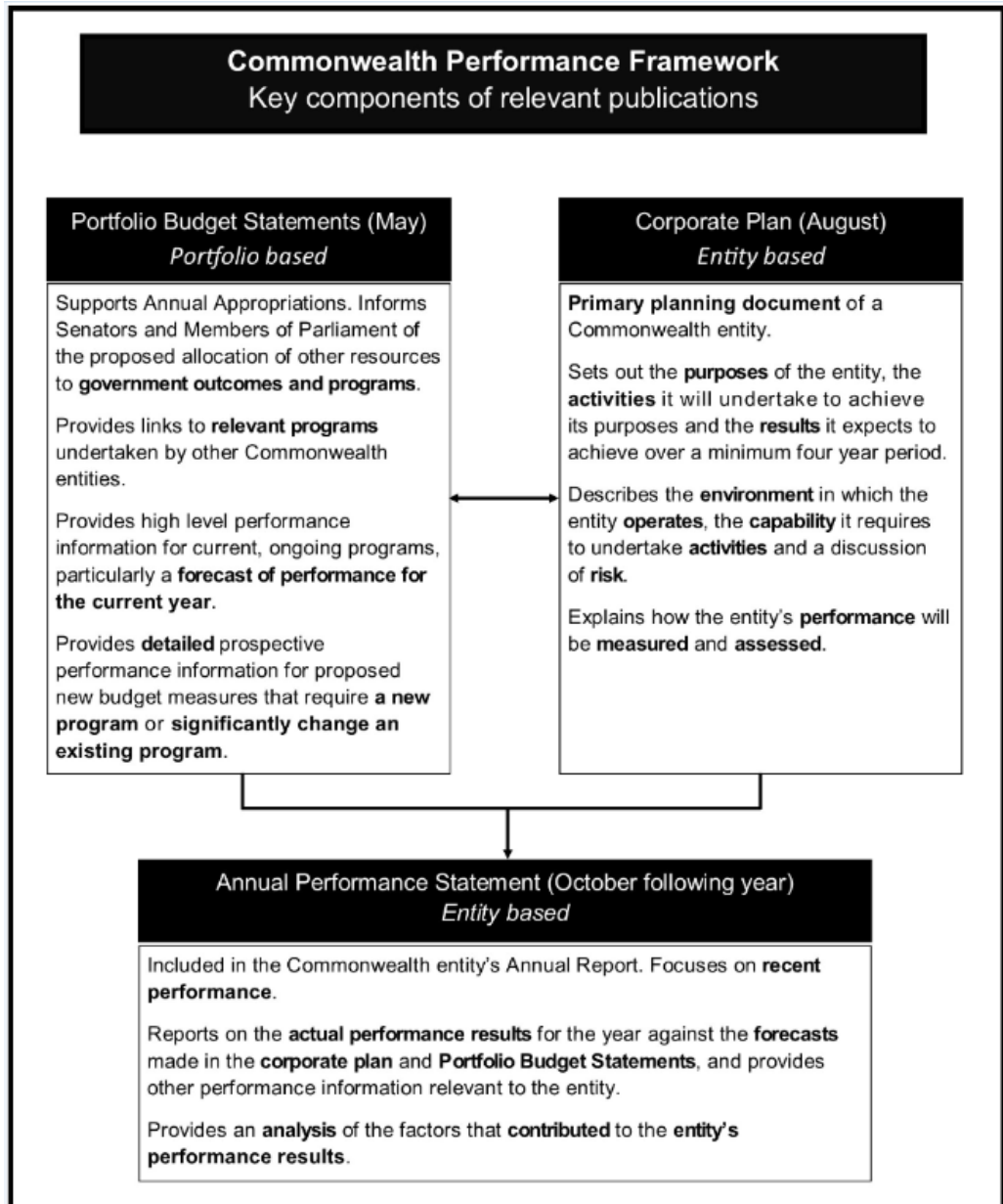
The PBS facilitates understanding of proposed annual appropriations in Appropriation Bills (No.1 and No.2) 2021–22. For this reason the PBS is declared by the Appropriation Acts to be a ‘relevant document’ to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

The PBS provides 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 PBS where they receive funding (either directly or via portfolio departments) through the annual appropriation acts.

The Commonwealth Performance Framework

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



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PORTFOLIO OVERVIEW

AGRICULTURE, WATER AND ENVIRONMENT PORTFOLIO OVERVIEW

Ministers and portfolio responsibilities

The Agriculture, Water and Environment portfolio is overseen by:

- The Minister for Agriculture, Drought and Emergency Management, the Hon. David Littleproud MP
- The Minister for the Environment, the Hon. Sussan Ley MP
- The Minister for Resources, Water and Northern Australia, the Hon. Keith Pitt MP.

The three ministers are supported by:

- The Assistant Minister for Forestry and Fisheries and Industry Development, Senator the Hon. Jonathon Duniam
- The Assistant Minister for Waste Reduction and Environmental Management, the Hon. Trevor Evans MP.

The portfolio consists of:

- Australian Government Department of Agriculture, Water and the Environment
- AgriFutures Australia
- Australian Fisheries Management Authority
- Australian Pesticides and Veterinary Medicines Authority
- Bureau of Meteorology
- Cotton Research and Development Corporation
- Director of National Parks
- Fisheries Research and Development Corporation
- Grains Research and Development Corporation
- Great Barrier Reef Marine Park Authority
- Murray-Darling Basin Authority
- Regional Investment Corporation
- Sydney Harbour Federation Trust
- Wine Australia.

The Government established the National Recovery and Resilience Agency (NRRA) as an Executive Agency under the *Public Governance, Performance and Accountability Act 2013* on 5 May 2021. The NRRA on its establishment brought together the former National Drought and North Queensland Flood Response and Recovery Agency, and the National Bushfire Recovery Agency (which was set up as a group within the Department of the Prime Minister and Cabinet).

From 1 July, the NRRA will incorporate the disaster risk reduction and recovery functions from the Department of Home Affairs, and rural financial counselling programs from the Department of Agriculture, Water and the Environment.

As a result of the Government announcement, the following changes occurred:

- Rural Finance Counselling Services (RFCS) transferred to the new agency the NRRA within the Prime Minister and Cabinet portfolio to commence on 1 July 2021.
- Drought Policy Function and National Drought Map transferred from the new agency the NRRA within the Prime Minister and Cabinet portfolio to the Department of Agriculture, Water and the Environment to commence on 1 July 2021.

Each entity within the portfolio has at least one outcome and program. Details are provided in each entity's section of this document.

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

Figure 1: Agriculture, Water and Environment portfolio structure and outcomes

Minister for Agriculture, Drought and Emergency Management The Hon. David Littleproud MP
Minister for the Environment The Hon. Sussan Ley MP
Minister for Resources, Water and Northern Australia The Hon. Keith Pitt MP
Assistant Minister for Waste Reduction and Environmental Management The Hon. Trevor Evans MP
Assistant Minister for Forestry and Fisheries and Industry Development Senator the Hon. Jonathon Duniam
Department of Agriculture, Water and the Environment Secretary: Mr Andrew Metcalfe AO Outcome 1: Conserve, protect and sustainably manage Australia's biodiversity, ecosystems, environment and heritage through research, information management, supporting natural resource management, establishing and managing Commonwealth protected areas, and reducing and regulating the use of pollutants and hazardous substances, and coordination of climate change adaptation strategy and climate change science activities. Outcome 2: Advance Australia's strategic, scientific, environmental and economic interests in the Antarctic region by protecting, administering and researching the region. Outcome 3: More sustainable, productive, internationally competitive and profitable Australian agricultural, food and fibre industries through policies and initiatives that promote better resource management practices, innovation, self-reliance and improved access to international markets. Outcome 4: Safeguard Australia's animal and plant health status to maintain overseas markets and protect the economy and environment from the impact of exotic pests and diseases, through risk assessment, inspection and certification, and the implementation of emergency response arrangements for Australian agricultural, food and fibre industries. Outcome 5: Improve the health of rivers and freshwater ecosystems and water use efficiency through implementing water reforms, and ensuring enhanced sustainability, efficiency and productivity in the management and use of water resources.

Figure 1: Agriculture, Water and Environment portfolio structure and outcomes (continued)

<p>AgriFutures Australia^(a) Managing Director: Mr John Harvey</p> <p>Outcome: Increased knowledge that fosters sustainable, productive and profitable new and existing rural industries and furthers understanding of national rural issues through research and development in government-industry partnership.</p>
<p>Australian Fisheries Management Authority^(b) Chief Executive Officer: Mr Wez Norris</p> <p>Outcome: Ecologically sustainable and economically efficient Commonwealth fisheries, through understanding and monitoring Australia's marine living resources and regulating and monitoring commercial fishing, including domestic licensing and deterrence of illegal foreign fishing.</p>
<p>Australian Pesticides and Veterinary Medicines Authority^(a) Chief Executive Officer: Ms Lisa Croft</p> <p>Outcome: Protection of the health and safety of people, animals, the environment, and agricultural and livestock industries through regulation of pesticides and veterinary medicines.</p>
<p>Bureau of Meteorology^{(b),(c)} Chief Executive Officer: Dr Andrew Johnson</p> <p>Outcome: Enabling a safe, prosperous, secure and healthy Australia through the provision of weather, water, climate and ocean services.</p>
<p>Cotton Research and Development Corporation^(a) Executive Director: Mr Ian Taylor</p> <p>Outcome: Adoption of innovation that leads to increased productivity, competitiveness and environmental sustainability through investment in research and development that benefits the Australian cotton industry and the wider community.</p>

Figure 1: Agriculture, Water and Environment portfolio structure and outcomes (continued)

<p>Director of National Parks^(a) A/g Director: Ms Jody Swirepik</p> <p>Outcome: Management of Commonwealth reserves as outstanding natural places that enhance Australia's well-being through the protection and conservation of their natural and cultural values, supporting the aspirations of Aboriginal and Torres Strait Islander people in managing their traditional land and sea country, and offering world class natural and cultural visitor experiences.</p>
<p>Fisheries Research and Development Corporation^(a) Managing Director: Dr Patrick Hone</p> <p>Outcome: Increased economic, social and environmental benefits for Australian fishing and aquaculture, and the wider community, by investing in knowledge, innovation, and marketing.</p>
<p>Grains Research and Development Corporation^(a) Managing Director and Chief Executive Officer: Mr Anthony Williams</p> <p>Outcome: New information and products that enhance the productivity, competitiveness and environmental sustainability of Australian grain growers and benefit the industry and wider community, through planning, managing and implementing investments in grains research and development.</p>
<p>Great Barrier Reef Marine Park Authority^(b) Chief Executive Officer: Mr Josh Thomas</p> <p>Outcome: The long-term protection, ecologically sustainable use, understanding and enjoyment of the Great Barrier Reef for all Australians and the international community, through the care and development of the Marine Park.</p>
<p>Murray-Darling Basin Authority^(a) Chief Executive Officer: Mr Phillip Glyde</p> <p>Outcome: Equitable and sustainable use of the Murray-Darling Basin by governments and the community including through development and implementation of a Basin Plan, operation of the River Murray system, shared natural resource management programs, research, information and advice.</p>

Figure 1: Agriculture, Water and Environment portfolio structure and outcomes (continued)

<p>Regional Investment Corporation^(a) Chief Executive Officer: Mr Bruce King</p> <p>Outcome: Encourage growth, investment and resilience in Australian farm businesses and rural and regional communities by delivering the Commonwealth's farm business concessional loans.</p>
<p>Sydney Harbour Federation Trust^(a) Interim Executive Director: Ms Linda Ward</p> <p>Outcome: Enhanced appreciation and understanding of the natural and cultural values of Sydney for all visitors, through the remediation, conservation and adaptive re-use of, and access to, Trust lands on Sydney Harbour.</p>
<p>Wine Australia^(a) Chief Executive Officer: Mr Andreas Clark</p> <p>Outcome: Foster and enable a competitive Australian wine industry by investing in research and development, building markets, disseminating knowledge and ensuring compliance.</p>

(a) 'Corporate Commonwealth Entity' (CCE) as defined under the *Public Governance, Performance and Accountability Act 2013*.

(b) 'Non-corporate Commonwealth Entity' (NCCE) as defined under the *Public Governance, Performance and Accountability Act 2013*.

(c) 'Executive Agency' through an Order made by the Governor-General, under subsection 65(1) of the *Public Service Act 1999*.

Other industry-owned and not-for-profit companies related to the portfolio

Australian industry-owned companies are independent corporate entities, established under specific legislation with expertise-based boards. The company members appoint the directors of the board. Companies are accountable to the Minister for Agriculture, Drought and Emergency Management through legislation and statutory funding agreements and are entitled to receive industry levies and matching Australian Government funding for eligible research and development (R&D). These entities report outside the general government sector.

The following industry-owned companies provide R&D and marketing services:

- Australian Egg Corporation Limited
- Australian Livestock Export Corporation Limited
- Australian Meat Processor Corporation Limited
- Australian Pork Limited
- Australian Wool Innovation Limited
- Dairy Australia Limited
- Forest and Wood Products Australia Limited
- Horticulture Innovation Australia Limited
- Meat and Livestock Australia Limited
- Sugar Research Australia Limited.

The Australian Government provides funding to the following not-for-profit, portfolio-related companies:

- Animal Health Australia
- Landcare Australia Limited
- National Environment Protection Council
- Plant Health Australia Limited.

ENTITIES' RESOURCES AND PLANNED PERFORMANCE

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DEPARTMENT OF AGRICULTURE, WATER AND THE ENVIRONMENT

ENTITY RESOURCES AND PLANNED PERFORMANCE

DEPARTMENT OF AGRICULTURE, WATER AND THE ENVIRONMENT

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DEPARTMENT OF AGRICULTURE, WATER AND THE ENVIRONMENT

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Department of Agriculture, Water and the Environment supports the delivery of the Australian Government's policy agenda across agriculture, the environment and heritage and water resources. The department's diverse roles and functions include policy advice, research, program administration, provision of client services, regulation and market access negotiation. Our work touches the lives of all Australians. We support economic prosperity while caring for our country and protecting the quality of life that Australians enjoy.

Partnerships are crucial to achieving our objectives. We work directly with industry, government, non-government organisations, primary producers, research organisations and local communities to protect the environment and develop strong agricultural industries. The National Landcare Program is a longstanding partnership between governments, primary producers, environmentalists and the community to promote sustainable land management. We also partner with Aboriginal and Torres Strait Islander peoples to manage country. Through partnerships we provide stewardship of our land, water and iconic places so they can be enjoyed by future generations.

The past year has seen continued challenges to Australia's agricultural, food and fibre industries, as well as the environment and the broader community. The department remains at the forefront of the ongoing response to COVID-19, including through continued support for Australian agri-food exporters to expand and diversify their export markets, as well as helping meet agricultural workforce needs. As the Australian Government focuses on economic recovery in 2021-22, the department continues this critical role, boosting the contribution of agriculture to Australia's economic growth and creating jobs through activities to protect our environment.

Australia's farmers, fishers and foresters have demonstrated resilience despite supply chain disruptions associated with COVID-19. Agriculture is one of the only industries to have grown in value despite these challenges; it is expected to be valued at \$71.2 billion in 2020-21, including \$5.2 billion from fisheries and forestry. The Australian Government is supporting these world-class sectors and creating the settings to achieve industry's goal of reaching \$100 billion in farm gate output by 2030. Achieving this goal requires government to put in place the right foundations for industry to harness emerging opportunities and increase efficiencies.

The Agriculture 2030 package forms part of the Government's strategy to get Australians back into jobs and revitalise the regions. Significant initiatives to tackle emerging trade challenges, protect the country from pests and diseases, support industry resilience, promote innovation, encourage better land management and protect on-farm biodiversity are all important parts of this strategy for growth and are funded in this Budget. Agriculture 2030 initiatives will provide a solid foundation, helping industry navigate future challenges and build on past successes.

Australia's biosecurity system aims to stop the introduction and spread of pests, weeds and diseases. This work is vital to protecting our agricultural industries, the environment, human health, regional communities, and the economy. The biosecurity system protects \$6.5 trillion in environmental assets, \$42 billion in inbound tourism, \$67 billion in agricultural production, \$48 billion in agricultural exports and 1.6 million jobs across the agriculture supply chain. Continued biosecurity efforts are focused on investing in our critical frontline resources and people; modernising our ICT systems, technology and data analytics; and strengthening our partnerships with importers, companies, producers and the community.

The Australian Government is working to support job creation across the whole economy, and the environment is no exception. The COVID-19 recovery is an opportunity to create jobs through activities to care for our country and improve environmental outcomes. At this critical time, the department is working to strengthen our national environmental protection system. In 2021–22 we are progressing priority reforms in response to the *Independent Review of the Environment Protection and Biodiversity Conservation Act 1999*.

Aboriginal and Torres Strait Islander heritage is central to Australia's national story. The department is working in consultation with First Nations Australians to modernise the protection of our Indigenous heritage, preserving sites of cultural significance for future generations. We also continue to manage Australia's national parks, gardens and marine parks in partnership with traditional owners, communities and business.

Caring for our country does not just take place on land. This year will see the first phase of our healthy oceans plan, giving effect to the Australian Government's commitment to sustainably manage 100 per cent of the ocean within national waters. The department is working on initiatives that will stimulate economic growth in the emerging blue economy, improve environmental outcomes for key species and sites, engage Aboriginal and Torres Strait Islander communities in management of sea country and build Australia's global influence as an expert on ocean and marine management.

As extreme weather becomes the new normal, the Australian Government is working to adapt and build resilience to the challenges of drought, floods, fires and storms. Climate forecasting and disaster preparedness are integral to the department's responsibilities, helping Australian businesses, communities and governments anticipate and manage the risks associated with climate change. The new Australian Climate Service will provide a strong foundation for the Australian Government to support future action across the economy with a single authoritative source of trusted climate and disaster risk advice.

Actions to drive a billion-dollar transformation of Australia's waste and recycling industry continue in 2021-22 under the National Waste Policy Action Plan. Following the commencement of the ban on the export of unprocessed glass on 1 January 2021, the department is partnering with industry on activities to increase recycling rates, tackle food and organic waste and support better waste management in sectors such as manufacturing.

Water is critical to the future of agriculture, Australia's environment and the wellbeing of communities. The department supports the sustainable management and productive use of Australia's water resources and works to improve the health of rivers and freshwater systems. We provide national leadership and work with relevant state governments to implement the Murray-Darling Basin Plan. We also provide water for the environment, improving the health of rivers, wetlands and floodplains. In 2021-22 the department continues its work to enable effective management of our scarce water resources in the Murray-Darling Basin through a collaborative national approach to upgrading our water modelling capability and building a framework for phased reform of water markets in the Basin.

Australia's Antarctic science program is one of our most iconic and enduring national endeavours. The Government is bringing Australia's Antarctic presence and science into the next generation through the acquisition of a new world-class icebreaker, restoration of our inland traverse capability, preliminary work to develop year-round aviation access, and revitalising Antarctic science infrastructure.

Outcomes

The department is responsible for five outcomes, which align with our strategic objectives and support the achievement of our purpose:

Outcome 1: Conserve, protect and sustainably manage Australia's biodiversity, ecosystems, environment and heritage through research, information management, supporting natural resource management, establishing and managing Commonwealth protected areas, and reducing and regulating the use of pollutants and hazardous substances, and coordination of climate change adaptation strategy and climate change science activities.

Outcome 2: Advance Australia's strategic, scientific, environmental and economic interests in the Antarctic region by protecting, administering and researching the region.

Outcome 3: More sustainable, productive, internationally competitive and profitable Australian agricultural, food and fibre industries through policies and initiatives that promote better resource management practices, innovation, self-reliance and improved access to international markets.

Outcome 4: Safeguard Australia's animal and plant health status to maintain overseas markets and protect the economy and environment from the impact of exotic pests and diseases, through risk assessment, inspection and certification, and the implementation of emergency response arrangements for Australian agricultural, food and fibre industries.

Outcome 5: Improve the health of rivers and freshwater ecosystems and water use efficiency through implementing water reforms, and ensuring enhanced sustainability, efficiency and productivity in the management and use of water resources.

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 (i.e. appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Department of Agriculture, Water and the Environment – Resource Statement – Budget Estimates for 2021–22 as at Budget May 2021

	2020–21 ^(a) Estimated actual \$'000	2021–22 Estimate \$'000
<u>Departmental</u>		
Annual appropriations – ordinary annual services ^(b)		
Prior year appropriations available ^(c)	126,534	76,823
Departmental appropriation ^(d)	949,037	1,027,124
Section 74 external revenue ^(e)	34,763	31,576
Departmental capital budget ^(f)	71,264	67,723
Annual appropriations – other services – non-operating ^(g)		
Prior year appropriations available ^(c)	246,893	45,491
Equity injection	64,310	70,495
Total departmental annual appropriations	1,492,801	1,319,232
Special accounts ^(h)		
Opening balance	25,266	25,266
Appropriation receipts ⁽ⁱ⁾	119,801	120,671
Non-appropriation receipts	430,616	439,997
Total special account receipts	575,683	585,934
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	<i>(119,801)</i>	<i>(120,671)</i>
Total departmental resourcing	1,948,683	1,784,495

Continued on following pages

Table 1.1: Department of Agriculture, Water and the Environment – Resource Statement – Budget Estimates for 2021–22 as at Budget May 2021 (continued)

	2020–21 ^(a) Estimated actual \$'000	2021–22 Estimate \$'000
<u>Administered</u>		
Annual appropriations – ordinary annual services ^(b)		
Outcome 1	379,276	381,840
Outcome 3	158,266	186,367
Outcome 4	33,446	33,111
Outcome 5	161,798	582,856
Prior year appropriations available ^(c)	188,040	83,417
Annual appropriations – other services – non-operating ^(g)		
Prior year appropriations available ^(c)	877,459	2,103,962
Administered assets and liabilities	2,607,906	530,000
Total administered annual appropriations	4,406,191	3,901,553
Total administered special appropriations	1,105,947	1,022,783
Special accounts ^(h)		
Opening balance	1,876,726	1,977,548
Appropriation receipts ⁽ⁱ⁾	529,707	313,904
Non-appropriation receipts	114,776	118,354
Total special account receipts	2,521,209	2,409,806
<i>less administered appropriations drawn from annual appropriations and credited to special accounts</i>	<i>(214,707)</i>	<i>(208,904)</i>
<i>less payments to corporate entities from annual/special appropriations ^(j)</i>	<i>(384,874)</i>	<i>(353,126)</i>
Total administered resourcing	7,433,766	6,772,112
Total resourcing for the Department of Agriculture, Water and the Environment	9,382,449	8,556,607
	2020–21	2021–22
Average staffing level (number)	6,079	6,221

Continued on following pages

Table 1.1: Department of Agriculture, Water and the Environment – Resource Statement – Budget Estimates for 2021–22 as at Budget May 2021 (continued)

- (a) Annual appropriation amounts appearing for 2020–21 do not include the Appropriation Bills (No. 3) and (No. 4) 2020–21, as they had not been enacted at the time of publication. For the department, the Bills include \$17.026 million in departmental appropriation, \$5.677 million in administered appropriation and \$1.097 million departmental equity injection.
- (b) Appropriation Bill (No. 1) 2021–22.
- (c) Excludes \$876.283 million 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).
- (d) Excludes departmental capital budget (DCB).
- (e) Estimated external revenue under section 74 of the PGPA Act.
- (f) 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'.
- (g) Appropriation Bill (No. 2) 2021–22.
- (h) Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) accounts and other special accounts. For further information on special accounts, please refer to *Budget Paper No. 4: Agency Resourcing*. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.
- (i) Amounts credited to the special account(s) from the department's annual appropriations.
- (j) 'Corporate entities' are corporate Commonwealth entities and Commonwealth companies as defined under the PGPA Act.

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

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

Continued on following pages

Table 1.1: Department of Agriculture, Water and the Environment – Resource Statement – Budget Estimates for 2021–22 as at Budget May 2021 (continued)

Third party payments from and on behalf of other entities

	<i>2020–21 Estimated actual \$'000</i>	<i>2021–22 Estimate \$'000</i>
Payments made by other entities on behalf of the Department of Agriculture, Water and the Environment	203,557	174,131
Payments made to other entities for the provision of services (disclosed above)	74,667	77,977
<u>Draw-downs made on behalf of corporate entities within the portfolio</u>		
Australian Pesticides and Veterinary Medicines Authority		
Administered Appropriation Bill (No. 1)	1,613	1,631
Australian Pesticides and Veterinary Medicines Authority – Relocation		
Administered Appropriation Bill (No. 1)	2,787	292
Director of National Parks		
Administered Appropriation Bill (No. 1)	57,063	66,309
Administered Appropriation Bill (No. 2)	25,408	126,241
Murray-Darling Basin Authority		
Administered Appropriation Bill (No. 1)	62,007	80,770
Administered Appropriation Bill (No. 2)	1,922	12,189
Regional Investment Corporation		
Administered Appropriation Bill (No. 1)	45,762	26,317
Administered Appropriation Bill (No. 2)	-	337
Sydney Harbour Federation Trust		
Administered Appropriation Bill (No. 1)	20,584	2,465
Administered Appropriation Bill (No. 2)	23,637	2,310
<i>Total draw-downs on behalf of corporate entities within the portfolio</i>	240,783	318,861

Continued on following page

Table 1.1: Department of Agriculture, Water and the Environment – Resource Statement – Budget Estimates for 2021–22 as at Budget May 2021 (continued)

	2020–21 Estimated actual \$'000	2021–22 Estimate \$'000
Payments made to corporate entities within the Portfolio		
AgriFutures Australia		
Administered Appropriation Bill (No. 1)	9,358	9,460
Special Appropriation	23,481	26,132
Australian Pesticides and Veterinary Medicines Authority		
Administered Appropriation Bill (No. 1)	135	136
Special Appropriation	35,713	36,665
Cotton R&D Corporation		
Special Appropriation	4,320	9,580
Director of National Parks		
Special Appropriation	7,370	-
Fisheries R&D Corporation		
Administered Appropriation Bill (No. 1)	400	100
Special Appropriation	23,588	24,235
Grains R&D Corporation		
Special Appropriation	203,519	184,157
Murray-Darling Basin Authority		
Administered Appropriation Bill (No. 1)	36,258	20,429
Wine Australia		
Administered Appropriation Bill (No. 1)	10,000	10,000
Special Appropriation	30,732	32,232
Total payments made to corporate entities within the portfolio	384,874	353,126

1.3 BUDGET MEASURES

Budget measures in Part 1 relating to the department are detailed in *Budget Paper No.2: Budget Measures 2021–22* and are summarised below.

**Table 1.2: Department of Agriculture, Water and the Environment – 2021–22
Budget measures – Measures announced since the 2020–21 Mid-Year Economic
and Fiscal Outlook (MYEFO)**

	Prog	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Receipt measures						
<u>Agriculture 2030</u>						
Biosecurity – to manage the biosecurity risk posed by hitchhiker pests arriving in imported cargo	OC4					
Administered receipt		-	-	-	-	-
Departmental receipt		-	11,658	18,039	15,529	15,279
Total		-	11,658	18,039	15,529	15,279
Forestry and Fisheries – Plantation	3.3					
Development Concessional Loans	3.11					
Administered receipt		-	(249)	-	-	-
Departmental receipt		-	-	-	-	-
Total		-	(249)	-	-	-
Other Receipt measures						
Primary Industries – changes to agricultural production levy ^(a)	4.2					
Administered receipt		-	200	200	200	200
Departmental receipt		-	-	-	-	-
Total		-	200	200	200	200
Total receipt measures						
Administered		-	(49)	200	200	200
Departmental		-	11,658	18,039	15,529	15,279
Total		-	11,609	18,239	15,729	15,479
Payment measures						
<u>Agriculture 2030^(b)</u>						
Biosecurity – better understand how pests and diseases could enter Australia, to improve field tools and diagnostic capabilities	4.1 OC4					
Administered payment		-	500	510	517	524
Departmental payment		-	8,458	9,391	7,538	7,173
Total		-	8,958	9,901	8,055	7,697
Biosecurity – business case to improve systems that support the management of container cargo risk	OC4					
Administered payment		-	-	-	-	-
Departmental payment		-	1,466	-	-	-
Total		-	1,466	-	-	-

Continued on following pages

**Table 1.2: Department of Agriculture, Water and the Environment – 2021–22
Budget measures – Measures announced since the 2020–21 (MYEFO)**

	Prog	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Payment measures (continued)						
<u>Agriculture 2030^(b)</u>						
Biosecurity – continue to protect Australia from the biosecurity risk posed by African swine fever	4.2 OC4	-	188	233	205	187
Administered payment		-	14,631	14,141	14,576	14,411
Departmental payment		-				
Total		-	14,819	14,374	14,781	14,598
Biosecurity – deliver digital capability for biosecurity screening of incoming international mail through new technology ^(c)	OC4	-	-	-	-	-
Administered payment		-	2,882	10,970	3,403	1,672
Departmental payment		-				
Total		-	2,882	10,970	3,403	1,672
Biosecurity – for modern technologies and diagnostic tools to improve the speed and accuracy of pest and disease identification at the border ^(c)	OC4	-	-	-	-	-
Administered payment		-	4,238	6,557	6,391	5,861
Departmental payment		-				
Total		-	4,238	6,557	6,391	5,861
Biosecurity – for reduction and prevention activities to reduce the economic and environmental burden of established feral animals, pests and weeds	1.1 3.2 OC3	-	5,260	6,960	6,900	5,350
Administered payment		-	980	1,288	1,307	1,059
Departmental payment		-				
Total		-	6,240	8,248	8,207	6,409
Biosecurity – to ensure Australia continues to have a robust biosecurity preparedness and response capability in the event of a pest and disease outbreak ^(d)	4.1 4.2 OC4	-	2,020	2,170	1,682	3,671
Administered payment		-	6,114	5,378	3,181	3,196
Departmental payment		-				
Total		-	8,134	7,548	4,863	6,867
Biosecurity – to increase community and business biosecurity awareness	OC4	-	-	-	-	-
Administered payment		-	1,271	874	877	881
Departmental payment		-				
Total		-	1,271	874	877	881

Continued on following pages

**Table 1.2: Department of Agriculture, Water and the Environment – 2021–22
Budget measures – Measures announced since the 2020–21 (MYEFO)**

	Prog	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Payment measures (continued)						
Agriculture 2030^(b)						
Biosecurity – to manage the biosecurity risk posed by hitchhiker pests arriving in imported cargo	OC4					
Administered payment		-	-	-	-	-
Departmental payment		-	26,288	26,562	21,982	22,021
Total		-	26,288	26,562	21,982	22,021
Biosecurity – trial pre border biosecurity screening technology on travellers and air cargo ^(c)	OC4					
Administered payment		-	-	-	-	-
Departmental payment		-	5,211	5,123	-	-
Total		-	5,211	5,123	-	-
Biosecurity – upgrade the Maritime Arrivals and Reporting System	OC4					
Administered payment		-	-	-	-	-
Departmental payment		-	6,089	10,974	9,981	1,691
Total		-	6,089	10,974	9,981	1,691
Biosecurity – reprioritisation of activities of the Department of Agriculture, Water and the Environment	3.13 4.1 4.2					
Administered payment		(3,740)	(2,629)	(2,981)	(1,334)	-
Departmental payment		-	-	-	-	-
Total		(3,740)	(2,629)	(2,981)	(1,334)	-
Forestry and Fisheries – establish new, Regional Forestry Hubs	3.3 OC3					
Administered payment		-	898	3,250	3,000	3,000
Departmental payment		-	249	69	79	76
Total		-	1,147	3,319	3,079	3,076
Forestry and Fisheries – extend and broaden the Tuna Champions program	3.4 OC3					
Administered payment		-	400	200	200	-
Departmental payment		-	34	14	15	15
Total		-	434	214	215	15
Forestry and Fisheries – feasibility study to expand the National Institute for Forest Products Innovation	OC3					
Administered payment		-	-	-	-	-
Departmental payment		-	1,121	63	63	54
Total		-	1,121	63	63	54

Continued on following pages

**Table 1.2: Department of Agriculture, Water and the Environment – 2021–22
Budget measures – Measures announced since the 2020–21 (MYEFO)**

	2020–21	2021–22	2022–23	2023–24	2024–25
Prog	\$'000	\$'000	\$'000	\$'000	\$'000
Payment measures (continued)					
<u>Agriculture 2030^(b)</u>					
Improving employment opportunities – develop resources for agricultural employers to implement modern workforce management and planning practices					
OC3					
Administered payment	-	-	-	-	-
Departmental payment	-	816	170	-	-
Total	-	816	170	-	-
Improving employment opportunities – extend the Fair Farms program	3.10				
OC3					
Administered payment	-	700	1,023	778	683
Departmental payment	-	172	82	82	82
Total	-	872	1,105	860	765
Improving employment opportunities – improve the collection, analysis and forecasting of agricultural labour force data ^(e)					
OC3					
Administered payment	-	-	-	-	-
Departmental payment	-	597	601	153	154
Total	-	597	601	153	154
Improving employment opportunities – pilot AgCAREERSTART program	3.10				
OC3					
Administered payment	-	2,000	3,069	-	-
Departmental payment	-	215	3	2	-
Total	-	2,215	3,072	2	-
Improving employment opportunities – pilot AgUP program	3.10				
OC3					
Administered payment	-	1,500	1,558	2,112	2,153
Departmental payment	-	1,038	718	445	547
Total	-	2,538	2,276	2,557	2,700
Improving employment opportunities – research and development corporation to undertake research on the attraction and retention of agriculture sector workers	3.10				
Administered payment	-	1,300	-	-	-
Departmental payment	-	13	2	-	-
Total	-	1,313	2	-	-

Continued on following pages

**Table 1.2: Department of Agriculture, Water and the Environment – 2021–22
Budget measures – Measures announced since the 2020–21 (MYEFO)**

	Prog	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Payment measures (continued)						
<u>Agriculture 2030^(b)</u>						
Innovation – an initial investment into Australia's agricultural innovation system through the National Agricultural Innovation Agenda	3.10 OC3					
Administered payment		-	1,500	-	-	-
Departmental payment		-	946	214	214	1,331
Total		-	2,446	214	214	1,331
Innovation – expanded Australian Farm Data Code	3.10 OC3					
Administered payment		-	180	120	100	-
Departmental payment		-	39	14	13	-
Total		-	219	134	113	-
Soil and Stewardship – deliver a community and education program on the benefits of processed organic waste	1.6 OC1					
Administered payment		-	750	340	340	340
Departmental payment		-	1,528	1,507	1,175	1,227
Total		-	2,278	1,847	1,515	1,567
Soil and Stewardship – deliver grants in partnership with states and territories through a Food Waste for Healthy Soils Fund ^(d)	OC1					
Administered payment		-	-	-	-	-
Departmental payment		-	709	709	708	706
Total		-	709	709	708	706
Soil and Stewardship – develop a biodiversity trading platform ^(c)	OC3					
Administered payment		-	-	-	-	-
Departmental payment		-	880	701	631	379
Total		-	880	701	631	379
Soil and Stewardship – develop a unified, standardised metrics and measurements framework ^(f)	OC1					
Administered payment		-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Soil and Stewardship – develop and roll out an accreditation standard to enhance soil education and expertise	3.2 OC3					
Administered payment		-	450	550	-	-
Departmental payment		-	48	36	-	-
Total		-	498	586	-	-

Continued on following pages

**Table 1.2: Department of Agriculture, Water and the Environment – 2021–22
Budget measures – Measures announced since the 2020–21 (MYEFO)**

	Prog	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Payment measures (continued)						
<u>Agriculture 2030^(b)</u>						
Soil and Stewardship – enhance the National Soil Resources Information System	3.2 OC3					
Administered payment		-	40,200	52,222	-	-
Departmental payment		-	6,538	3,055	-	-
Total		-	46,738	55,277	-	-
Soil and Stewardship – implement a National Soils Science Challenge	3.2 OC3					
Administered payment		-	5,000	5,000	5,000	5,000
Departmental payment		-	292	208	208	172
Total		-	5,292	5,208	5,208	5,172
Soil and Stewardship – implement an Australian farm biodiversity certification scheme	3.2 OC3					
Administered payment		-	1,500	1,500	1,500	-
Departmental payment		-	332	277	278	9
Total		-	1,832	1,777	1,778	9
Soil and Stewardship – implement and coordinate programs in support of the National Soils Strategy	OC3					
Administered payment		-	-	-	-	-
Departmental payment		-	1,562	1,406	1,443	1,448
Total		-	1,562	1,406	1,443	1,448
Soil and Stewardship – pilot stewardship program	3.2 OC3					
Administered payment		-	4,650	4,650	4,650	4,650
Departmental payment		-	1,368	955	959	402
Total		-	6,018	5,605	5,609	5,052
Soil and Stewardship – redirecting existing funding to soil extension services ^(f)	1.1					
Administered payment		-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Supporting Trade – extend the Improved Access to Agricultural and Veterinary Chemicals program	3.10					
Administered payment		-	2,050	2,050	2,050	2,050
Departmental payment		-	157	173	202	234
Total		-	2,207	2,223	2,252	2,284
Supporting Trade – fund projects in collaboration with the perishable agriculture goods industry that improve market transparency in the sector	3.10					
Administered payment		-	-	2,000	2,000	1,000
Departmental payment		-	358	10	10	10
Total		-	358	2,010	2,010	1,010

Continued on following pages

**Table 1.2: Department of Agriculture, Water and the Environment – 2021–22
Budget measures – Measures announced since the 2020–21 (MYEFO)**

	Prog	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Payment measures (continued)						
<u>Agriculture 2030^(b)</u>						
Supporting Trade – representation and promotion of Australia's interests in international fora and standard setting bodies	OC3					
Administered payment		-	-	-	-	-
Departmental payment		-	3,738	3,745	3,755	3,766
Total		-	3,738	3,745	3,755	3,766
<u>Drought response, Resilience and Preparedness Plan – continued support</u>						
Farm Household Allowance business income reconciliation debt waiver	3.12					
Administered payment		-	3,337	-	-	-
Departmental payment		-	-	-	-	-
Total		-	3,337	-	-	-
Future Drought Fund Program – Special Account ^(d)	3.11					
Administered payment		2,000	(39,000)	(31,000)	(21,000)	-
Departmental payment		-	-	-	-	-
Total		2,000	(39,000)	(31,000)	(21,000)	-
On-Farm Water Infrastructure Rebate Scheme – extension ^(d)	5.1					
Administered payment		-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
<u>Independent Review of the <i>Environment Protection and Biodiversity Conservation Act 1999</i> – initial response</u>						
Improved Indigenous heritage protection and Indigenous involvement in EPBC Act decision-making process	OC1					
Administered payment		-	-	-	-	-
Departmental payment		-	387	116	-	-
Total		-	387	116	-	-
Establish an independent, statutory office known as the Environment Assurance Commissioner	OC1					
Administered payment		-	-	-	-	-
Departmental payment		-	2,108	2,289	2,297	2,306
Total		-	2,108	2,289	2,297	2,306
Pilot regional plan in priority development area	OC1					
Administered payment		-	-	-	-	-
Departmental payment		-	1,179	901	650	-
Total		-	1,179	901	650	-
Maintaining timely Commonwealth approvals during transition to single touch ^(c)	OC1					
Administered payment		-	-	-	-	-
Departmental payment		-	9,689	6,305	-	-
Total		-	9,689	6,305	-	-

Continued on following pages

**Table 1.2: Department of Agriculture, Water and the Environment – 2021–22
Budget measures – Measures announced since the 2020–21 (MYEFO)**

	2020–21	2021–22	2022–23	2023–24	2024–25
Prog	\$'000	\$'000	\$'000	\$'000	\$'000
Payment measures (continued)					
<u>Incentivising Recycling Behaviours</u>					
Further grant round of the National Product Stewardship Investment Fund	1.6				
Administered payment	-	2,000	2,000	1,000	-
Departmental payment	-	302	343	278	19
Total	-	2,302	2,343	1,278	19
Redirecting existing funding from the Department	OC1				
Administered payment	(250)	(250)	(250)	-	-
Departmental payment	-	-	-	-	-
Total	(250)	(250)	(250)	-	-
Supporting small business to adopt the Australasian recycling label	1.6				
Administered payment	-	2,000	1,500	1,000	-
Departmental payment	-	191	176	176	-
Total	-	2,191	1,676	1,176	-
<u>Increased support for unemployed Australians^(g)</u>					
Increase to Rates of Working-age Allowances from 1 April 2021	3.12				
Administered payment	2,676	10,470	8,339	5,637	8,096
Departmental payment	-	-	-	-	-
Total	2,676	10,470	8,339	5,637	8,096
<u>Oceans Leadership Package</u>					
Australian Marine Parks Partnership – Indian Ocean Territories	1.1				
Administered payment	-	-	2,100	1,100	-
Departmental payment	-	-	-	-	-
Total	-	-	2,100	1,100	-
Australian Marine Parks Partnership – Our Marine Parks	1.1				
Administered payment	-	5,000	3,600	5,000	3,600
Departmental payment	-	-	-	-	-
Total	-	5,000	3,600	5,000	3,600
Expanding Indigenous Protected Areas to include Sea Country	1.1				
Administered payment	-	4,425	5,250	-	-
Departmental payment	-	602	512	-	-
Total	-	5,027	5,762	-	-
Ocean Accounting and On-the-Ground Restoration Activities to Restore Blue Carbon Ecosystems	OC1				
Administered payment	-	-	-	-	-
Departmental payment	-	3,070	10,667	8,744	8,175
Total	-	3,070	10,667	8,744	8,175
Sustainable Ocean Action Plan ^(d)	1.1				
Administered payment	-	637	3,032	1,889	457
Departmental payment	-	2,497	2,176	1,302	628
Total	-	3,134	5,208	3,191	1,085

**Table 1.2: Department of Agriculture, Water and the Environment – 2021–22
Budget measures – Measures announced since the 2020–21 (MYEFO)**

	Prog	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Payment measures (continued)						
<u>Murray-Darling Basin – managing water resources</u>						
Off-farm Efficiency Program ^(c)	5.1					
Administered payment		41,223	220,000	298,777	230,000	-
Departmental payment		-	-	-	-	-
Total		41,223	220,000	298,777	230,000	-
Response to Australian Competition and Consumer Commission – Inquiry into water markets	OC5					
Administered payment		-	-	-	-	-
Departmental payment		-	3,505	-	-	-
Total		-	3,505	-	-	-
Other Payment measures						
Building Australia's Resilience ^(h)	OC1					
Administered payment		-	-	-	-	-
Departmental payment		-	920	888	700	702
Total		-	920	888	700	702
Commonwealth's Deregulation Agenda – Proof of concept trials for new third party arrangements for imported cargo ⁽ⁱ⁾	OC4					
Administered payment		-	-	-	-	-
Departmental payment		-	3,155	-	-	-
Total		-	3,155	-	-	-
COVID-19 Response Package — extension ^(j)	OC4					
Administered payment		-	-	-	-	-
Departmental payment		-	144	-	-	-
Total		-	144	-	-	-
Primary Industries – changes to agricultural production levy ^(a)	4.2					
Administered payment		-	200	200	200	200
Departmental payment		-	-	-	-	-
Total		-	200	200	200	200
Progressing the Davis Aerodrome Project	OC2					
Administered payment		-	-	-	-	-
Departmental payment		-	nfp	-	-	-
Total		-	nfp	-	-	-
Simplified Trade System ^(k)	OC4					
Administered payment		-	-	-	-	-
Departmental payment		-	7,518	-	-	-
Total		-	7,518	-	-	-
Supporting Agricultural Showmen and Women	3.10					
Administered payment		-	4,279	-	-	-
Departmental payment		-	-	-	-	-
Total		-	4,279	-	-	-

Continued on following pages

**Table 1.2: Department of Agriculture, Water and the Environment – 2021–22
Budget measures – Measures announced since the 2020–21 (MYEFO)**

Prog	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
<i>Director of National Parks [Pass-through]</i>					
<i>Oceans Leadership Package</i>					
Australian Marine Parks Partnership – Indian Ocean Territories 1.1					
Administered payment	-	90	248	516	1,371
Departmental payment	-	-	-	-	-
Total	-	90	248	516	1,371
Australian Marine Parks Partnership – National Parks Conservation – Habitat Protection 1.1					
Administered payment	-	1,000	3,001	5,502	5,539
Departmental payment	-	-	-	-	-
Total	-	1,000	3,001	5,502	5,539
Australian Marine Parks Partnership – Our Marine Parks 1.1					
Administered payment	-	525	536	644	451
Departmental payment	-	-	-	-	-
Total	-	525	536	644	451
Sustainable Ocean Economy Strategy and Action Plan 1.1					
Administered payment	-	1,511	1,478	635	395
Departmental payment	-	-	-	-	-
Total	-	1,511	1,478	635	395
<i>Murray-Darling Basin Authority [Pass-through]</i>					
Murray-Darling Basin – managing water resources ^(c) 5.1					
Administered payment	-	nfp	nfp	nfp	nfp
Departmental payment	-	-	-	-	-
Total	-	nfp	nfp	nfp	nfp
<i>Regional Investment Corporation [Pass-through]</i>					
<i>Agriculture 2030</i>					
Forestry and Fisheries – Plantation Development Concessional Loans 3.11					
Administered payment	-	800	-	-	-
Departmental payment	-	-	-	-	-
Total	-	800	-	-	-
Total payment measures					
Administered	41,909	285,441	383,235	261,823	48,717
Departmental	-	135,645	130,363	93,818	80,407
Total	41,909	421,086	513,598	355,641	129,124
Decision Taken But Not Yet Announced	-	-	-	-	-

Continued on following pages

**Table 1.2: Department of Agriculture, Water and the Environment – 2021–22
Budget measures – Measures announced since the 2020–21 (MYEFO)**

	Prog	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Payment measures (Capital)						
<u>Agriculture 2030^(b)</u>						
Biosecurity – deliver digital capability for biosecurity screening of incoming international mail through new technology ^(c)	OC4	-	-	-	-	-
Administered capital		-	-	-	-	-
Departmental capital		-	4,000	8,232	-	-
Total		-	4,000	8,232	-	-
Biosecurity – for modern technologies and diagnostic tools to improve the speed and accuracy of pest and disease identification at the border ^(c)	OC4	-	-	-	-	-
Administered capital		-	-	-	-	-
Departmental capital		-	760	1,661	-	-
Total		-	760	1,661	-	-
Biosecurity – trial pre border biosecurity screening technology on travellers and air cargo ^(c)	OC4	-	-	-	-	-
Administered capital		-	-	-	-	-
Departmental capital		-	8,466	718	-	-
Total		-	8,466	718	-	-
Soil and Stewardship – develop a biodiversity trading platform ^(c)	OC3	-	-	-	-	-
Administered capital		-	-	-	-	-
Departmental capital		-	893	894	-	-
Total		-	893	894	-	-
<u>Independent Review of the <i>Environment Protection and Biodiversity Conservation Act 1999</i> – initial response</u>						
Maintaining timely Commonwealth approvals during transition to single touch ^(c)	OC1	-	-	-	-	-
Administered capital		-	-	-	-	-
Departmental capital		-	907	152	-	-
Total		-	907	152	-	-

Continued on following pages

**Table 1.2: Department of Agriculture, Water and the Environment – 2021–22
Budget measures – Measures announced since the 2020–21 (MYEFO)**

	2020–21	2021–22	2022–23	2023–24	2024–25
Prog	\$'000	\$'000	\$'000	\$'000	\$'000
Payment measures (Capital)					
Murray-Darling Basin – managing water resources – Off-farm Efficiency Program ^(c)					
5.1					
Administered capital	(120,000)	(220,000)	(220,000)	(230,000)	-
Departmental capital	-	-	-	-	-
Total	(120,000)	(220,000)	(220,000)	(230,000)	-
Murray-Darling Basin Authority [Pass-through]					
Murray-Darling Basin – managing water resources ^(c)					
5.1					
Administered capital	-	nfp	nfp	nfp	nfp
Departmental capital	-	-	-	-	-
Total	-	nfp	nfp	nfp	nfp
Total payment measures (Capital)					
Administered	(120,000)	(220,000)	(220,000)	(230,000)	-
Departmental	-	15,026	11,657	-	-
Total	(120,000)	(204,974)	(208,343)	(230,000)	-

Continued on following pages

**Table 1.2: Department of Agriculture, Water and the Environment – 2021–22
Budget measures – Measures announced since the 2020–21 (MYEFO)**

(a) The measure 'Primary Industries – Changes to Agricultural Production Levy appears under receipt and payment measure headings. The change is being made in consultation with the industries. Further details are below:

Title	Treatment	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Laying Chickens	1. From 1 July 2021, the Government will activate the Emergency Animal Disease Response (EADR) component of laying chickens from nil cents per laying chicken to 1.10 cents per laying chicken, as requested by the egg industry. The levy will be used to repay the egg industry's contribution to three nationally cost-shared eradication responses to avian influenza in Victoria which were initially underwritten by the Government.	200	200	200	200
	<i>Total receipt impact</i>	200	200	200	200
	<i>Total payment impact</i>	200	200	200	200
	Total changes to agricultural production levy – Receipt	200	200	200	200
	Total changes to agricultural production levy – Payment	200	200	200	200

(b) This measure across the five years totals (\$3.7 million) in 2020–21, \$182.9 million in 2021–22, \$201.9 million in 2022–23, \$109.4 million in 2023–24 and \$97.2 million in 2024–25. These measures have been reported against payments and capital. The measure description appears in *Budget Paper No. 2: Budget Measures 2021–22* under the Agriculture, Water and Environment portfolio.

(c) This measure can also be found in the capital and payment section of 2021–22 Department of Agriculture, Water and the Environment PBS.

(d) This measure provides additional funding to the National Partnership programs within the Department of the Treasury. Details appear in *Budget Paper No 3: Federal Financial Relations*.

(e) This measure totals \$8.5 million over four years with the department receiving \$1.5 million (\$0.2 million ongoing), Australian Bureau of Statistics \$4.2 million and the Department of Education, Skills and Employment \$2.7 million. The measure description appears in *Budget Paper No. 2: Budget Measures 2021–22* under the Agriculture, Water and Environment portfolio.

(f) The cost of this component will be met from within the existing resources of the Department of Agriculture, Water and the Environment. The measure description appears in *Budget Paper No. 2: Budget Measures 2021–22* under the Agriculture, Water and Environment portfolio.

(g) The lead entity for this measure is the Department of Social Services. The measure description appears in *Budget Paper No. 2: Budget Measures 2021–22* under the Social Services portfolio.

(h) The lead entity for this measure is the Department of Home Affairs. The measure description appears in *Budget Paper No. 2: Budget Measures 2021–22* under the Home Affairs portfolio.

(i) The lead entity for this measure is the Department of the Prime Minister and Cabinet. The measure description appears in *Budget Paper No. 2: Budget Measures 2021–22* under the Prime Minister and Cabinet portfolio.

(j) The lead entity for this measure is the Department of Health. The measure description appears in *Budget Paper No. 2: Budget Measures 2021–22* under the Health portfolio.

(k) The lead entity for this measure is the Department of Foreign Affairs and Trade. The measure description appears in *Budget Paper No. 2: Budget Measures 2021–22* under the Foreign Affairs and Trade portfolio.

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

Prepared on a Government Finance Statistics (Underlying Cash) basis

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 Department of Agriculture, Water and the Environment can be found at: <https://www.awe.gov.au/about/reporting/corporate-plan>.

The most recent annual performance statements can be found at: <https://www.awe.gov.au/about/reporting/annual-report>.

2.1 CHANGES TO THE OUTCOME AND PROGRAM STRUCTURES SINCE THE LAST PORTFOLIO STATEMENT

Table 2.1.1: Changes to the program

Program No.	Program and sub-program title	Description of change
3.12	Administered: Rural Programs Rural Financial Counselling Service ^(a) (RFCS)	Transferred from the Department of Agriculture, Water and the Environment to the new agency the NRRA within the Prime Minister and Cabinet portfolio to commence on 1 July 2021.
Outcome 3	Departmental: Drought Policy Function National Drought Map ^(b)	Transferred from the new agency the NRRA within the Prime Minister and Cabinet portfolio to the Department of Agriculture, Water and the Environment to commence on 1 July 2021.

(a) As a result of the Government announcement on 5 May 2021 to establish the new the NRRA, RFCS administered funding of \$21.113 million in 2021–22, \$17.644 million in 2022–23, \$17.892 million in 2023–24 and \$18.142 million in 2024–25, along with departmental appropriation of \$0.796 million in 2021–22, \$0.733 million in 2022–23, \$0.736 million in 2023–24 and \$0.739 million in 2024–25 was transferred to the NRRA.

(b) The Drought Policy Function and National Drought Map also transferred to the department with \$4.619 million in 2021–22, \$0.527 million in 2022–23, \$0.529 million in 2023–24 and \$0.531 million in 2024–25 in departmental appropriation transferred from the NRRA, to commence on 1 July 2021.

2.2 PLANNED PERFORMANCES

The performance information in the PBS is aligned to the objectives that underpin the delivery of the department's Outcomes and its purpose. The objectives form the basis of the department's Corporate Plan. Table 2.1.2 shows the alignment between the departments Outcomes and its objectives.

Table 2.1.2: Outcomes and objectives 2021–22

Outcome	Objective
Outcome 1: Conserve, protect and sustainably manage Australia's biodiversity, ecosystems, environment and heritage through research, information management, supporting natural resource management, establishing and managing Commonwealth protected areas, and reducing and regulating the use of pollutants and hazardous substances, and coordination of climate change adaptation strategy and climate change science activities.	Environment and Heritage Support stewardship and sustainable management to enhance Australia's environment and our unique heritage
Outcome 2: Advance Australia's strategic, scientific, environmental and economic interests in the Antarctic region by protecting, administering and researching the region.	Antarctic Advance Australia's strategic, scientific and environmental interests in the Antarctic and the Southern Ocean
Outcome 3: More sustainable, productive, internationally competitive and profitable Australian agricultural, food and fibre industries through policies and initiatives that promote better resource management practices, innovation, self-reliance and improved access to international markets.	Agriculture Assist industry to grow to a \$100 billion agricultural sector by 2030

Table 2.1.2: Outcomes and objectives 2021–22 (continued)

Outcome	Objective
<p>Outcome 4:</p> <p>Safeguard Australia’s animal and plant health status to maintain overseas markets and protect the economy and environment from the impact of exotic pests and diseases, through risk assessment, inspection and certification, and the implementation of emergency response arrangements for Australian agricultural, food and fibre industries.</p>	<p>Biosecurity</p> <p>Manage biosecurity risks to Australian agriculture, the environment and our way of life</p>
<p>Outcome 5:</p> <p>Improve the health of rivers and freshwater ecosystems and water use efficiency through implementing water reforms, and ensuring enhanced sustainability, efficiency and productivity in the management and use of water resources.</p>	<p>Water Resources</p> <p>Support the sustainable management and productive use of Australia’s water resources</p>

Table 2.1.3: Performance criteria

Table 2.1.3 reports the forecast results for the department's five objective in 2020–21. These results are presented against the performance criteria outlined in the 2020–21 PBS. The table shows the high-level performance measures for each objective in 2021–22. The department will be reviewing its performance measures in the coming year, and the following table only shows the criteria and targets for 2021–22.

Objective 1 – Environment and Heritage

Year	Performance criteria	Targets
2020–21	Ecosystem diversity, extent and function are maintained or improved.	A reduction in nutrient, sediment and pesticide loads consistent with meeting targets in the <i>Reef 2050 Water Quality Improvement Plan</i> . Habitat condition and connectivity within major vegetation groups improves relative to baseline. <i>On track</i>
	Species diversity, range and abundance are maintained or improved.	Threatened Bird Index improves relative to 2019–20 baseline. <i>Unable to measure</i>
	Heritage is recognised and protected.	100 per cent of World Heritage listed properties are managed under management plans that are consistent with the management principles in the <i>Environment Protection and Biodiversity Conservation Regulations 2000</i> . <i>On track</i>
	Provide national leadership to effectively manage Australia's waste.	Australian targets for Montreal Protocol. Unprocessed waste glass in a whole or broken state banned from waste export from 1 January 2021. <i>On track</i>
2021–22	As per 2020–21.	As per 2020–21.
	As per 2020–21.	As per 2020–21.
	As per 2020–21.	As per 2020–21.

Continued on following pages

Table 2.1.3: Performance criteria (continued)

Objective 1 – Environment and Heritage

Year	Performance criteria	Targets
2021–22 (continued)	As per 2020–21.	Australian targets for Montreal Protocol. Mixed waste plastics that are not of a single resin/polymer type banned from export from 1 July 2021. Whole waste tyres banned from export from 1 December 2021.

Objective 2 – Antarctic

Year	Performance criteria	Targets
2020–21	Strengthen Australia's leadership in Antarctica and the Southern Ocean, by conducting world-leading science, promoting environmental best practice, and developing economic, educational and collaborative opportunities.	Measure progress against 20 Year Action Plan. <i>On track</i>
2021–22	As per 2020–21.	As per 2020–21.

Objective 3 – Agriculture

Year	Performance criteria	Targets
2020–21	Increase, improve and maintain markets.	Growth in agricultural commodity exports in markets for which the department has negotiated improved market access exceeds average export growth. <i>On track</i>
	Encourage and reduce risks to agricultural productivity.	Average annual productivity growth for the past 10 years is equal to, or exceeds, average annual market sector productivity growth over the same period. <i>Not on track</i>
	The efficient collection and distribution of levies to fund rural research and development.	Levy collection processes cost no more than 1.2 per cent of levies disbursed. Inspections of levy agent records cover at least 20 per cent of levy revenue over a three-year rolling average. <i>On track</i>

Continued on following page

Table 2.1.3: Performance criteria (continued)

Objective 3 – Agriculture

Year	Performance criteria	Targets
2021–22	As per 2020–21.	As per 2020–21.
	As per 2020–21.	As per 2020–21.
	As per 2020–21.	As per 2020–21.

Objective 4 – Biosecurity

Year	Performance criteria	Targets
2020–21	The national biosecurity system meets the agreed national goals and objectives of the Intergovernmental Agreement on Biosecurity.	Performance measures are developed to assess the effectiveness of the national biosecurity system. <i>On track</i>
	Regulation, partnerships and service delivery manage biosecurity risk.	Rates of compliance with regulations administered by the department are maintained or improved. <i>On track</i>
2021–22	As per 2020–21.	As per 2020–21.
	As per 2020–21.	As per 2020–21.

Objective 5 – Water Resources

Year	Performance criteria	Targets
2020–21	Support sustainable use and maintenance of high-quality water resources.	Number of Water Resource Plans (WRPs) accredited under Commonwealth law: 33 of 33 WRPs accredited. <i>Not on track</i>
	Water quality and flows, and ecosystem health are maintained or improved.	Water-dependent ecosystems are protected and restored. <i>On track</i>
2021–22	As per 2020–21.	As per 2020–21.
	As per 2020–21.	As per 2020–21.

2.3 BUDGETED EXPENSES FOR OUTCOME 1

Outcome 1: Conserve, protect and sustainably manage Australia's biodiversity, ecosystems, environment and heritage through research, information management, supporting natural resource management, establishing and managing Commonwealth protected areas, and reducing and regulating the use of pollutants and hazardous substances, and coordination of climate change adaptation strategy and climate change science activities.

2.2.1: Linked programs

Australian Fisheries Management Authority
Program 1.1: Australian Fisheries Management Authority
Contribution to Outcome 1 made by linked programs The Department of Agriculture, Water and the Environment (DAWE) and the Australian Fisheries Management Authority engage on sustainable management of Commonwealth fisheries.
Australian Institute of Marine Science
Program 1.1: Marine Research
Contribution to Outcome 1 made by linked programs DAWE and the Australian Institute of Marine Science work together on implementation of the Reef 2050 Plan to protect and conserve the Great Barrier Reef.
Australian Maritime Safety Authority
Program 1.1: Australian Maritime Safety Authority
Contribution to Outcome 1 made by linked programs The Australian Maritime Safety Authority works to minimise the risk of shipping incidents and pollution in Australian waters and contributes to the sustainable management of natural resources, including the Great Barrier Reef.
Australian Taxation Office
Program 1.9: Product Stewardship for Oil program
Contribution to Outcome 1 made by linked programs The Australian Taxation Office administers the Product Stewardship for Oil program on behalf of DAWE by providing incentives to increase used oil recycling and encourage environmentally sustainable management and re-refining of used oil and its re-use.

Continued on following pages

2.2.1: Linked programs (continued)

Bureau of Meteorology
Program 1.1: Bureau of Meteorology
Contribution to Outcome 1 made by linked programs The Bureau of Meteorology (BOM) is a partner in the Earth Systems and Climate Change Hub in the National Environmental Science Program. BOM also provides weather, climate and water modelling and information to DAWE.
Clean Energy Finance Corporation
Program 1.1: Clean Energy Finance Corporation
Contribution to Outcome 1 made by linked programs DAWE has responsibility for policies that reduce waste and increase domestic recycling capacity. The Clean Energy Finance Corporation (CEFC) contributes to these policies by making 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.
Commonwealth Scientific and Industrial Research Organisation
Program 1: Scientific and Industrial Research and Infrastructure
Contribution to Outcome 1 made by linked programs The Commonwealth Scientific and Industrial Research Organisation (CSIRO) contributes to Outcome 1 through the delivery of research to support the implementation of the Reef 2050 Plan to protect and conserve the Great Barrier Reef. CSIRO leads the Earth Systems and Climate Change Hub and is a partner in other Hubs in the National Environmental Science Program. CSIRO collaborates in the delivery of the Geological and Bioregional Assessments program, contributing expertise in ecology, ecotoxicology, hydrology, hydrogeology, informatics and risk analysis.

Continued on following pages

2.2.1: Linked programs (continued)

Department of Foreign Affairs and Trade
Program 1.1: Foreign Affairs and Trade Operations Program 1.2: Official Development Assistance
Contribution to Outcome 1 made by linked programs <p>The Department of Foreign Affairs and Trade (DFAT) supports DAWE on matters relating to the protection and conservation of coral reefs globally. This draws on Australian expertise in coral reef science and management, particularly from the Great Barrier Reef.</p> <p>DAWE receives funding from DFAT for a number of international engagement activities. DAWE, with engagement from DFAT, is the lead agency for Australia's engagement in the High-Level Panel for a Sustainable Ocean Economy. DAWE works with Australia's Ambassador to United Nations Educational, Scientific and Cultural Organization (UNESCO) and Australia's Ambassador for the Environment in support of Australia's membership of the World Heritage Committee.</p>
Department of Health
Program 1.8: Health Protection, Emergency Response and Regulation
Contribution to Outcome 1 made by linked programs <p>DAWE and the Department of Health work together to manage policy and regulatory issues that have combined human and environmental health implications.</p>
Department of Home Affairs
Program 3.4: Border Enforcement Program 3.2: Border Management
Contribution to Outcome 1 made by linked programs <p>DAWE and the Department of Home Affairs work together to prevent the illegal wildlife trade, control transboundary movements of hazardous wastes and their disposal and share information on imports of products subject to air quality standards.</p>
Department of Industry, Science, Energy and Resources
Program 1.1: Investing in Science, Technology and Commercialisation Program 1.3: Supporting a Strong Resources Sector
Contribution to Outcome 1 made by linked programs <p>DAWE works collaboratively with the Department of Industry, Science, Energy and Resources (DISER) on science and research priorities for a resilient Great Barrier Reef. DAWE provides advice to DISER to ensure the ongoing protection of the Alligator Rivers Region from impacts of mining uranium at Ranger mine.</p>

Continued on following pages

2.2.1: Linked programs (continued)

Department of Infrastructure, Transport, Regional Development and Communications
Program 3.3: Cities
<p>Contribution to Outcome 1 made by linked programs</p> <p>DAWE supports the Government's cities agenda led by the Department of Infrastructure, Transport, Regional Development and Communications, including through the delivery of commitments under the Launceston, Western Sydney and Hobart City Deals; strategic assessments under the <i>Environment Protection and Biodiversity Conservation Act 1999</i> (EPBC Act); and national approaches to managing waste and hazardous substances and air quality in cities.</p>
Department of the Treasury
Program 1.9: National Partnerships Payments to the States
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of the Treasury contributes to Outcome 1 by making payments for the following national partnership agreements on behalf of DAWE:</p> <ul style="list-style-type: none"> • COVID-19 World and National Heritage (SPP844) • Environmental Assessment Systems Upgrade (SPP813) • Environment Restoration Fund (SPP845) • Raine Island Recovery Project (SPP866) • Recycling Infrastructure and Soils Package (SPP827); • Regional Fund for Wildlife and Habitat Bushfire Recovery (SPP854) • World Heritage Sites (SPP752) • Yellow Crazy Ant Control (SPP790).
Director of National Parks
Program 1.1: Parks and Reserves
<p>Contribution to Outcome 1 made by linked programs</p> <p>DAWE and the Director of National Parks (DNP) work together to set policy directions for science, heritage and species management in Commonwealth managed marine and terrestrial reserves. DAWE works with DNP to transition Jabiru township from a mining to a tourism-based economy.</p>

Continued on following pages

2.2.1: Linked programs (continued)

Geoscience Australia
Program 1.1: Geoscientific and Spatial Information Services
Contribution to Outcome 1 made by linked programs Geoscience Australia provides geoscience expertise in the delivery of the Geological and Bioregional Assessments Program and the National Environmental Science Program Marine Biodiversity Hub. Geoscience Australia's Digital Earth Australia Program works with DAWE to deliver new, continental-scale environmental monitoring capabilities using satellite imagery.
Great Barrier Reef Marine Park Authority
Program 1.1: Great Barrier Reef Marine Park Authority
Contribution to Outcome 1 made by linked programs DAWE and the Great Barrier Reef Marine Park Authority work together on heritage management, environment health, species conservation and fisheries management as well as joint implementation of the Reef 2050 Plan to protect and conserve the Great Barrier Reef.
Murray-Darling Basin Authority
Program 1.1: Equitable and Sustainable Use of the Murray-Darling Basin
Contribution to Outcome 1 made by linked programs DAWE and the Murray-Darling Basin Authority (MDBA) work together on implementation of the Basin Plan, operation of the River Murray System, shared natural resource management programs, research, information, advice and Basin Plan reporting obligations, all of which contribute to the management of Commonwealth environmental water.
National Indigenous Australians Agency
Program 1.1: Indigenous Advancement – Jobs, Land and the Economy
Contribution to Outcome 1 made by linked programs DAWE and the National Indigenous Australians Agency (NIAA) work together to provide opportunities for Indigenous communities and land managers to engage with the National Landcare Program. DAWE and the NIAA work cooperatively on Indigenous Protected Areas.

Continued on following page

2.2.1: Linked programs (continued)

National Offshore Petroleum Safety and Environmental Management Authority
Program 1.1: Regulatory oversight of Safety Cases, Well Operations Management Plans and Environment Plans Coupled with Effective Monitoring, Investigation and Enforcement
Contribution to Outcome 1 made by linked programs The National Offshore Petroleum Safety and Environmental Management Authority contributes to Outcome 1 through administration of its EPBC Act-endorsed environmental management authorisations process under the <i>Offshore Petroleum and Greenhouse Gas Storage Act 2006</i> and complementary compliance monitoring, investigations and enforcement activities as appropriate across its environmental management, safety and integrity regulatory functions.
Sydney Harbour Federation Trust
Program 1.1: Sydney Harbour Federation Trust
Contribution to Outcome 1 made by linked programs DAWE and the Sydney Harbour Federation Trust (SHFT) collaborate through engagement on policy direction and site management to conserve and enhance the natural and cultural heritage of SHFT land and maximise public access and enjoyment of its sites.

2.2.2: 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 2.2.3: Budgeted expenses for Outcome 1

Outcome 1: Conserve, protect and sustainably manage Australia's biodiversity, ecosystems, environment and heritage through research, information management, supporting natural resource management, establishing and managing Commonwealth protected areas, and reducing and regulating the use of pollutants and hazardous substances, and coordination of climate change adaptation strategy and climate change science activities.

	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: Sustainable Management of Natural Resources and the Environment					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill No.1)</u>					
Australian Marine Parks	4,301	5,199	2,009	-	-
Bushfire Recovery for Species and Landscapes	29,423	51,369	-	-	-
Environment Restoration Fund	22,698	32,080	20,457	-	-
Environment Restoration Fund – Bushfire Wildlife Recovery Program	20,184	1,000	-	-	-
Environmental Stewardship Program	9,179	9,397	9,266	7,365	5,674
<u>Oceans Leadership Package:</u>					
Australian Marine Parks Partnership – Indian Ocean Territories	-	-	2,100	1,100	-
Australian Marine Parks Partnership – Our Marine Parks	-	5,000	3,600	5,000	3,600
Expanding Indigenous Protected Areas to include Sea Country	-	4,425	5,250	-	-
Sustainable Ocean Action Plan	-	637	3,032	1,889	457

Continued on following pages

Table 2.2.3: 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 1.1: Sustainable Management of Natural Resources and the Environment					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill No.1)</u>					
<u>National Landcare Program:</u>					
Natural Heritage Trust (NHT) ^(a)	155,176	147,602	149,723	186,320	186,154
NHT – Agriculture 2030 – Biosecurity – for reduction and prevention activities to reduce the economic and environmental burden of established feral animals, pests and weeds	-	1,000	2,000	2,000	1,000
Less special account	(155,176)	(148,602)	(151,723)	(188,320)	(187,154)
<u>Reef 2050 Plan</u>	15,000	15,000	15,000	-	-
Less special account	(15,000)	(15,000)	(15,000)	-	-
Administered total	85,785	109,107	45,714	15,354	9,731
<u>Special appropriations</u>					
Assistance for Severely Affected Regions (Coronavirus Economic Response Package) Act 2020 – Director of National Parks	7,370	-	-	-	-
Assistance for Severely Affected Regions (Coronavirus Economic Response Package) Act 2020 – Reef Builder	20,000	-	-	-	-
Special Appropriation total	27,370	-	-	-	-
<u>Payments to corporate entities (Draw-down) ^(b)</u>					
Director of National Parks	57,063	66,309	69,480	64,444	59,457
Payments to corporate entities total	57,063	66,309	69,480	64,444	59,457
<u>Special accounts</u>					
Natural Heritage Trust of Australia Account	172,376	161,950	155,537	188,320	187,154
Reef Trust Special Account	38,196	31,573	36,360	1,699	-
SOETM Special Account	255	260	266	272	278
Special account total	210,827	193,783	192,163	190,291	187,432
Total Program expenses	381,045	369,199	307,357	270,089	256,620

Continued on following pages

Table 2.2.3: 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 1.2: Environmental Information and Research					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill No.1)</u>					
Australian Biological Resources Study	2,030	2,030	2,030	2,030	2,030
Harry Butler Environment Education Centre	8,000	8,000	8,000	-	-
Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining	1,393	1,035	1,035	1,035	1,035
National Centre for Coasts, Environment and Climate	8,000	8,000	8,000	-	-
National Environmental Science Program	25,352	24,352	24,802	24,867	25,087
Total Program expenses	44,775	43,417	43,867	27,932	28,152
Program 1.3: Commonwealth Environmental Water					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill No.1)</u>					
Commonwealth Environmental Water Office	52,064	44,127	45,322	46,548	47,808
<i>Less special account</i>	<i>(52,064)</i>	<i>(44,127)</i>	<i>(45,322)</i>	<i>(46,548)</i>	<i>(47,808)</i>
Murray-Darling Basin Environmental Knowledge and Research	2,500	2,500	2,500	2,500	2,500
Administered total	2,500	2,500	2,500	2,500	2,500
<u>Special account</u>					
Environmental Water Holdings Special Account	61,772	44,127	45,322	46,548	47,808
Total Program expenses	64,272	46,627	47,822	49,048	50,308
Program 1.4: Conservation of Australia's Heritage and Environment					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill No.1)</u>					
Australian Heritage Grants Program	6,042	5,347	5,347	5,347	5,347
Administered total	6,042	5,347	5,347	5,347	5,347
<u>Payments to corporate entities (Draw-down)^(b)</u>					
Sydney Harbour Federation Trust	20,584	2,465	1,044	536	-
Payments to corporate entities total	20,584	2,465	1,044	536	-
Total Program expenses	26,626	7,812	6,391	5,883	5,347
Program 1.5: Environmental Regulation					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill No.1)</u>					
<i>Environment Protection and Biodiversity Conservation Act – Water Resources Amendment</i>	518	259	259	259	259
Total Program expenses	518	259	259	259	259

Continued on following pages

Table 2.2.3: 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 1.6: Management of Hazardous Wastes, Substances and Pollutants					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill No.1)</u>					
Agriculture 2030 – Soil and Stewardship – deliver a community and education program on the benefits of processed organic waste	-	750	340	340	340
Incentivising Recycling Behaviours – Supporting small business to adopt the Australasian recycling label	-	2,000	1,500	1,000	-
National Environment Protection Council	475	440	429	429	429
<i>Less special account</i>	(475)	(440)	(429)	(429)	(429)
Per-and-Poly-Fluorinated Alkyl Substances Research Grant	1,257	496	429	-	-
Product Stewardship Investment Fund	8,361	7,795	6,847	1,000	-
Securing the Future of Jabiru Township	9,000	2,000	1	455	7,000
Administered total	18,618	13,041	9,117	2,795	7,340
<u>Special accounts</u>					
Ozone Protection and Synthetic Greenhouse Gas Account	12,602	12,803	13,034	13,295	-
National Environment Protection Council Special Account	926	691	680	680	429
SOETM Special Account	90	140	135	-	-
Special account total	13,618	13,634	13,849	13,975	429
Total Program expenses	32,236	26,675	22,966	16,770	7,769
Administered expenses					
Administered appropriation	549,472	493,989	428,662	369,981	348,455
Administered total	549,472	493,989	428,662	369,981	348,455
<u>Departmental expenses</u>					
Departmental appropriation ^(c)	281,937	269,978	232,954	214,516	192,136
Expenses not requiring appropriation in the budget year ^(d)	26,228	25,981	25,702	26,313	26,648
Departmental total	308,165	295,959	258,656	240,829	218,784
Total expenses for Outcome 1	857,637	789,948	687,318	610,810	567,239

Continued on following pages

Table 2.2.3: 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					
<u>Administered expenses</u>					
Ordinary annual services (Appropriation Bill No. 1)	380,953	381,840	319,278	289,484	288,720
Special appropriations	27,370	-	-	-	-
Special accounts	286,217	251,544	251,334	250,814	235,669
Payments to corporate entities	77,647	68,774	70,524	64,980	59,457
Less amounts transferred within the department	(222,715)	(208,169)	(212,474)	(235,297)	(235,391)
Administered total	549,472	493,989	428,662	369,981	348,455
<u>Departmental expenses</u>					
Departmental appropriation ^(c)	281,937	269,978	232,954	214,516	192,136
Expenses not requiring appropriation in the budget year ^(d)	26,228	25,981	25,702	26,313	26,648
Department total	308,165	295,959	258,656	240,829	218,784
Total expenses for Outcome 1	857,637	789,948	687,318	610,810	567,239
	2020–21	2021–22			
Average staffing level (number)	1,109	1,113			

- (a) Funding for components of the National Landcare Program are directly appropriated to the Department of the Treasury and the Department of the Prime Minister and Cabinet.
- (b) The Director of National Parks and Sydney Harbour Federation Trust are CCEs under the PGPA Act and do not receive direct appropriations. Instead, their funding passes through the department and is drawn-down on their behalf.
- (c) Departmental appropriation allocations are notional and reflect the current structure of the department. Expenses funded from both 'Ordinary annual services Appropriation Bill (No. 1)' and 'External Revenue' under section 74 of the PGPA Act.
- (d) 'Expenses not requiring appropriation in the Budget year' are made up of depreciation and amortisation expenses, audit fees and an approved operating loss.

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

	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Movements of funds between years^(e)					
<u>Movements of Funds:</u>					
Australian Marine Parks	(2,199)	1,199	1,000	-	-
Bushfire Recovery for Species and Landscapes	(18,555)	18,555	-	-	-
Environment Restoration Fund	(7,070)	6,414	656	-	-
Environment Restoration Fund – Bushfire Wildlife and Habitat Recovery	(1,000)	1,000	-	-	-

Continued on following page

Table 2.2.3: Budgeted expenses for Outcome 1 (continued)

Movements of funds between years^(e)	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Movements of Funds – Equity Injection:					
Building a 21st Century Digital Environmental Approvals Regime for Major Projects	-	2,500	-	-	-
Commonwealth Implementation of Environmental Controls for Chemicals	(1,300)	1,300	-	-	-
Reclassification:					
From: Administered – Bushfire Recovery for Species and Landscapes					
To: Regional fund for wildlife and habitat bushfire recovery (SPP854)	-	(3,490)	-	-	-
From: Departmental Capital Budget – Synthetic greenhouse gases and ozone depleting substances – implementation of destruction incentives program and reduction in regulatory burden	-	(50)	(50)	(50)	(50)
To: Departmental	-	50	50	50	50
From: Departmental To: Administered – Environmental Assessment Systems Upgrade (SPP813)	(1,029)	-	-	-	-
Total of funds moved	(31,153)	27,478	1,656	-	-
The Treasury					
Measures:					
(SPP827) Agriculture 2030 – Soil and Stewardship – deliver grants to states and territories through a Food Waste for Healthy Soils Fund	-	3,000	18,000	18,000	18,000
(SPP866) Sustainable Ocean Action Plan – Raine Island Recovery Project	-	-	672	672	-
Movements of Funds:					
(SPP813) Environmental Assessment Systems Upgrade	(1,029)	1,029	-	-	-
(SPP827) Recycling Infrastructure	(29,993)	-	14,440	15,553	-
Reclassification:					
From: Administered – Bushfire Recovery for Species and Landscapes					
To: Regional fund for wildlife and habitat bushfire recovery (SPP854)	-	3,490	-	-	-
From: Departmental To: Environmental Assessment Systems Upgrade (SPP813)	1,029	-	-	-	-
Total of SPP funds moved	(29,993)	7,519	33,112	34,225	18,000

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

2.4 BUDGETED EXPENSES FOR OUTCOME 2

Outcome 2: Advance Australia's strategic, scientific, environmental and economic interests in the Antarctic region by protecting, administering and researching the region.

2.3.1: Linked programs

Australian Research Council
Program 1.2: Linkage - Cross Sector Research Partnerships
Contribution to Outcome 2 made by linked programs The Australian Research Council (ARC) is responsible for the management of the Special Research Initiative in Excellence in Antarctic Science. DAWE is responsible for the Australian Antarctic program. As these two programs support the Australian Antarctic Science Strategic Plan 2011–12 to 2020–21, ARC and DAWE work together to ensure effective delivery of these initiatives.
Bureau of Meteorology
Program 1.1: Bureau of Meteorology
Contribution to Outcome 2 made by linked programs BOM provides meteorological and related services in support of the Australian Antarctic program under a Memorandum of Understanding. There are also joint science projects underway between the BOM and the Australian Antarctic Division.
Commonwealth Scientific and Industrial Research Organisation
Program 1: Scientific and Industrial Research and Infrastructure
Contribution to Outcome 2 made by linked programs CSIRO undertakes scientific research and monitoring in the Southern Ocean and at Australia's Antarctic Stations, as part of the Australian Antarctic program.
Department of Defence
Program 2.5: Navy Capabilities Program 2.7: Air Force Capabilities
Contribution to Outcome 2 made by linked programs The Department of Defence provides a range of logistics support services and advice to the Australian Antarctic program, including air and sealift capability to supplement existing arrangements in the delivery of cargo and contributing to aeromedical emergency responses in the region.

Continued on following page

2.3.1: Linked programs (continued)

Department of Foreign Affairs and Trade
Program 1.1: Foreign Affairs and Trade Operations
Contribution to Outcome 2 made by linked programs DFAT leads, in cooperation with DAWE, a whole of government approach to Antarctic policy development and international relations, including through the Antarctic Treaty System.
Department of Industry, Science, Energy and Resources
Program 1.1: Investing in Science, Technology and Commercialisation
Contribution to Outcome 2 made by linked programs As part of the Australian Antarctic Program, DAWE works with DISER, which administers the Antarctic Science Collaboration Initiative.
Geoscience Australia
Program 1.1: Geoscience Australia
Contribution to Outcome 2 made by linked programs Geoscience Australia undertakes research, mapping and monitoring in the Australian Antarctic Territory, as part of the Australian Antarctic program.

2.3.2: 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 2.3.3: Budgeted expenses for Outcome 2

Outcome 2: Advance Australia's strategic, scientific, environmental and economic interests in the Antarctic region by protecting, administering and researching the					
	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: Antarctica: Science, Policy and Presence					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill No.1)</u>					
Expenses not requiring appropriation in the Budget year ^(a)	12	12	12	12	12
<i>Administered total</i>	12	12	12	12	12
<u>Departmental Expenses</u>					
Departmental appropriation ^(b)	186,283	190,252	135,017	137,395	136,152
Expenses not requiring appropriation in the Budget year ^(a)	63,993	63,077	63,202	62,865	64,887
<i>Departmental total</i>	250,276	253,329	198,219	200,260	201,039
Total Program expenses	250,288	253,341	198,231	200,272	201,051
Outcome 2 Totals by appropriation type					
<u>Administered expenses</u>					
Expenses not requiring appropriation in the budget year ^(a)	12	12	12	12	12
<i>Administered total</i>	12	12	12	12	12
<u>Departmental expenses</u>					
Departmental appropriation ^(b)	186,283	190,252	135,017	137,395	136,152
Expenses not requiring appropriation in the budget year ^(a)	63,993	63,077	63,202	62,865	64,887
<i>Department total</i>	250,276	253,329	198,219	200,260	201,039
Total expenses for Outcome 2	250,288	253,341	198,231	200,272	201,051
Average staffing level (number)					
	448	457			

Table 2.3.3: Budgeted expenses for Outcome 2

- (a) 'Expenses not requiring appropriation in the Budget year' are made up of depreciation and amortisation expenses, audit fees and an approved operating loss.
- (b) Departmental appropriation allocations are notional and reflect the current structure of the department. Expenses funded from both 'Ordinary annual services Appropriation Bill (No. 1)' and 'External Revenue' under section 74 of the PGPA Act.

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

Movements of funds between years^(c)	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
<u>Movements of Funds – Equity Injection:</u>					
Antarctica: Science, Policy and Presence	(20,000)	-	20,000	-	-
Total of funds moved	(20,000)	-	20,000	-	-

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

2.5 BUDGETED EXPENSES FOR OUTCOME 3

Outcome 3: More sustainable, productive, internationally competitive and profitable Australian agricultural, food and fibre industries through policies and initiatives that promote better resource management practices, innovation, self-reliance and improved access to international markets.

2.4.1: Linked programs

Portfolio Agencies:

AgriFutures Australia
 Australian Fisheries Management Authority
 Australian Pesticides and Veterinary Medicines Authority
 Cotton Research and Development Corporation
 Fisheries Research and Development Corporation
 Grains Research and Development Corporation
 Regional Investment Corporation
 Wine Australia

Program 1.1: Australian Fisheries Management Authority
 Program 1.1: Australian Pesticides and Veterinary Medicines Authority
 Program 1.1: Cotton Research and Development Corporation
 Program 1.1: Fisheries Research and Development Corporation
 Program 1.1: Grains Research and Development Corporation
 Program 1.1: Rural Industries Research and Development Corporation
 Program 1.1: Regional Investment Corporation
 Program 1.1: Wine Australia

Contribution to Outcome 3 made by linked program:

DAWE works together with AgriFutures Australia, Australian Fisheries Management Authority, Australian Pesticides and Veterinary Medicines Authority, Cotton, Fisheries and Grains Research and Development Corporations, Regional Investment Corporation and Wine Australia to ensure sustainable, productive and profitable agricultural industries.

Continued on following pages

2.4.1: Linked programs (continued)

Australian Trade and Investment Commission
<p>Program 1.1: Promotion of Australia's export and other international economic interests</p> <p>Program 1.2: Programs to promote Australia's export and other international economic interests</p>
<p>Contribution to Outcome 3 made by linked program</p> <p>DAWE and the Australian Trade and Investment Commission (Austrade) work together to achieve the best outcomes for Australian agricultural, fisheries and forestry exports, including through improved market access and addressing non-tariff measures.</p>
Bureau of Meteorology
<p>Program 1.1: Bureau of Meteorology</p>
<p>Contribution to Outcome 3 made by linked program</p> <p>BOM provides weather, climate and water modelling and information to DAWE.</p>
Department of Industry, Science, Energy and Resources
<p>Program 1.1: Investing in Science, Technology and Commercialisation</p>
<p>Contribution to Outcome 3 made by linked program:</p> <p>DAWE and DISER are working collaboratively on the National Carp Control Plan, which is being delivered by the Fisheries Research and Development Corporation.</p>

Continued on following page

2.4.1: Linked programs (continued)

Department of the Treasury
Program 1.9: National Partnership Payments to the States
<p>Contribution to Outcome 3 made by linked program</p> <p>The Department of the Treasury contributes to Outcome 3 by making payments for the following national partnership agreements on behalf of DAWE:</p> <ul style="list-style-type: none"> • Fishing and Camping Facilities Program (SPP815) • Forestry Industries Bushfire Salvage Transport Assistance (SPP831) • Future Drought Fund – Farm Business Resilience (SPP840) • Future Drought Fund – Regional Drought Resilience Planning (SPP838) • Horticulture Netting Trial Scheme (SPP829) • Management of Established Pest and Weeds (SPP693) • National Forestry Industry Plan (SPP763) • Securing Forestry Resources for Economic Security (SPP839).
National Indigenous Australians Agency
Program 1.1: Indigenous Advancement – Jobs, Land and the Economy
<p>Contribution to Outcome 3 made by linked program:</p> <p>DAWE and NIAA work together to provide opportunities for Indigenous communities and land managers to engage with the National Landcare Program.</p>
Services Australia
Program 1.1: Services to the Community – Social Security and Welfare
<p>Contribution to Outcome 3 made by linked program</p> <p>Services Australia manages payments under the <i>Farm Household Support Act 2014</i> on behalf of DAWE.</p>

2.4.2: 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 2.4.3: Budgeted expenses for Outcome 3

Outcome 3: More sustainable, productive, internationally competitive and profitable Australian agricultural, food and fibre industries through policies and initiatives that promote better resource management practices, innovation, self-reliance and improved access to international markets.

	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 3.2: Sustainable Management – Natural Resources					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill No.1)</u>					
Agriculture 2030 – Biosecurity – for reduction and prevention activities to reduce the economic and environmental burden of established feral animals, pests and weeds	-	4,260	4,960	4,900	4,350
<u>Agriculture 2030 – Soil and Stewardship:</u>					
Develop and roll out an accreditation standard to enhance soil education and expertise	-	450	550	-	-
Enhance the National Soil Resources Information System	-	40,200	52,222	-	-
Implement a National Soils Science Challenge	-	5,000	5,000	5,000	5,000
Implement an Australian farm biodiversity certification scheme	-	1,500	1,500	1,500	-
Pilot stewardship program	-	4,650	4,650	4,650	4,650
Agriculture Stewardship Package	9,546	9,542	7,786	-	-
National Carp Control Plan	400	100	-	-	-
Pest Animal and Weeds Management	5,374	5,286	7,593	1,000	-
<i>Administered total</i>	15,320	70,988	84,261	17,050	14,000
Total Program expenses	15,320	70,988	84,261	17,050	14,000

Continued on following pages

Table 2.4.3: 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
Program 3.3: Forestry Industry					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill No.1)</u>					
Agriculture 2030 – Forestry and Fisheries – establish new, Regional Forestry Hubs	-	898	3,250	3,000	3,000
National Bushfire Recovery Fund – Forestry Recovery Development Fund	10,000	20,000	10,000	-	-
National Forestry Industry Plan	4,140	4,600	-	-	-
National Institute for Forest Products Innovation	800	-	-	-	-
<i>Administered total</i>	14,940	25,498	13,250	3,000	3,000
<u>Special appropriation</u>					
<i>Forestry Marketing and Research and Development Services Act 2007, s. 9(1) – payments and matching payments to an industry services body and Commonwealth administration expenses</i>	10,456	11,073	11,262	11,453	11,649
<i>Special Appropriation total</i>	10,456	11,073	11,262	11,453	11,649
<u>Expenses not requiring appropriation in the budget year^(a)</u>					
Agriculture 2030 – Forestry and Fisheries – Plantation Development Concessional Loans	-	13,668	-	-	-
Total Program expenses	25,396	50,239	24,512	14,453	14,649

Continued on following pages

Table 2.4.3: 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
Program 3.4: Fishing Industry					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill No.1)</u>					
Agriculture 2030 – Forestry and Fisheries – extend and broaden the Tuna Champions program	-	400	200	200	-
Capacity Building for Fisheries Representatives	100	100	100	-	-
Fisheries Habitat Restoration	2,500	3,450	2,050	-	-
Fisheries Resources Research Fund	600	626	2,464	2,498	2,534
Administered total	3,200	4,576	4,814	2,698	2,534
<u>Special appropriations</u>					
Assistance for Severely Affected Regions (Coronavirus Economic Response Package) Act 2020 – Eat Seafood Australia	4,000	-	-	-	-
Primary Industries Research and Development Act 1989, s. 30A(3) & s. 30B(9) – Fisheries R&D Corporation	23,588	24,235	26,495	27,905	28,876
Special Appropriation total	27,588	24,235	26,495	27,905	28,876
Total Program expenses	30,788	28,811	31,309	30,603	31,410
Program 3.5: Horticulture Industry					
Administered expenses					
<u>Special appropriation</u>					
Horticulture Marketing and Research and Development Services Act 2000, s. 16(9) – payments to industry services body	110,114	112,423	115,125	116,436	117,551
Total Program expenses	110,114	112,423	115,125	116,436	117,551
Program 3.6: Wool Industry					
Administered expenses					
<u>Special appropriation</u>					
Wool Services Privatisation Act 2000, s. 31(4) – funding contract with research body	50,370	53,400	55,850	61,200	64,500
Total Program expenses	50,370	53,400	55,850	61,200	64,500

Continued on following pages

Table 2.4.3: 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
Program 3.7: Grains Industry					
Administered expenses					
<u>Special appropriations</u>					
<i>Primary Industries Research and Development Act 1989,</i> s. 30(3) – Grains R&D Corporation – Other Grains	102,408	91,544	93,555	93,235	92,701
<i>Primary Industries Research and Development Act 1989,</i> s. 30(3) – Grains R&D Corporation – Wheat	101,111	92,613	95,537	94,568	94,125
Total Program expenses	203,519	184,157	189,092	187,803	186,826
Program 3.8: Dairy Industry					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill No.1)</u>					
Further Support for the Australian Dairy Industry	400	250	-	-	-
Administered total	400	250	-	-	-
<u>Special appropriation</u>					
<i>Dairy Produce Act 1986, s. 6(1) –</i> payments under funding contract	52,653	52,357	52,776	53,608	55,228
Total Program expenses	53,053	52,607	52,776	53,608	55,228

Continued on following pages

Table 2.4.3: 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
Program 3.9: Meat and Livestock Industry					
Administered expenses					
<u>Special appropriations</u>					
<i>Australian Meat and Live-stock Industry Act 1997, s. 63(2) – payments to marketing body</i>	79,494	79,374	83,722	86,174	86,838
<i>Australian Meat and Live-stock Industry Act 1997, s. 64(2) – payments to research body</i>	27,013	27,297	28,713	29,567	29,854
<i>Australian Meat and Live-stock Industry Act 1997, s. 64A(2) – payments to marketing body</i>	3,054	3,740	4,568	4,825	4,254
<i>Australian Meat and Live-stock Industry Act 1997, s. 64B(2) – payments to research body</i>	611	748	914	965	851
<i>Australian Meat and Live-stock Industry Act 1997, s. 64C(2) – payments to marketing body</i>	6,607	6,981	7,312	7,562	7,712
<i>Australian Meat and Live-stock Industry Act 1997, s. 64D(2) – payments to research body</i>	9,911	10,471	10,967	11,344	11,569
<i>Australian Meat and Live-stock Industry Act 1997, s. 66(1) – Commonwealth contribution to research body</i>	93,852	96,834	93,719	93,537	93,083
<i>Pig Industry Act 2001, s. 10(1) – payments under funding contract</i>	23,613	24,060	24,332	24,545	24,545
Total Program expenses	244,155	249,505	254,247	258,519	258,706

Continued on following pages

Table 2.4.3: 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
Program 3.10: Agricultural Resources					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill No.1)</u>					
<u>A Competitive Agriculture Sector:</u>					
Boosting farm profits through rural research and development	17,769	12,727	5,595	-	-
Improved access to agricultural and veterinary chemicals	2,050	-	-	-	-
<u>Agriculture 2030 – Improving employment opportunities:</u>					
Extend the Fair Farms program	-	700	1,023	778	683
Pilot AgCAREERSTART program	-	2,000	3,069	-	-
Pilot AgUP program	-	1,500	1,558	2,112	2,153
Research and development corporation to undertake research on the attraction and retention of agriculture sector workers	-	1,300	-	-	-
<u>Agriculture 2030 – Innovation:</u>					
Innovation – expanded Australian Farm Data Code	-	180	120	100	-
An initial investment into Australia's agricultural innovation system through the National Agricultural Innovation Agenda	-	1,500	-	-	-
<u>Agriculture 2030 – Supporting Trade:</u>					
Extend the Improved Access to Agricultural and Veterinary Chemicals program	-	2,000	2,000	2,000	2,000
Extend the Improved Access to Agricultural and Veterinary Chemicals program – Grants to Global Minor Use Foundation	-	50	50	50	50
Fund projects in collaboration with the perishable agriculture goods industry that improve market transparency in the sector	-	-	2,000	2,000	1,000
Agricultural and Veterinary Chemicals Minor Use Program	135	136	138	141	142
AgriFutures Australia	9,358	9,460	9,603	9,737	9,872
Beef Week and Beef Australia	2,700	400	-	-	-
Changes to the Seasonal Worker Program	525	400	-	-	-
Educating Kids about Agriculture	4,000	4,000	-	-	-

Continued on following pages

Table 2.4.3: 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
Program 3.10: Agricultural Resources					
Administered expenses					
Ordinary annual services (Appropriation Bill No.1)					
National Agricultural Workforce Strategy	350	309	308	-	-
National Farm Safety Education Fund	1,000	1,000	1,000	-	-
Promoting the Importance of Bees to Agricultural Production	750	-	-	-	-
Regional Agricultural Show Development Program	20,000	-	-	-	-
Starting Farm Co-operatives Program	1,500	-	-	-	-
Supporting Agricultural Showmen and Women	-	4,279	-	-	-
Wine Tourism and Cellar Door Grant	10,000	10,000	10,000	10,000	10,000
Administered total	70,137	51,941	36,464	26,918	25,900
Payments to corporate entities (Draw-down)^(b)					
Australian Pesticides and Veterinary Medicines Authority	1,613	1,631	1,656	1,663	1,669
Relocation of the Australian Pesticides and Veterinary Medicines Authority	2,787	292	-	-	-
Payments to corporate entities total	4,400	1,923	1,656	1,663	1,669
Special appropriations					
<i>Agricultural and Veterinary Chemicals (Administration) Act 1992, s. 58(6) – amounts payable to the APVMA</i>	35,713	36,665	36,665	36,665	36,665
<i>Assistance for Severely Affected Regions (Coronavirus Economic Response Package) Act 2020 – Supporting Agricultural Shows</i>	36,335	-	-	-	-
<i>Assistance for Severely Affected Regions (Coronavirus Economic Response Package) Act 2020 – Supporting Agricultural Field Days</i>	2,690	-	-	-	-
<i>Egg Industry Service Provision Act 2002, s. 8(1) – payments under funding contract</i>	11,236	11,506	11,783	12,067	12,358
<i>Primary Industries Research and Development Act 1989, s. 30(3) – Cotton R&D Corporation</i>	4,320	9,580	14,576	17,410	17,410

Continued on following pages

Table 2.4.3: 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
Program 3.10: Agricultural Resources					
<u>Special appropriations</u>					
Primary Industries Research and Development Act 1989, s. 30(3) – Rural Industries R&D Corporation	23,481	26,132	26,132	26,153	26,174
Sugar Research and Development Services Act 2013, s. 7 – payment to industry services body	27,979	27,179	27,179	27,179	27,179
Wine Australia Act 2013, s. 32 – payments to the Authority	30,731	32,232	32,539	32,052	30,467
<u>Special Appropriations total</u>	172,485	143,294	148,874	151,526	150,253
Total Program expenses	247,022	197,158	186,994	180,107	177,822
Program 3.11: Drought Programs					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill No.1)</u>					
Communities Combating Pests and Weeds	7,000	-	-	-	-
Future Drought Fund – Administration Costs	157	57	179	203	203
<u>Administered total</u>	7,157	57	179	203	203
<u>Payments to corporate entities (Draw-down)^(b)</u>					
Regional Investment Corporation	15,794	16,807	19,105	15,270	15,356
Regional Investment Corporation – Drought Loans	28,929	9,219	3,476	6,609	6,609
Regional Investment Corporation – Agristarter Loans	1,039	291	293	296	296
Payments to corporate entities total	45,762	26,317	22,874	22,175	22,261
<u>Special account</u>					
Future Drought Resilience Special Account	100,000	100,000	100,000	100,000	100,000
<u>Special account total</u>	100,000	100,000	100,000	100,000	100,000
<u>Expenses not requiring appropriation in the budget year^(a)</u>					
Drought Concessional Loans Scheme – administration	127	-	-	-	-
Drought Recovery Concessional Loans Scheme – state administration	234	234	234	234	234
Farm Business Concessional Loans Scheme – discount expenses	746,885	125,760	56,575	-	-
Farm Business Concessional Loans Scheme – state administration	980	980	980	980	980
Total	748,226	126,974	57,789	1,214	1,214
Total Program expenses	901,145	253,348	180,842	123,592	123,678

Continued on following pages

Table 2.4.3: 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
Program 3.12: Rural Programs					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill No.1)</u>					
Assistance for Farmers and Farm Communities in Drought – Farm Hub	90	-	-	-	-
Rural Financial Counselling Service ^(c)	26,743	-	-	-	-
Administered total	26,833	-	-	-	-
<u>Special appropriations</u>					
<i>Assistance for Severely Affected Regions (Coronavirus Economic Response Package) Act 2020 – Financial Counselling for Regional Small Business</i>					
	4,785	-	-	-	-
<i>Farm Household Support Act 2014, s. 105 – payments for Farm Household Allowance</i>					
	203,557	174,131	146,601	106,381	145,772
Special Appropriations total	208,342	174,131	146,601	106,381	145,772
<u>Expenses not requiring appropriation in the budget year^(a)</u>					
<i>Farm Household Support Act 2014, s. 105 – payments for Farm Household Allowance</i>					
	5,706	18,523	31,515	18,009	5,706
Total	5,706	18,523	31,515	18,009	5,706
Total Program expenses	240,881	192,654	178,116	124,390	151,478

Continued on following pages

Table 2.4.3: 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
Program 3.13: International Market Access					
Administered expenses					
Ordinary annual services (Appropriation Bill No.1)					
Agriculture Trade and Market Access Cooperation Program	1,500	1,500	1,500	-	-
Enhancing Industry Action on Non-Tariff Measures	100	70	-	-	-
Expansion of the Agricultural Trade and Market Access program – support improved market diversification	4,000	12,000	-	-	-
Food and Agriculture Organization of the United Nations	15,713	16,502	17,665	19,921	19,921
Indonesia-Australia Red Meat and Cattle Partnership	500	500	500	-	-
International Agricultural Cooperation	500	498	497	1	238
International Organisations Contributions	1,966	1,987	2,020	2,047	2,075
Total Program expenses	24,279	33,057	22,182	21,969	22,234
Administered expenses					
Administered appropriation	1,392,110	1,319,182	1,286,002	1,170,507	1,211,162
Expenses not requiring appropriation in the budget year ^(a)	753,932	159,165	89,304	19,223	6,920
Administered total	2,146,042	1,478,347	1,375,306	1,189,730	1,218,082
Departmental expenses					
Departmental appropriation ^{(d),(e)}	137,401	164,203	136,983	130,177	130,344
Expenses not requiring appropriation in the budget year ^(a)	4,892	5,045	5,207	5,381	5,565
Departmental total	142,293	169,248	142,190	135,558	135,909
Total expenses for Outcome 3	2,288,335	1,647,595	1,517,496	1,325,288	1,353,991

Continued on following pages

Table 2.4.3: 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
Outcome 3 Totals by appropriation type					
<u>Administered expenses</u>					
Ordinary annual services (Appropriation Bill No. 1)	162,266	186,367	161,150	71,838	67,871
Special appropriations	1,079,682	1,004,575	1,000,322	974,831	1,019,361
Special accounts	100,000	100,000	100,000	100,000	100,000
Payments to corporate entities (Draw-down)	50,162	28,240	24,530	23,838	23,930
Expenses not requiring appropriation in the budget year ^(a)	753,932	159,165	89,304	19,223	6,920
Administered total	2,146,042	1,478,347	1,375,306	1,189,730	1,218,082
<u>Departmental expenses</u>					
Departmental appropriation ^{(d),(e)}	137,401	164,203	136,983	130,177	130,344
Expenses not requiring appropriation in the budget year ^(a)	4,892	5,045	5,207	5,381	5,565
Department total	142,293	169,248	142,190	135,558	135,909
Total expenses for Outcome 3	2,288,335	1,647,595	1,517,496	1,325,288	1,353,991
	2020–21	2021–22			
Average staffing level (number)	627	647			

(a) 'Expenses not requiring appropriation in the Budget year' are made up of depreciation and amortisation expenses, resources received free of charge, concessional loan discount and balance sheet adjustments.

(b) APVMA and RIC are corporate Commonwealth entities (CCE) under the PGPA Act and do not receive direct appropriations. Instead, this funding passes through the department to these entities.

(c) As a result of the Government announcement on 5 May 2021 to establish the new the NRRA, RFCS administered funding of \$21.113 million in 2021–22, \$17.644 million in 2022–23, \$17.892 million in 2023–24 and \$18.142 million in 2024–25, along with departmental appropriation of \$0.796 million in 2021–22, \$0.733 million in 2022–23, \$0.736 million in 2023–24 and \$0.739 million in 2024–25 was transferred to the NRRA. The Drought Policy Function and National Drought Map also transferred to the department with \$4.619 million in 2021–22, \$0.527 million in 2022–23, \$0.529 million in 2023–24 and \$0.531 million in 2024–25 in departmental appropriation transferred from the NRRA, to commence on 1 July 2021.

(d) Expenses funded from both 'Ordinary annual services (Appropriation Bill (No. 1))' and 'External Revenue' under section 74 of the PGPA Act.

(e) Departmental appropriation allocations are notional and reflect the current structure of the department.

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

Table 2.4.3: Budgeted expenses for Outcome 3 (continued)

Movements of funds between years^(f)	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Movements of Funds:					
A Competitive Agriculture Sector – boosting farm profits through rural research and development	(80)	(5,515)	5,595	-	-
Fisheries Habitat program	(1,500)	1,450	50	-	-
Reclassification:					
From: Administered – Fisheries Resources Research Fund	-	(1,800)	-	-	-
To: Departmental	-	1,800	-	-	-
Total of funds moved	(1,580)	(4,065)	5,645	-	-
The Treasury					
Measures:					
Drought response, Resilience and Preparedness Plan – continued support					
(SPP840) Better Drought Risk Management – Agriculture Future Drought Resilience Special Account – Farm Business Resilience Program	(2,000)	25,000	20,000	15,000	-
(SPP838) Better Drought Risk Management – Agriculture Future Drought Resilience Special Account – Regional Drought Resilience Planning	-	14,000	11,000	6,000	-
Movements of Funds:					
(SPP815) Recreational Fishing and Camping Facilities Grant Program	-	5,000	(5,000)	-	-
Total of SPP funds moved	(2,000)	44,000	26,000	21,000	-

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

2.6 BUDGETED EXPENSES FOR OUTCOME 4

Outcome 4: Safeguard Australia’s animal and plant health status to maintain overseas markets and protect the economy and environment from the impact of exotic pests and diseases, through risk assessment, inspection and certification, and the implementation of emergency response arrangements for Australian agricultural, food and fibre industries.

2.5.1: Linked programs

Australian Trade and Investment Commission
Program 1.1: Promotion of Australia’s export and other international economic interests
Contribution to Outcome 4 made by linked program: DAWE and Austrade work together to achieve the best outcomes for Australian agricultural, fisheries and forestry exports.
Commonwealth Scientific and Industrial Research Organisation
Program 1: Scientific and Industrial Research and Infrastructure
Contribution to Outcome 4 made by linked program: DAWE contributes to the operating costs of the CSIRO’s Australian Centre for Disease Preparedness (formerly the Australian Animal Health Laboratory) for animal disease diagnosis, prevention and research.
Department of Health
Program 1.8: Health Protection, Emergency Response and Regulation
Contribution to Outcome 4 made by linked program: DAWE provides border services for the management of human biosecurity risks on behalf of the Department of Health under the <i>Biosecurity Act 2015</i> and a memorandum of understanding.

Continued on following page

2.5.1: Linked programs (continued)

Department of Home Affairs
Program 3.4: Border Enforcement Program 3.2: Border Management
Contribution to Outcome 4 made by linked programs: DAWE and the Department of Home Affairs work collaboratively to undertake screening and surveillance for all people and goods entering Australia.
Department of the Treasury
Program 1.9: National Partnership Payments to the States
Contribution to Outcome 4 made by linked program: The Department of the Treasury contributes to Outcome 4 by making payments for the following national partnership agreements on behalf of DAWE: <ul style="list-style-type: none"> • National Plant Health Surveillance Program (SPP857) • Pest and Disease Preparedness and Response Programs (SPP188) • Reducing Regulatory Burden and Streaming Audit Arrangements in the Dairy Sector (SPP859).
Food Standards Australia New Zealand
Program 1.1: Food Regulatory Activity and Services to the Minister and Parliament
Contribution to Outcome 4 made by linked program: Food Standards Australia New Zealand provides advice on whether foods pose a medium to high risk to public health to help DAWE to manage the food safety risks associated with imported food for human consumption.
National Indigenous Australians Agency
Program 2.1: Indigenous Advancement – Jobs, Land and Economy
Contribution to Outcome 4 made by linked programs: DAWE and NIAA partner with Aboriginal and Torres Strait Islander Ranger groups to deliver biosecurity work that protects Australian agriculture and the northern Australian environment.

2.5.2: 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.

Table 2.5.3: Budgeted expenses for Outcome 4

Outcome 4: Safeguard Australia's animal and plant health status to maintain overseas markets and protect the economy and environment from the impact of exotic pests and diseases, through risk assessment, inspection and certification, and the implementation of emergency response arrangements for Australian agricultural, food and fibre industries.					
	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: Biosecurity and Export Services					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill No.1)</u>					
<u>Agriculture 2030 – Biosecurity – to ensure Australia continues to have a robust biosecurity preparedness and response capability in the event of a pest and disease outbreak:</u>					
Better understand how pests and diseases could enter Australia, to improve field tools and diagnostic capabilities	-	500	510	517	524
Foot-and-mouth Vaccine	-	-	-	-	1,680
Surveillance Animal	-	1,220	1,070	870	870
Surveillance Plant	-	200	500	200	500
Centre of Excellence for Biosecurity Risk Analysis and Research	1,836	1,854	1,882	1,908	1,935
Enhancing Australia's Biosecurity System – Priority Pest and Disease Planning and Response	4,044	2,834	2,834	2,934	3,534
Livestock Exports Global Assurance Program	1,400	-	-	-	-
Modernising Agricultural Trade – Protecting Australia's Clean, Green Brand	3,000	2,000	2,000	2,000	2,000
Package Assisting Small Exporters	2,583	2,025	498	-	-
Priorities for Australia's Biosecurity System – Environmental Protection Officer	825	825	825	825	825
Reducing Regulatory Burden and Streamlining Audit Arrangements in the Dairy Sector	1,975	2,475	1,300	1,300	1,300
Administered total	15,663	13,933	11,419	10,554	13,168
Total Program expenses	15,663	13,933	11,419	10,554	13,168

Continued on following pages

Table 2.5.3: Budgeted expenses for Outcome 4 (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 4.2: Plant and Animal Health					
Administered expenses					
Ordinary annual services (Appropriation Bill No.1)					
Animal Biosecurity and Response Reform	902	1,005	1,022	1,035	1,049
Agriculture 2030 – Biosecurity – continue to protect Australia from the biosecurity risk posed by African swine fever	-	188	233	205	187
Commonwealth Membership of Animal Health Australia and Plant Health Australia	2,364	2,740	2,773	2,815	2,855
International Organisations Contribution – World Organisation for Animal Health	345	252	257	260	264
Other Exotic Disease Preparedness Program	671	677	688	699	708
Payment to CSIRO – contribution to the operating costs of the Australian Centre for Disease Preparedness	8,525	8,619	8,748	8,870	8,994
Plant Biosecurity and Response Reform	1,402	1,416	1,439	1,459	1,479
Smart Fruit Fly Management – Collaborative National Approach	2,800	1,200	-	-	-
Stronger Farmers, Stronger Economy – strengthening research, skills and management of natural resources – immediate assistance fund	774	3,081	2,244	2,087	3,700
Administered total	17,783	19,178	17,404	17,430	19,236

Continued on following pages

Table 2.5.3: Budgeted expenses for Outcome 4 (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 4.2: Plant and Animal Health					
<u>Special appropriations</u>					
<i>Australian Animal Health Council (Live-stock Industries) Funding Act 1996, s. 5 – appropriation</i>	7,373	7,786	8,061	8,233	8,327
<i>Plant Health Australia (Plant Industries) Funding Act 2002, s. 6 – appropriation</i>	4,537	4,352	4,355	4,375	4,330
<i>Plant Health Australia (Plant Industries) Funding Act 2002, s. 10B – payments to PHA from EPPR levies and charges</i>	2,881	2,707	2,747	2,750	2,745
<i>Special Appropriation total</i>	14,791	14,845	15,163	15,358	15,402
Total Program expenses	32,574	34,023	32,567	32,788	34,638
<u>Administered expenses</u>					
Administered appropriation	48,237	47,956	43,986	43,342	47,806
<i>Administered total</i>	48,237	47,956	43,986	43,342	47,806
<u>Departmental expenses</u>					
Departmental appropriation ^{(a),(b)}	357,057	391,968	365,185	289,773	279,163
Expenses not requiring appropriation in the budget year ^(c)	16,026	16,389	16,766	17,155	25,625
<i>Departmental total</i>	373,083	408,357	381,951	306,928	304,788
<u>Special accounts</u>					
Biosecurity, Imported Food and Export Certification Special Account 2020 ^(d)	403,573	413,241	418,319	415,229	414,704
National Residue Survey Account – s. 80, PGPA Act [s. 6(1), <i>National Residue Survey Administration Act 1992</i>]	11,043	10,756	11,207	11,459	11,472
<i>Special Account total</i>	414,616	423,997	429,526	426,688	426,176
Total expenses for Outcome 4	835,936	880,310	855,463	776,958	778,770

Continued on following pages

Table 2.5.3: Budgeted expenses for Outcome 4 (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 4 Totals by appropriation type					
<u>Administered expenses</u>					
Ordinary annual services (Appropriation Bill No. 1)	33,446	33,111	28,823	27,984	32,404
Special appropriations	14,791	14,845	15,163	15,358	15,402
Administered total	48,237	47,956	43,986	43,342	47,806
<u>Departmental expenses</u>					
Departmental appropriation ^{(a),(b)}	357,057	391,968	365,185	289,773	279,163
Special accounts	414,616	423,997	429,526	426,688	426,176
Expenses not requiring appropriation in the budget year ^(c)	16,026	16,389	16,766	17,155	25,625
Department total	787,699	832,354	811,477	733,616	730,964
Total expenses for Outcome 4	835,936	880,310	855,463	776,958	778,770
<hr/>					
	2020–21	2021–22			
Average staffing level (number)	3,757	3,897			

(a) Departmental appropriation allocations are notional and reflect the current structure of the department.

(b) Expenses funded from both 'Ordinary annual services (Appropriation Bill (No. 1))' and 'External Revenue' under section 74 of the PGPA Act.

(c) 'Expenses not requiring appropriation in the Budget year' are made up of depreciation and amortisation expenses, resources received free of charge, concessional loan discount and balance sheet adjustments.

(d) The Biosecurity, Imported Food and Export Certification Special Account was formerly known as the Australian Quarantine and Inspection Service Special Account.

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

Continued on following pages

Table 2.5.3: Budgeted expenses for Outcome 4 (continued)

Movements of funds between years^(e)	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
<u>Movement of Funds:</u>					
Reducing Regulatory Burden and Streamlining Audit Arrangements in the Dairy Sector	(500)	500	-	-	-
<u>Reclassification</u>					
Animal Biosecurity and Response Reform	8	-	-	-	-
International Organisations Contribution – World Organisation for Animal Health	(8)	-	-	-	-
From: Administered – Enhancing Australia's Biosecurity System – Priority Pest and Disease Planning and Response To: SPP857	-	(1,000)	(1,000)	(1,000)	(1,000)
From: Administered – Reducing Regulatory Burden and Streamlining Audit Arrangements in the Dairy Sector To: SPP859	-	(500)	-	-	-
From: Administered – Stronger Farmers, Stronger Economy – strengthening research, skills and management of natural resources – immediate assistance fund To: Pest and Disease Preparedness and Response Programs (SPP188)	(1,000)	-	-	-	-
<u>Movements of Funds – Equity Injection:</u>					
Modern Seamless Border Clearance	(585)	585	-	-	-
Total of funds moved	(2,085)	(415)	(1,000)	(1,000)	(1,000)

Continued on following page

Table 2.5.3: Budgeted expenses for Outcome 4 (continued)

Movements of funds between years^(e)	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
The Treasury					
<u>Measures:</u>					
(SPP188) Agriculture 2030 – Biosecurity – to ensure Australia continues to have a robust biosecurity preparedness and response capability in the event of a pest and disease outbreak	-	10,000	10,000	10,000	10,000
<u>Movement of Funds:</u>					
(SPP188) Pest and Disease Preparedness and Response Programs	(25,278)	32,278	(3,000)	(4,000)	-
<u>Reclassification</u>					
From: Administered – Enhancing Australia's Biosecurity System – Priority Pest and Disease Planning and Response To: SPP857	-	1,000	1,000	1,000	1,000
From: Administered – Reducing Regulatory Burden and Streamlining Audit Arrangements in the Dairy Sector To: SPP859	-	500	-	-	-
From: Administered – Stronger Farmers, Stronger Economy – strengthening research, skills and management of natural resources – immediate assistance fund To: Pest and Disease Preparedness and Response Programs (SPP188)	1,000	-	-	-	-
<u>Other Variations</u>					
(SPP188) Pest and Disease Preparedness and Response Programs – Pre-ERC and Budget parameter update	-	78	211	187	189
Total of SPP funds moved	(24,278)	43,856	8,211	7,187	11,189

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

2.7 BUDGETED EXPENSES FOR OUTCOME 5

Outcome 5: Improve the health of rivers and freshwater ecosystems and water use efficiency through implementing water reforms, and ensuring enhanced sustainability, efficiency and productivity in the management and use of water resources.

2.6.1 Linked programs

Murray-Darling Basin Authority
Program 1.1: Equitable and Sustainable Use of the Murray-Darling Basin
Contribution to Outcome 5 made by linked program: DAWE and MDBA work collaboratively to implement the Murray-Darling Basin Plan and the Intergovernmental Agreement on Murray-Darling Basin Reform.
Bureau of Meteorology
Program 1.1: Bureau of Meteorology
Contribution to Outcome 5 made by linked program: BOM's water information services inform Commonwealth water planning and decision making in relation to water resource availability.
Department of the Treasury
Program 1.9: National Partnership Payments to the States
Contribution to Outcome 5 made by linked program: The Department of the Treasury contributes to Outcome 5 by making payments for the following national partnership agreements on behalf of DAWE: <ul style="list-style-type: none"> • Great Artesian Basin Sustainability Initiative (SPP127) • Implementing Water Reform in the Murray-Darling Basin (SPP632) • On-Farm Emergency Water Infrastructure Rebate (SPP776) • Sustainable Rural Water Use and Infrastructure Program (SPP533) • Water for Fodder Program (SPP811) <u>Water for the Environment Special Account (WESA):</u> <ul style="list-style-type: none"> • Implementation of Constraints Measures (SPP706) • Off-Farm Efficiency Program (SPP858) • Water Efficiency Program (SPP787).

2.6.2: Budgeted expenses for Outcome 5

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 2.6.3: Budgeted expenses for Outcome 5

Outcome 5: Improve the health of rivers and freshwater ecosystems and water use efficiency through implementing water reforms, and ensuring enhanced sustainability, efficiency and productivity in the management and use of water resources.					
	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 5.1: Water Reform					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill No.1)</u>					
Commonwealth Contribution under the Murray-Darling Basin Agreement	13,913	14,676	14,304	14,803	16,006
Sustainable Rural Water Use and Infrastructure Program	147,885	560,180	333,987	272,045	-
Water Research Goyder Institute	-	8,000	-	-	-
Administered total	161,798	582,856	348,291	286,848	16,006
<u>Payments to corporate entities (Draw-down)^(a)</u>					
Murray-Darling Basin Authority	44,766	38,363	36,780	33,647	33,048
Murray-Darling Basin Authority – Murray-Darling Communities Investment Package	8,628	42,407	12,629	10,902	6,939
Murray-Darling Basin Authority – Strengthening Compliance in the Murray-Darling Basin	8,613	-	-	-	-
Payments to corporate entities total	62,007	80,770	49,409	44,549	39,987

Continued on following pages

Table 2.6.3: Budgeted expenses for Outcome 5 (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 5.1: Water Reform					
Administered expenses					
<u>Special accounts</u>					
Water Efficiency Labelling Scheme Account	3,035	3,516	2,201	2,289	2,381
Water for the Environment Special Account	162,778	657,871	528,842	399,682	-
Water Resources Special Account	938	1,108	970	970	970
Special account total	166,751	662,495	532,013	402,941	3,351
Expenses not requiring appropriation in the budget year ^(b)	7,759	7,759	7,759	7,759	7,759
Total Program expenses	398,315	1,333,880	937,472	742,097	67,103
Administered expenses					
Administered appropriation	390,556	1,326,121	929,713	734,338	59,344
Expenses not requiring appropriation in the budget year ^(b)	7,759	7,759	7,759	7,759	7,759
Administered total	398,315	1,333,880	937,472	742,097	67,103
Departmental expenses					
Departmental appropriation ^{(c),(d)}	39,340	43,879	31,352	29,902	22,921
Expenses not requiring appropriation in the budget year ^(b)	339	339	338	340	340
Departmental total	39,679	44,218	31,690	30,242	23,261
Total expenses for Outcome 5	437,994	1,378,098	969,162	772,339	90,364

Continued on following page

Table 2.6.3: Budgeted expenses for Outcome 5 (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 5 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	161,798	582,856	348,291	286,848	16,006
Special accounts	166,751	662,495	532,013	402,941	3,351
Payments to corporate entities (Draw-down)	62,007	80,770	49,409	44,549	39,987
Expenses not requiring appropriation in the budget year ^(b)	7,759	7,759	7,759	7,759	7,759
Administered total	398,315	1,333,880	937,472	742,097	67,103
Departmental expenses					
Departmental appropriation ^{(c),(d)}	39,340	43,879	31,352	29,902	22,921
Expenses not requiring appropriation in the budget year ^(b)	339	339	338	340	340
Department total	39,679	44,218	31,690	30,242	23,261
Total expenses for Outcome 5	437,994	1,378,098	969,162	772,339	90,364
Average staffing level (number)					
	2020–21 138	2021–22 107			

(a) The MDBA is a CCE under the PGPA Act and does not receive direct appropriations. Instead, this funding passes through the department to the MDBA.

(b) 'Expenses not requiring appropriation in the Budget year' are made up of depreciation and amortisation expenses, resources received free of charge, concessional loan discount and balance sheet adjustments.

(c) Departmental appropriation allocations are notional and reflect the current structure of the department.

(d) Expenses funded from both 'Ordinary annual services (Appropriation Bill (No. 1))' and 'External Revenue' under section 74 of the PGPA Act.

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

	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Movements of funds between years^(e)					
The Treasury					
Measures:					
Drought response, Resilience and Preparedness Plan – continued support					
(SPP776) Extend the On-Farm Emergency Water Infrastructure Rebate Scheme	(25,000)	25,000	-	-	-
Total of SPP funds moved	(25,000)	25,000	-	-	-

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

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1: Differences between entity resourcing and financial statements

The financial statements incorporate all budget estimate changes since the 2020–21 Portfolio Additional Estimates Statements (PAES). An analysis of the primary causes of movements in the budgeted departmental financial statements and administered schedules is provided in the relevant sections. PAES is used as comparative figures in the analysis.

3.1.2: Budgeted comprehensive departmental income statement

Since PAES, estimated revenue from government in 2021–22 has increased by \$149.0 million. The increase is mainly due to 2021–22 Budget measures listed in Table 1.2.

The own source revenue estimate in 2021–22 has increased by \$5.8 million since PAES, mainly due to higher than anticipated revenue from the department's cost recovered activities.

The department is budgeting for a \$17.2 million operating loss in 2021–22 before unfunded depreciation is accounted for.

3.1.3: Budgeted departmental balance sheet

The value of departmental net assets as at 30 June 2022 is anticipated to be \$29.5 million higher than the estimate published in PAES. The higher estimate is due to lower estimated overall deficit attributable to the Australian Government position for the Department.

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

It is estimated that the department will receive non-appropriation revenue on behalf of government of \$746.4 million in 2021–22, a decrease of \$49.6 million since PAES. The decrease is largely due to lower non-cash and cash interest revenue estimates relating to loans activities. Partially offsetting the decrease are higher than previously estimated levy revenue and 2021–22 Budget measures detailed in Table 1.2.

Administered expenses are estimated to be \$3,354.2 million in 2021–22, an increase of \$384.0 million since PAES. The increase largely relates to 2021–22 Budget measures detailed in Table 1.2, movements of funds and reclassifications of funds detailed in the Budgeted Expenses tables for each Outcome.

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

The value of administered net assets as at 30 June 2022 is anticipated to be \$458.8 million lower than the estimate published in PAES. The decrease is mainly due to lower than anticipated receivables in loan activities.

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	741,739	748,906	730,660	726,484	725,524
Suppliers	593,363	655,059	518,425	418,840	387,191
Grants	6,965	6,965	6,964	6,964	6,964
Depreciation and amortisation	163,026	161,022	162,883	164,803	166,778
Finance costs	4,740	4,877	5,021	5,167	5,317
Write-down and impairment of assets	919	919	919	919	919
Other expenses	17,360	17,360	17,360	17,328	17,264
Total expenses	1,528,112	1,595,108	1,442,232	1,340,505	1,309,957
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	427,169	432,537	435,494	431,488	430,053
Interest	92	92	92	92	92
Other revenue	24,556	25,812	25,926	17,396	16,627
Total own-source revenue	451,817	458,441	461,512	448,976	446,772
Gains					
Other	1,618	1,618	1,618	1,618	1,618
Total gains	1,618	1,618	1,618	1,618	1,618
Total own-source income	453,435	460,059	463,130	450,594	448,390
services	1,074,677	1,135,049	979,102	889,911	861,567
Revenue from Government	966,063	1,027,124	870,959	780,721	743,002
Surplus (Deficit) attributable to the Australian Government	(108,614)	(107,925)	(108,143)	(109,190)	(118,565)
Total comprehensive income/(loss)	(108,614)	(107,925)	(108,143)	(109,190)	(118,565)
Total comprehensive income (loss) attributable to the Australian Government	(108,614)	(107,925)	(108,143)	(109,190)	(118,565)

Continued on following page

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

Note: Impact of Net Cash Appropriation Arrangements

	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	(17,101)	(17,167)	(17,176)	(17,100)	(17,100)
less depreciation/amortisation expenses previously funded through revenue appropriations ^(a)	74,085	74,085	74,085	74,085	72,203
less depreciation/amortisation expenses for ROU ^(b)	75,459	73,455	75,316	77,236	79,211
add principal repayments on leased assets ^(b)	58,031	56,782	58,434	59,231	49,949
Total comprehensive income (loss) – as per the statement of comprehensive income	(108,614)	(107,925)	(108,143)	(109,190)	(118,565)

(a) From 2010–11, the Government introduced net cash appropriation arrangements where Bill (No. 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 (No. 1) equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.

(b) Applies to leases under AASB 16 Leases. Right of Use (ROU).

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	25,728	22,085	29,242	29,042	29,042
Trade and other receivables	219,955	206,868	176,243	172,551	168,659
Other investments	15,500	15,000	14,500	14,500	14,500
Total financial assets	261,183	243,953	219,985	216,093	212,201
Non-financial assets					
Land and buildings	628,066	583,655	530,055	471,448	411,219
Property, plant and equipment	665,967	686,892	729,151	746,028	761,914
Heritage and cultural assets	72,319	72,319	72,319	72,319	72,319
Intangibles & Computer Software	222,306	296,810	345,702	363,636	380,515
Inventories	10,004	10,004	10,004	10,004	10,004
Prepayments	14,282	14,282	14,282	14,282	14,282
Total non-financial assets	1,612,944	1,663,962	1,701,513	1,677,717	1,650,253
Total assets	1,874,127	1,907,915	1,921,498	1,893,810	1,862,454
LIABILITIES					
Payables					
Suppliers	45,501	47,002	48,501	50,001	49,619
Other payables	23,721	25,657	25,657	25,657	25,657
Total payables	69,222	72,659	74,158	75,658	75,276
Interest bearing liabilities					
Leases	406,499	389,463	374,797	356,690	348,572
Total interest bearing liabilities	406,499	389,463	374,797	356,690	348,572
Provisions					
Employee provisions	245,502	245,496	245,496	245,496	245,496
Other provisions	771,979	789,079	806,179	823,279	840,379
Total provisions	1,017,481	1,034,575	1,051,675	1,068,775	1,085,875
Total liabilities	1,493,202	1,496,697	1,500,630	1,501,123	1,509,723
Net assets	380,925	411,218	420,868	392,687	352,731
EQUITY*					
Parent entity interest					
Contributed equity	1,233,076	1,371,294	1,489,087	1,570,096	1,648,705
Reserves	455,530	455,530	455,530	455,530	455,530
Retained surplus (accumulated deficit)	(1,307,681)	(1,415,606)	(1,523,749)	(1,632,939)	(1,751,504)
Total parent entity interest	380,925	411,218	420,868	392,687	352,731
Total equity	380,925	411,218	420,868	392,687	352,731

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

Prepared on Australian Accounting Standards basis.

**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	(1,307,681)	403,627	51,903	1,233,076	380,925
Adjusted opening balance	(1,307,681)	403,627	51,903	1,233,076	380,925
Comprehensive income					
Surplus (deficit) for the period	(107,925)	-	-	-	(107,925)
Total comprehensive income	(107,925)	-	-	-	(107,925)
of which:					
Attributable to the Australian Government	(107,925)	-	-	-	(107,925)
Transactions with owners					
Contributions by owners					
Equity Injection – Appropriation	-	-	-	70,495	70,495
Departmental Capital Budget (DCB)	-	-	-	67,723	67,723
Sub-total transactions with owners	-	-	-	138,218	138,218
Estimated closing balance as at 30 June 2022	(1,415,606)	403,627	51,903	1,371,294	411,218
Closing balance attributable to the Australian Government	(1,415,606)	403,627	51,903	1,371,294	411,218

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	982,078	1,036,877	881,834	783,744	746,944
Sale of goods and rendering of services	425,973	430,915	434,375	431,288	429,134
Interest	92	92	92	92	92
Net GST received	43,406	43,462	42,916	42,916	42,916
Other	23,314	24,566	24,680	16,150	15,627
Total cash received	1,474,863	1,535,912	1,383,897	1,274,190	1,234,713
Cash used					
Employees	739,850	746,976	730,660	726,484	725,524
Suppliers	634,123	694,545	557,237	457,620	428,035
Grants	6,965	6,965	6,964	6,964	6,964
Borrowing costs	4,740	4,877	5,021	5,167	5,317
Total cash used	1,385,678	1,453,363	1,299,882	1,196,235	1,165,840
Net cash from (used by) operating activities	89,185	82,549	84,015	77,955	68,873
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of financial instruments	16,000	15,500	15,000	14,500	14,500
Total cash received	16,000	15,500	15,000	14,500	14,500
Cash used					
Purchase of property, plant and equipment	243,043	172,293	156,667	99,883	97,483
Purchase of financial instruments	15,500	15,000	14,500	14,500	14,500
Total cash used	258,543	187,293	171,167	114,383	111,983
Net cash from (used by) investing activities	(242,543)	(171,793)	(156,167)	(99,883)	(97,483)

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	136,110	74,710	65,930	3,993	1,248
Departmental capital budget	71,264	67,673	71,813	76,966	77,311
Total cash received	207,374	142,383	137,743	80,959	78,559
Cash used					
Finance lease	58,031	56,782	58,434	59,231	49,949
Total cash used	58,031	56,782	58,434	59,231	49,949
Net cash from (used by) financing activities	149,343	85,601	79,309	21,728	28,610
Net increase (decrease) in cash held	(4,015)	(3,643)	7,157	(200)	-
Cash and cash equivalents at the beginning of the reporting period	29,743	25,728	22,085	29,242	29,042
Cash and cash equivalents at the end of the reporting period	25,728	22,085	29,242	29,042	29,042

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					
Capital budget – Bill (No. 1) (DCB)	71,264	67,723	71,863	77,016	77,361
Equity injections – Bill (No. 2)	65,407	70,495	45,930	3,993	1,248
Total new capital appropriations	136,671	138,218	117,793	81,009	78,609
Provided for:					
Purchase of non-financial assets	136,671	138,218	117,793	81,009	78,609
Total items	136,671	138,218	117,793	81,009	78,609
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	152,855	85,696	65,930	3,993	1,248
Funded by capital appropriation – DCB ^(b)	71,264	67,673	71,813	76,966	77,311
Funded internally from departmental resources ^(c)	18,924	18,924	18,924	18,924	18,924
TOTAL	243,043	172,293	156,667	99,883	97,483
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	243,043	172,293	156,667	99,883	97,483
Total cash used to acquire assets	243,043	172,293	156,667	99,883	97,483

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

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

(c) Includes the following sources of funding:

- current Bill (No. 1) and prior year Act (No. 1/3/5) appropriations (excluding amounts from the DCB);
- internally developed assets;
- section 74 External revenue; and
- proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

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

	Land \$'000	Buildings \$'000	Other property, plant and equipment \$'000	Heritage and cultural \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2021						
Gross book value	2,205	378,033	772,250	72,500	399,337	1,624,325
Gross book value – ROU assets ^(a)	-	509,809	14,907	-	-	524,716
Accumulated depreciation/amortisation	-	(140,641)	(101,786)	(181)	(177,031)	(419,639)
Accumulated depreciation/amortisation and impairment – ROU assets ^(a)	-	(121,340)	(19,404)	-	-	(140,744)
Opening net book balance	2,205	625,861	665,967	72,319	222,306	1,588,658
CAPITAL ASSET ADDITIONS						
Estimated expenditure on new or replacement assets						
By purchase – appropriation equity ^(b)	-	3,205	14,131	-	68,360	85,696
By purchase – appropriation ordinary annual services ^(c)	-	13,066	40,277	-	14,330	67,673
By purchase – Other	-	2,365	2,365	-	14,194	18,924
By purchase – appropriation ordinary annual services – ROU ^(a)	-	38,094	1,653	-	-	39,747
Total additions	-	56,730	58,426	-	96,884	212,040
Other movements						
Depreciation/amortisation expense	-	(37,708)	(27,479)	-	(22,380)	(87,567)
Accumulated depreciation/amortisation – ROU – (excluding other intangibles) ^(a)	-	(63,433)	(10,022)	-	-	(73,455)
Total other movements	-	(101,141)	(37,501)	-	(22,380)	(161,022)
As at 30 June 2022						
Gross book value	2,205	396,669	829,023	72,500	496,221	1,796,618
Gross book value – ROU assets ^(a)	-	547,903	16,560	-	-	564,463
Accumulated depreciation/amortisation and impairment	-	(178,349)	(129,265)	(181)	(199,411)	(507,206)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	-	(184,773)	(29,426)	-	-	(214,199)
Closing net book balance	2,205	581,450	686,892	72,319	296,810	1,639,676

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) "Appropriation equity" refers to equity injections, appropriations provided through Appropriation Bill (No. 2) 2021–22.

(c) "Appropriation ordinary annual services" refers to funding provided through Appropriation Bill (No. 1) 2021–22 for depreciation / amortisation expenses, DCBs or other operational expenses.

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)

	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 ADMINISTERED ON BEHALF OF GOVERNMENT					
Suppliers	241,879	266,889	288,579	108,827	96,285
Personal benefits	203,557	174,131	146,601	106,381	145,772
Grants	1,746,464	2,569,658	2,109,934	1,970,807	1,302,550
Depreciation	7,771	7,771	7,771	7,771	7,771
Borrowing costs and other	714,693	134,324	54,156	-	-
Write down and impairment of assets	37,898	23,627	33,934	18,009	5,706
Payments to corporate entities	189,816	177,784	144,463	133,367	123,374
Total expenses administered on behalf of Government	3,142,078	3,354,184	2,785,438	2,345,162	1,681,458
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Taxation revenue					
Other taxes	509,176	505,354	522,269	536,238	539,920
Total taxation revenue	509,176	505,354	522,269	536,238	539,920
Non-taxation revenue					
Sales of Goods and rendering of services	11,007	14,068	14,321	14,585	5,609
Interest	27,424	86,134	100,341	158,241	169,989
Other revenue	124,801	140,797	151,283	139,111	115,088
Total non-taxation revenue	163,232	240,999	265,945	311,937	290,686
Total own-source revenues administered on behalf of Government	672,408	746,353	788,214	848,175	830,606
Net cost of (contribution by) services	2,469,670	2,607,831	1,997,224	1,496,987	850,852
Surplus (Deficit) after income tax	(2,469,670)	(2,607,831)	(1,997,224)	(1,496,987)	(850,852)
Total comprehensive income (loss) attributable to the Australian Government	(2,469,670)	(2,607,831)	(1,997,224)	(1,496,987)	(850,852)

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	1,997,339	1,415,818	922,358	551,736	551,736
Trade and other receivables	2,864,543	3,234,250	3,472,239	3,532,043	3,590,011
Investments accounted for using the equity method	1,227,377	1,368,454	1,442,469	1,452,580	1,454,027
Other financial assets	61,505	61,505	61,505	61,505	61,505
Total financial assets	6,150,764	6,080,027	5,898,571	5,597,864	5,657,279
Non-financial assets					
Land and buildings	582	582	582	582	582
Property, plant and equipment	531,929	524,170	516,411	508,652	500,893
Heritage and cultural	964	952	940	928	916
Water assets and Intangibles	4,045,679	4,075,679	4,115,679	4,155,679	4,155,679
Inventories	11,078	11,078	11,078	11,078	11,078
Other non-financial assets	7,998	6,787	5,573	4,359	3,145
Total non-financial assets	4,598,230	4,619,248	4,650,263	4,681,278	4,672,293
Total assets administered on behalf of Government	10,748,994	10,699,275	10,548,834	10,279,142	10,329,572
LIABILITIES					
Payables					
Suppliers	58,013	58,013	58,013	58,013	58,013
Personal benefits	2,725	2,725	2,725	2,725	2,725
Grants	139,005	138,712	144,177	138,235	140,059
Other payables	35	35	35	35	35
Total payables	199,778	199,485	204,950	199,008	200,832
Total liabilities administered on behalf of Government	199,778	199,485	204,950	199,008	200,832
Net assets/(liabilities)	10,549,216	10,499,790	10,343,884	10,080,134	10,128,740

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	11,037	14,098	14,351	14,615	5,639
Taxes	508,460	505,354	522,269	536,238	539,920
Net GST received	132,794	141,221	151,994	151,994	151,994
Other	117,219	120,398	117,892	126,808	115,088
Total cash received	769,510	781,071	806,506	829,655	812,641
Cash used					
Grants	1,848,406	2,700,002	2,246,490	2,117,573	1,441,550
Personal benefits	203,557	174,131	146,601	113,963	153,354
Suppliers	251,741	276,878	297,368	118,813	106,271
Payments to corporate entities	189,816	177,784	144,463	133,367	123,374
Total cash used	2,493,520	3,328,795	2,834,922	2,483,716	1,824,549
Net cash from (used by) operating activities	(1,724,010)	(2,547,724)	(2,028,416)	(1,654,061)	(1,011,908)
INVESTING ACTIVITIES					
Cash received					
Interest received from advances and loans	6,179	11,961	14,399	65,226	71,805
Repayments of advances and loans	186,758	66,914	29,753	35,087	42,092
Total cash received	192,937	78,875	44,152	100,313	113,897
Cash used					
Advances and loans made	2,900,277	500,000	236,499	-	-
Corporate entity investments	50,967	141,077	74,015	10,111	1,447
Purchase of entitlements	32,906	30,000	40,000	40,000	-
Total cash used	2,984,150	671,077	350,514	50,111	1,447
Net cash from (used by) investing activities	(2,791,213)	(592,202)	(306,362)	50,202	112,450
Net increase (decrease) in cash held	(4,515,223)	(3,139,926)	(2,334,778)	(1,603,859)	(899,458)

Prepared on Australian Accounting Standards basis.

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
Cash and cash equivalents at beginning of reporting period	1,896,517	1,997,339	1,415,818	922,358	551,736
Cash from Official Public Account for:					
– Appropriations	4,791,232	2,830,778	2,138,205	1,608,259	1,329,440
– Special Accounts	542,144	330,040	287,404	280,574	236,381
Total cash from Official Public Account	5,333,376	3,160,818	2,425,609	1,888,833	1,565,821
Cash to Official Public Account for:					
– Appropriations	(717,331)	(602,413)	(584,291)	(655,596)	(666,363)
Total cash to Official Public Account	(717,331)	(602,413)	(584,291)	(655,596)	(666,363)
Cash and cash equivalents at end of reporting period	1,997,339	1,415,818	922,358	551,736	551,736

Prepared on Australian Accounting Standards basis.

Table 3.10: Administered capital budget statement (for 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 (No. 2) and Bill (No. 4)	2,607,906	530,000	276,499	40,000	-
Total new capital appropriations	2,607,906	530,000	276,499	40,000	-
<i>Provided for:</i>					
Purchase of non-financial assets	32,906	30,000	40,000	40,000	-
Other Items	2,575,000	500,000	236,499	-	-
Total Items	2,607,906	530,000	276,499	40,000	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	32,906	30,000	40,000	40,000	-
TOTAL	32,906	30,000	40,000	40,000	-
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total accrual purchases	32,906	30,000	40,000	40,000	-
Total cash used to acquire assets	32,906	30,000	40,000	40,000	-

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

Prepared on Australian Accounting Standards basis.

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

	Land \$'000	Other property, plant and equipment \$'000	Heritage and cultural \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2021					
Gross book value	582	910,526	998	4,092,430	5,004,536
Accumulated depreciation/amortisation	-	(378,597)	(34)	(46,751)	(425,382)
Opening net book balance	582	531,929	964	4,045,679	4,579,154
CAPITAL ASSET ADDITIONS					
replacement assets					
By purchase – appropriation equity ^(a)	-	-	-	30,000	30,000
Total additions	-	-	-	30,000	30,000
Other movements					
Depreciation/amortisation expense	-	(7,759)	(12)	-	(7,771)
Total other movements	-	(7,759)	(12)	-	(7,771)
As at 30 June 2022					
Gross book value	582	910,526	998	4,122,430	5,034,536
Accumulated depreciation/amortisation and impairment	-	(386,356)	(46)	(46,751)	(433,153)
Closing net book balance	582	524,170	952	4,075,679	4,601,383

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

Prepared on Australian Accounting Standards basis.

AGRIFUTURES AUSTRALIA

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AGRIFUTURES AUSTRALIA

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

AgriFutures Australia (AgriFutures) is the trading name for Rural Industries Research and Development Corporation (RIRDC). AgriFutures plays a unique role in Australian agriculture by investing in research and development (R&D) to maintain and create profitable and sustainable rural industries. AgriFutures knows that the key to developing real and lasting solutions for rural industries is to take a shared approach to shared challenges. That is why AgriFutures works in collaboration with a range of stakeholders to develop and implement its initiatives.

AgriFutures' vision is to grow the long-term prosperity of Australian rural industries. AgriFutures' mission is to collaborate with its partners to create lasting value for its stakeholders, investing in research, innovation and learning initiatives that enhance the prosperity, profitability and sustainability of the agricultural, fisheries and forestry sectors. AgriFutures' approach is guided by an ambition to be an organisation that places people, rural industries and regional communities at the centre of all its activities.

AgriFutures supports rural industries that do not have their own research and development corporation (RDC) and invests in R&D to accelerate the establishment of new and emerging rural industries.

AgriFutures' cross-sectoral mandate supports it to focus on national opportunities and challenges that affect multiple rural industries, not just the industries it traditionally serves. AgriFutures' future orientation enables it to not only tackle the challenges and opportunities that rural industries face today, but to identify and unearth the challenges and opportunities of tomorrow. AgriFutures will do this by listening and collaborating with the emerging leaders in agriculture, industries bodies, other RDCs and government.

As outlined in AgriFutures Strategic R&D Plan 2017–2022, AgriFutures has four goals across four arenas:

Arena 1: People and leadership

Goal: To support the people driving the future prosperity of Australian rural industries and regional communities by providing them with learning opportunities and experiences.

Priorities:

- Attracting capable people into careers in agriculture; and
- Building the capability of future rural leaders.

Arena 2: National challenges and opportunities

Goal: To identify and nurture research and innovation opportunities that are productive across rural sectors.

Priorities:

- Informing debate on issues of importance to rural industries;
- Adapting new technologies for use across rural industries; and
- Working collaboratively on issues common across rural sectors.

Arena 3: Growing profitability

Goal: To enhance the profitability and sustainability of our levied rural industries.

Priorities:

- Engaging industry participants in determining R&D priorities;
- Investing in innovation that assists levied industries to be more profitable; and
- Delivering outcomes to maximise industry uptake and adoption.

Arena 4: Emerging industries

Goal: To support new and emerging rural industries.

Priorities:

- Supporting the early stage establishment of high potential rural industries.

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 (i.e. appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: AgriFutures Australia – 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	51,736	49,034
Funds from Government		
Amounts received from related entities		
Amounts from portfolio department ^(a)	9,358	9,460
Total amounts received from related entities	9,358	9,460
Special appropriations^(b)		
<i>Primary Industries Research and Development Act 1989, s. 30(3) – Rural Industries R&D Corporation</i>	32,434	29,430
Total special appropriations	32,434	29,430
Total funds from Government	41,792	38,890
Funds from industry sources		
Levies ^(c)	3,481	5,632
<i>less amounts paid to the CRF</i>	(3,481)	(5,632)
Total funds from industry sources	-	-
Funds from other sources		
Interest	375	235
Royalties	313	313
Industry contributions	2,452	5,945
Other	1,240	781
Total funds from other sources	4,380	7,274
Total net resourcing for AgriFutures	97,908	95,198
	2020–21	2021–22
Average staffing level (number)	22	25

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

(b) AgriFutures Australia (AgriFutures) is not directly appropriated as it is a corporate Commonwealth entity under the PGPA Act. Appropriations are made to the Department of Agriculture, Water and the Environment (DAWE) and then paid to AgriFutures and are considered departmental for all purposes.

(c) The levies are imposed by the *Primary Industries (Excise) Levies Act 1999*. The levies are collected by DAWE under the *Primary Industries Levies and Charges Collection Act 1991* and are transferred to the CRF. An equivalent amount is paid by DAWE to AgriFutures as a special appropriation under the *Primary Industries Research and Development Act 1989* (PIRD Act).

CRF – Consolidated Revenue Fund.

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

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

1.3 BUDGET MEASURES

Budget measures in Part 1 relating to AgriFutures Australia are detailed in *Budget Paper No. 2: Budget Measures 2021–22* and are summarised below.

Table 1.2: AgriFutures Australia – 2021–22 Budget measures – Measures announced since the 2020–21 Mid-Year Economic and Fiscal Outlook (MYEFO)

AgriFutures does not have any 2021–22 Budget measures.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance 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 AgriFutures Australia can be found at:

<http://www.agrifutures.com.au/about/corporate-documents/>.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Increased knowledge that fosters sustainable, productive and profitable new and existing rural industries and furthers understanding of national rural issues through research and development in government-industry partnership.

2.1.1: Linked programs

Department of Agriculture, Water and the Environment
Program 3.10: Agricultural Resources
Contribution to Outcome 1 made by linked program: AgriFutures works together with the Department of Agriculture, Water and the Environment to ensure sustainable, productive and profitable rural industries.

2.1.2: Budgeted expenses for Outcome 1

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

Table 2.1: Budgeted expenses for Outcome 1

Outcome 1: Increased knowledge that fosters sustainable, productive and profitable new and existing rural industries and furthers understanding of national rural issues through research and development in government-industry partnership.					
	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: Rural Industries Research and Development Corporation					
<u>Revenue from Government</u>					
Payment from related entities	9,358	9,460	9,603	9,737	9,872
Special appropriations					
<i>Primary Industries Research and Development Act 1989, s. 30(3) –</i>					
Rural Industries R&D Corporation	29,291	29,430	29,473	29,331	29,196
Revenues from industry sources	5,074	5,945	6,000	6,000	6,000
Revenues from other independent sources	1,142	1,329	1,424	1,407	1,407
Reserves	3,828	6,611	6,000	6,000	-
Total expenses for program 1.1	48,693	52,775	52,500	52,475	46,475
Outcome 1 totals by resource type					
<u>Revenue from Government</u>					
Payment from related entities	9,358	9,460	9,603	9,737	9,872
Special appropriations	29,291	29,430	29,473	29,331	29,196
Revenues from industry sources	5,074	5,945	6,000	6,000	6,000
Revenues from other independent sources	1,142	1,329	1,424	1,407	1,407
Reserves	3,828	6,611	6,000	6,000	-
Total expenses for Outcome 1	48,693	52,775	52,500	52,475	46,475
	2020–21	2021–22			
Average staffing level (number)	22	25			

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

Prepared on a Government Finance Statistics (fiscal) basis.

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.

As an entity established under the *Primary Industries Research and Development Act 1989* (PIRD Act), AgriFutures does not produce a Corporate Plan under the PGPA Act and is therefore exempt from the requirement to map purposes to outcomes.

Outcome 1: Increased knowledge that fosters sustainable, productive and profitable new and existing rural industries and furthers understanding of national rural issues through research and development in government-industry partnership.	
Program 1.1: Rural Industries Research and Development Corporation	
Objective	Through research and development create thriving rural industries and vibrant regional communities.
Delivery	<p>AgriFutures supports the people driving the future prosperity of Australian rural industries by:</p> <ul style="list-style-type: none"> Attracting capable people into careers in agriculture through: <ul style="list-style-type: none"> Introducing agricultural careers pathways in schools; and Collaboration with other RDCs, government, the private sector and not-for-profit organisations to highlight to young people the opportunities a career in agriculture has to offer. Building the capacity of future rural leaders through development programs like Rural Women's Award, Horizon Scholarship and the Ignite Network.
	<p>AgriFutures identifies and nurtures research and innovation opportunities that are productive across rural sectors by:</p> <ul style="list-style-type: none"> Prioritising and driving cross-sectoral R&D that considers the needs of a diverse portfolio of plant and animal industries. Brokering partnerships, facilitating priority setting and providing advice to strengthen the national agricultural research and innovation effort. Complementing industry R&D by investing in research of cross-sectoral value, in areas such as climate change, natural resource management, and safety and welfare. Informing debate on issues of importance to rural industries. Adapting new technologies for use across rural industries.

Continued on following pages

Contributions to Outcome 1 (continued)

Program 1.1: Rural Industries Research and Development Corporation	
Delivery (continued)	<p>AgriFutures enhances the profitability and sustainability of our levied rural industries by:</p> <ul style="list-style-type: none"> • Engaging industry participants in determining R&D priorities through industry R&D planning and participation in industry panels to allocate levied funds to projects. • Investing in innovation that assists levied industries to be more profitable and that demonstrates value to industry participants. • Delivering outcomes to maximise industry uptake and adoption. • Communicating research outcomes to farmers at events like field days and workshops and through channels including e-newsletters, emails, social media and hardcopy publications.
	<p>AgriFutures supports viable and sustainable new and emerging rural industries by:</p> <ul style="list-style-type: none"> • Identifying and targeting high-potential emerging rural industries by supporting rigorous feasibility assessments and identifying critical impediments that can be addressed through R&D. • Building partnerships with key stakeholders, including the private sector, to support the development of high-potential emerging rural industries.

Continued on following pages

Contributions to Outcome 1 (continued)

Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020–21	a. 1,800 graduates per annum of an agriculture or agriculture science course at Australian universities.	1,800 per annum. Information from the Australian Council of Deans of Agriculture annual survey show an increasing number of enrolments.
	b. Percentage of participants who feel their confidence as a leader has increased significantly or very significantly as a result of participation in an AgriFutures Australia sponsored activity.	80 per cent of surveyed participants.
	c. Impact of AgriFutures Australia sponsored studies on debates of national significance to rural industries.	Ten.
	d. New technologies adapted for use in Australian rural industries.	Three.
	e. Evidence of collaboration between RDCs in cross sector investment initiatives.	Two.
	f. Percentage of growers comfortable or very comfortable paying the R&D levy.	80 per cent of surveyed participants.
	g. Degree to which the objectives of the industry-based R&D plans are being achieved.	85 per cent.
	h. Stakeholders rate the value of AgriFutures Australia's information products and services as high or very high.	75 per cent of surveyed participants.
	i. Number of new rural industries reaching or exceeding \$10 million per annum threshold.	One.
	j. Delivery of grow ^{AG} platform and ongoing engagement of evoke ^{AG} community.	grow ^{AG} platform launched.

Continued on following page

Contributions to Outcome 1 (continued)

Performance information		
Year	Performance criteria	Actual Achievement/Targets
2021–22 and beyond	As per Annual Operational Plan to be published 1 July 2021.	As per Annual Operational Plan to be published 1 July 2021.

Note: The superscript AG. stands for “Agriculture”.

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1: Differences between entity resourcing and financial statements

The financial statements are prepared on an accrual basis where revenues and expenses are recognised as and when the resources are received and used. The entity resourcing table recognises the cash resources available to be used during the period and includes amounts recognised as revenue in previous periods.

3.1.2: Explanatory notes and analysis of budgeted financial statements

AgriFutures is budgeting for a deficit of \$6.611 million in 2021–22.

AgriFutures' balance sheet remains strong with estimated total assets of \$48.4 million in 2021–22. Of the total assets, approximately \$42.5 million is represented by cash and investments.

Total liabilities of \$5 million are mostly represented by payables to R&D providers and suppliers of \$3.4 million and employee entitlements of \$0.7 million over the same period.

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	4,100	4,650	4,650	4,650	4,650
Suppliers	10,252	14,043	12,568	11,046	9,043
Grants	34,018	33,797	35,000	36,500	32,500
Depreciation and amortisation	301	270	270	270	273
Finance costs	22	15	12	9	9
Total expenses	48,693	52,775	52,500	52,475	46,475
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Industry contributions	5,074	5,945	6,000	6,000	6,000
Interest	350	235	200	175	175
Royalties	313	313	300	300	300
Other	479	781	924	932	932
Total own-source revenue	6,216	7,274	7,424	7,407	7,407
Total own-source income	6,216	7,274	7,424	7,407	7,407
Net cost of (contribution by) services	42,477	45,501	45,076	45,068	39,068
Revenue from Government ^(a)					
Commonwealth contribution	38,649	38,890	39,076	39,068	39,068
Total revenue from Government	38,649	38,890	39,076	39,068	39,068
Surplus/(deficit) attributable to the Australian Government	(3,828)	(6,611)	(6,000)	(6,000)	-
Total comprehensive income/(loss) attributable to the Australian Government	(3,828)	(6,611)	(6,000)	(6,000)	-

Continued on following page

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

Note: Impact of net cash appropriation arrangements

	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	(3,819)	(6,607)	(5,999)	(6,003)	-
less depreciation/amortisation expenses for ROU ^(b)	201	170	170	170	173
add principal repayments on leased assets ^(b)	192	166	169	173	173
Total comprehensive income/(loss) – as per the Statement of comprehensive income	(3,828)	(6,611)	(6,000)	(6,000)	-

(a) Revenue from Government includes a Commonwealth contribution under the PIRD Act and levies collected from industry by DAWE for R&D activities.

(b) Applies to leases under AASB 16 Leases. Right of Use (ROU).

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	4,800	4,800	4,800	4,800	4,800
Trade and other receivables	4,655	4,655	4,655	4,655	4,655
Investments – Deposits	44,234	37,720	31,801	25,868	25,913
Total financial assets	53,689	47,175	41,256	35,323	35,368
Non-financial assets					
Land and buildings	894	724	554	384	211
Property, plant and equipment	217	245	270	295	320
Intangibles	3	-	-	-	-
Other	228	230	230	230	230
Total non-financial assets	1,342	1,199	1,054	909	761
Total assets	55,031	48,374	42,310	36,232	36,129
LIABILITIES					
Payables					
Suppliers	350	350	350	350	350
Grants	1,500	1,500	1,500	1,500	1,500
Other	1,500	1,500	1,500	1,500	1,500
Total payables	3,350	3,350	3,350	3,350	3,350
Interest bearing liabilities					
Leases	909	743	574	401	228
Total interest bearing-liabilities	909	743	574	401	228
Provisions					
Employee provisions	626	696	766	841	876
Other provisions	162	212	247	267	302
Total provisions	788	908	1,013	1,108	1,178
Total liabilities	5,047	5,001	4,937	4,859	4,756
Net assets	49,984	43,373	37,373	31,373	31,373
EQUITY*					
Parent entity interest					
Retained surplus	49,984	43,373	37,373	31,373	31,373
Total parent entity interest	49,984	43,373	37,373	31,373	31,373
Total Equity	49,984	43,373	37,373	31,373	31,373

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

Prepared on Australian Accounting Standards basis.

**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 2021		
Balance carried forward from previous period	49,984	49,984
Adjusted opening balance	49,984	49,984
Comprehensive income		
Surplus (deficit) for the period	(6,611)	(6,611)
Total comprehensive income	(6,611)	(6,611)
of which:		
Attributable to the Australian Government	(6,611)	(6,611)
Estimated closing balance as at 30 June 2022	43,373	43,373
Closing balance attributable to the Australian Government	43,373	43,373

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					
Revenue from Government	41,792	38,890	39,076	39,068	39,068
Interest	375	235	200	175	175
Other	4,005	7,039	7,224	7,232	7,232
Total cash received	46,172	46,164	46,500	46,475	46,475
Cash used					
Employees	4,030	4,580	4,580	4,575	4,615
Suppliers	10,281	13,995	12,533	11,026	9,008
Grants	34,198	33,797	35,000	36,500	32,500
Lease liability – interest payments	22	15	12	9	9
Net GST paid	1	-	-	-	-
Total cash used	48,532	52,387	52,125	52,110	46,132
Net cash from (used by) operating activities	(2,360)	(6,223)	(5,625)	(5,635)	343
INVESTING ACTIVITIES					
Cash received					
Proceeds from sale of investments	2,696	6,514	5,919	5,933	-
Total cash received	2,696	6,514	5,919	5,933	-
Cash used					
Purchase of property, plant and equipment	150	125	125	125	125
Purchase of investments	-	-	-	-	45
Total cash used	150	125	125	125	170
Net cash from (used by) investing activities	2,546	6,389	5,794	5,808	(170)
FINANCING ACTIVITIES					
Cash used					
Lease liability – principal payments	192	166	169	173	173
Total cash used	192	166	169	173	173
Net cash from (used by) financing activities	(192)	(166)	(169)	(173)	(173)
Net increase (decrease) in cash held	(6)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	4,806	4,800	4,800	4,800	4,800
Cash and cash equivalents at the end of the reporting period	4,800	4,800	4,800	4,800	4,800

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for period end 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)	150	125	125	125	125
TOTAL	150	125	125	125	125
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	150	125	125	125	125
Total cash used to acquire assets	150	125	125	125	125

- (a) Includes the following sources of funding:
- annual and prior year appropriation; and
 - internally developed assets.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Departmental Statement of Cash Flows.

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

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2021				
Gross book value	-	497	401	898
Gross book value – ROU ^(a)	1,211	-	-	1,211
Accumulated depreciation/amortisation and impairment	-	(280)	(398)	(678)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(317)	-	-	(317)
Opening net book balance	894	217	3	1,114
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase – other ^(b)	-	125	-	125
Total additions	-	125	-	125
Other movements				
Depreciation/amortisation expense	-	(97)	(3)	(100)
Depreciation/amortisation expense – ROU ^(a)	(170)	-	-	(170)
Total other movements	(170)	(97)	(3)	(270)
As at 30 June 2022				
Gross book value	-	622	401	1,023
Gross book value – ROU ^(a)	1,211	-	-	1,211
Accumulated depreciation/amortisation and impairment	-	(377)	(401)	(778)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(487)	-	-	(487)
Closing net book balance	724	245	-	969

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) 'By purchase – other' refers to funding provided through other internal funding sources.

Prepared on Australian Accounting Standards basis.

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY

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AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Australian Fisheries Management Authority (AFMA) was established under the *Fisheries Administration Act 1991* (FAA) to manage Commonwealth fisheries on behalf of the Australian community in accordance with the *Fisheries Management Act 1991* (FMA).

The AFMA Commission is responsible for exercising AFMA's domestic fisheries management functions and powers under the FAA and FMA. The Chief Executive Officer (CEO) of AFMA is responsible for assisting the Commission, including giving effect to its decisions and is also a Commissioner. The CEO is also responsible for exercising AFMA's foreign compliance functions, is the accountable authority under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and the agency head for the purposes of the *Public Service Act 1999*.

AFMA pursues four overarching goals, drawn from our legislated functions and objectives:

- Management of Commonwealth fisheries consistent with principles of ecological sustainable development;
- Maximise net economic returns to the Australian community from the management of Commonwealth fisheries;
- Compliance with Commonwealth fisheries laws and policies and relevant international fishing obligations and standards; and
- Deliver effective, cost efficient and accountable management of Commonwealth fisheries resources.

We have regard to the impact of fishing on non-target species and on the long-term sustainability of the marine environment as well as taking into account the interests of commercial and recreational fishers. We are committed to better understanding indigenous fishing interests as they relate to Commonwealth fisheries so that these too can be considered properly.

Climate change challenges our understanding of, and ability to influence fish stocks and marine ecosystems. We continue to improve our understanding of and response to the impacts of climate change through a number of projects, which are progressing from research to implementation.

We commission and place high importance on scientific and economic research and ecological risk assessments to inform decision making. AFMA uses these tools and our

own monitoring activities to identify Australian marine living resources potentially affected by Commonwealth commercial fishing and implement measures to pursue sustainable fishing.

Our risk-based domestic compliance programs, participation in the Australian Government's civil maritime surveillance and response arrangements and engaging internationally are all integral activities to improve the management of fish stocks beyond the Australian Fishing Zone. Activities include education, monitoring and enforcement to protect Commonwealth fisheries from illegal fishing and engaging internationally to provide specialist advice and delivering capacity building programs to deter illegal, unreported and unregulated (IUU) fishing beyond Australia's borders.

AFMA also provides fisheries management, licensing and domestic compliance services for the Protected Zone Joint Authority (PZJA) under the *Torres Strait Fisheries Act 1984*. Decisions under this legislation are made by the PZJA, which comprises the Commonwealth fisheries Minister as Chair, with the Torres Strait Regional Authority and the Queensland Government as other members. Management and policy reform is of growing importance to the PZJA to ensure that the objectives of sustainable fisheries, economic development and employment opportunities for traditional inhabitants and protection of the traditional way of life and traditional fishing can be achieved.

AFMA works in partnership with the public and key stakeholders, including commercial fishing operators, the prescribed peak industry body, sectoral industry associations, indigenous communities, recreational and charter fishing representatives, researchers, environment/conservation organisations, state and territory agencies and others with an interest in Commonwealth fisheries management. We engage with stakeholder groups through management advisory committees, resource assessment groups, scientific panels, working groups, liaison meetings, port visits, and electronic newsletters to concession holders in Commonwealth fisheries. We consult with the public using contemporary digital, web and social media communication channels.

AFMA applies the Australian Government's cost recovery policy through its Cost Recovery Implementation Statement (CRIS). The Commonwealth commercial fishing industry pays for activities directly attributed to, and recoverable from it, while the government pays for activities that benefit the broader community, including compliance and enforcement. Delivering on government and community expectations in a cost-efficient manner is a growing challenge in some Commonwealth fisheries. We have a strong record of applying technological and other solutions to reduce and to help minimise costs and improve efficiency in the delivery of its regulatory services to the Commonwealth commercial fishing industry.

Our purpose

The ecologically sustainable development of Commonwealth fisheries for the benefit of the Australian community.

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 2021–22*.

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

Table 1.1: Australian Fisheries Management Authority – Resource Statement – Budget Estimates for 2021–22 as at Budget May 2021

	2020–21 <i>Estimated actual</i> \$'000	2021–22 Estimate \$'000
<u>Departmental</u>		
Annual appropriations – ordinary annual services^(a)		
Departmental appropriation	20,430	25,453
Prior year appropriations available ^(b)	10,606	10,606
Total departmental annual appropriations	31,036	36,059
Special accounts^(c)		
Appropriation receipts ^(d)	20,430	25,453
Non-appropriation receipts	17,037	17,228
Total special account receipts	37,467	42,681
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	<i>(20,430)</i>	<i>(25,453)</i>
Total departmental resourcing	48,073	53,287
<u>Administered</u>		
Annual appropriations – ordinary annual services^(a)		
Outcome 1	5,672	5,792
Total administered annual appropriations	5,672	5,792
Total administered resourcing	5,672	5,792
Total resourcing for AFMA	53,745	59,079
	2020–21	2021–22
Average staffing level (number)	154	177

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

(b) These amounts reflects opening special account balances only.

(c) For further information on special appropriations and special accounts, please refer to *Budget Paper No. 4: Agency Resourcing 2021–22*. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.

(d) Amounts credited to the special account(s) from entity AFMA's annual appropriations.

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

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

1.3 BUDGET MEASURES

Budget measures in Part 1 relating to the Australian Fisheries Management Authority are detailed in *Budget Paper No. 2: Budget Measures 2021–22* and are summarised below.

Table 1.2: Australian Fisheries Management Authority – 2021–22 Budget measures – Measures announced since 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
Payment measures					
Commonwealth's Deregulation Agenda ^(a)					
Administered payment	-	-	-	-	-
Departmental payment	-	638	995	1,243	1,208
Total	-	638	995	1,243	1,208
Total payment measures					
Administered	-	-	-	-	-
Departmental	-	638	995	1,243	1,208
Total	-	638	995	1,243	1,208
Payment measures (Capital)					
Commonwealth's Deregulation Agenda ^(a)					
Administered capital	-	-	-	-	-
Departmental capital	-	3,952	4,260	3,963	3,819
Total	-	3,952	4,260	3,963	3,819
Total payment measures (Capital)					
Administered	-	-	-	-	-
Departmental	-	3,952	4,260	3,963	3,819
Total	-	3,952	4,260	3,963	3,819

(a) The lead entity for this measure is the Department of the Prime Minister and Cabinet. The measure description appears in *Budget Paper No. 2: Budget Measures 2021–22* under the Prime Minister and Cabinet 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 PGPA Act. 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.

AFMA's most recent corporate plan can be found at:

https://www.afma.gov.au/sites/default/files/corporate_plan_2020-23_final.pdf

AFMA's most recent annual performance statement can be found at:

https://www.afma.gov.au/sites/default/files/afma_annual_report_2019-20_reduced.pdf

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Ecologically sustainable and economically efficient Commonwealth fisheries, through understanding and monitoring Australia's marine living resources and regulating and monitoring commercial fishing, including domestic licensing and deterrence of illegal foreign fishing.

2.1.1: Linked programs

Department of Agriculture, Water and the Environment
Program 1.4: Conservation of Australia's Heritage and Environment Program 3.4: Fishing Industry Program 4.1: Biosecurity and Export Services
Contribution to Outcome 1 made by linked program: The Australian Fisheries Management Authority (AFMA) and the Department of Agriculture, Water and the Environment engage on fisheries management to ensure a sustainable, productive and profitable fishing industry.
Department of Home Affairs
Program 3.2: Border Enforcement
Contribution to Outcome 1 made by linked program: AFMA provides the fisheries focus within the Australian Government Civil Maritime Surveillance and Response Program and is responsible for the administration of legislation on illegal fishing in the Australian Fishing Zone. AFMA deters and prevents illegal foreign fishing by carrying out education programs, cooperative enforcement operations, prosecution of offenders, confiscation of boats and capacity building projects.

2.1.2: Budgeted expenses for Outcome 1

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

Table 2.1: Budgeted expenses for Outcome 1

Outcome 1: Ecologically sustainable and economically efficient Commonwealth fisheries, through understanding and monitoring Australia's marine living resources and regulating and monitoring commercial fishing, including domestic licensing and deterrence of illegal foreign fishing.

	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 Fisheries Management Authority					
<u>Administered expenses</u>					
Ordinary annual services (Appropriation Bill (No. 1))					
Illegal Foreign Fishing Vessel Caretaking and Disposal	5,672	5,792	5,816	5,846	5,926
<u>Departmental expenses</u>					
Departmental appropriation ^(a)	21,414	22,481	22,963	23,450	23,392
<u>Special account</u>					
AFMA Special Account	14,665	14,812	14,960	15,109	15,260
Expenses not requiring appropriation in the Budget year ^(b)	2,757	2,557	3,087	3,579	4,078
Total expenses for program 1.1	44,508	45,642	46,826	47,984	48,656
Outcome 1 Totals by appropriation type					
<u>Administered expenses</u>					
Ordinary annual services (Appropriation Bill (No. 1))	5,672	5,792	5,816	5,846	5,926
<u>Departmental expenses</u>					
Departmental appropriation ^(a)	21,414	22,481	22,963	23,450	23,392
<u>Special account</u>					
Expenses not requiring appropriation in the Budget year ^(b)	2,757	2,557	3,087	3,579	4,078
Total expenses for Outcome 1	44,508	45,642	46,826	47,984	48,656
	2020–21	2021–22			
Average staffing level (number)	154	177			

(a) Expenses funded from both 'ordinary annual services' Appropriation Bill (No. 1) 2021–22) and 'revenue from independent sources' (section 74 of the PGPA Act).

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

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

Prepared on Australian Accounting Standards basis.

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: Ecologically sustainable and economically efficient Commonwealth fisheries, through understanding and monitoring Australia's marine living resources and regulating and monitoring commercial fishing, including domestic licensing and deterrence of illegal foreign fishing.	
Program 1.1: Australian Fisheries Management Authority	
Objective	The ecologically sustainable development of Commonwealth fisheries for the benefit of the Australian community.
Delivery	<p>AFMA manages Commonwealth fisheries resources consistent with principles of ecological sustainable development by:</p> <ul style="list-style-type: none"> Developing management arrangements that: <ul style="list-style-type: none"> Support the implementation of Commonwealth fisheries policies including the Harvest Strategy and Bycatch Policies; Implement AFMA's revised Ecological Risk Management Framework; Recover overfished stocks and prevent overfishing; and Ensure commercial, recreational and Indigenous fishing information is used in decision making. Investing in and applying scientific and economic research to decision making on fish stocks, sub-stocks, species (target and non-target species) and the impact of fishing on the marine environment. <p>AFMA maximises the net economic returns to the Australian community from the management of Commonwealth fisheries by:</p> <ul style="list-style-type: none"> Reviewing management arrangements to take into account commercial, recreational and Indigenous fishing interests when maximising net economic returns from the commercial sector. Increasing catch levels within sustainable total allowable catches (TACs) by conducting and considering implementation of research focussed on under caught TACs. Managing exploratory fisheries (potentially underutilised fisheries). Understanding impacts of resource allocation between commercial, recreational and Indigenous fishers.

Continued on following pages

Contributions to Outcome 1 (continued)

Program 1.1 – Australian Fisheries Management Authority (continued)	
Delivery (continued)	<p>AFMA ensures compliance with Commonwealth fisheries laws and policies and relevant international fishing obligations and standards by:</p> <ul style="list-style-type: none"> • Operating an effective compliance and enforcement regime encompassing: <ul style="list-style-type: none"> ○ Measures to maximise voluntary compliance; ○ Risk-based, intelligence driven, and targeted domestic operations; and ○ Building and maintaining strategic links and relationships with relevant law enforcement agencies. • Operating effective foreign fisheries compliance enforcement and capacity building by: <ul style="list-style-type: none"> ○ Implementing strategies to deter and eliminate illegal, unreported and unregulated (IUU) foreign fishing in Australian waters and on the high seas where Australia has an interest; and ○ Delivering capacity building programs internationally and supporting key regional and international fishing bodies. <p>AFMA delivers effective, cost efficient and accountable management of Commonwealth fisheries resources by:</p> <ul style="list-style-type: none"> • Pursuing ministerial directives and government initiatives to improve regulation and administration generally in the Australian Government sector including: <ul style="list-style-type: none"> ○ Exploring opportunities to streamline fisheries assessment and management processes; and ○ Implementing new fisheries policies for harvest strategies and bycatch to improve fishery management performance. • Reviewing business processes and systems, information flows and financial management arrangements through: <ul style="list-style-type: none"> ○ Assessing and mitigating high financial and operating risks; and ○ Developing an e-business plan that considers cost effective and efficient use of electronic systems for logbooks, monitoring and licensing. • Increasing AFMA accountability and stakeholder engagement through: <ul style="list-style-type: none"> ○ Expanded membership of management advisory committees (MACs) and resource assessment groups (RAGs); and ○ Capability development for recreational and Indigenous stakeholders.

Continued on following pages

Contributions to Outcome 1 (continued)

Performance information		
Year	Performance criteria ^(a)	Actual Achievement/Targets
2020–21	1. All major fisheries have Management Plans in place and managed in accordance with them (percentage of major fisheries).	100 per cent.
	2. Current Ecological Risk Assessment (ERA) for all fisheries/sub fisheries and responses in place for high risk species (percentage of fisheries/sub fisheries).	100 per cent.
	3. Fishery Specific Harvest Strategies in place for all fisheries/ sub fisheries (percentage of fisheries/sub fisheries).	90 per cent.
	4. Individual species Total Allowable Catch and effort limits set in accordance with harvest control rules based on scientific advice (percentage of species).	100 per cent.
	5. Bycatch mitigation and management arrangements in place for protected species and general bycatch (percentage of fisheries/sub fisheries).	70 per cent.
	6. Appropriate assessment – primarily Wildlife Trade Operation renewals – under the <i>Environment Protection and Biodiversity Conservation Act 1999</i> (percentage of fisheries/sub fisheries due per annum).	100 per cent.

Continued on following pages

Contributions to Outcome 1 (continued)

Performance information		
Year	Performance criteria ^(a)	Actual Achievement/Targets
2020–21 (continued)	7. Number of solely Commonwealth managed stocks subject to overfishing by Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) Fisheries Status Reports (percentage of fisheries/sub fisheries).	<10 per cent.
	8. For economically significant stocks: ^(b)	
	a. maximise the number of key commercial stocks with harvest strategy targets based on Maximum Economic Yield (MEY) or the best available proxy. ^{(c),(d)}	At least 15.
	b. improve the number of stocks in (a) assessed as being on target. ^(e)	Four.
	c. for those stocks in (a) that are assessed as not on target, improve the number that are heading towards their target reference point.	Seven.
	9. Major fisheries have harvest strategies that meet the Harvest Strategy Policy 2018 (HSP2018) within three years.	Eight.
	10. Other fisheries have harvest strategies that meet the HSP2018 within four years.	Four.
	11. National Compliance and Enforcement Policy reviewed every two years.	✓
	12. Risk assessment reviewed every two years.	✓

Continued on following pages

Contributions to Outcome 1 (continued)

Performance information		
Year	Performance criteria ^(a)	Actual Achievement/Targets
2020–21 (continued)	13. National Compliance and Enforcement Program developed and implemented annually.	✓
	14. Non-compliance incident levels in targeted risk areas maintained at current levels or reduced.	✓
	15. Treatment targets for all priority compliance risks met.	90 per cent.
	16. AFMA's International Compliance and Engagement Program endorsed by the CEO, reviewed every two years and available on the AFMA website.	N/A.
	17. Media releases for major activities and significant outcomes.	100 per cent.
	18. Number of illegal foreign fishing vessels detected in Australian waters remains low.	✓ Incident rates maintained at historical low levels.
	19. Disposal of apprehended foreign IUU vessels received by AFMA.	100 per cent.
	20. Foreign fishers charged are successfully prosecuted.	100 per cent.
	21. High risk foreign fishing vessels visiting Australian ports inspected.	100 per cent.
	22. High Seas Boarding and Inspection reports by Australian officers submitted, as required, to flag States and International Fisheries Management Organisations (IFMO).	100 per cent.

Continued on following pages

Contributions to Outcome 1 (continued)

Performance information		
Year	Performance criteria ^(a)	Actual Achievement/Targets
2020–21 (continued)	23. National Compliance and Enforcement Program developed and implemented annually.	100 per cent.
	24. Nominations of non-compliant vessels for IUU listing in accordance with IFMO are successful.	100 per cent.
	25. In-country programs to provide technical, policy and operational advice to build capacity are delivered.	Two.
	26. Participation in Forum Fisheries Agency-led cooperative training activities and multilateral maritime surveillance activities, as appropriate.	Four.
	27. Australian officers target IUU threats and engage flag States to implement remedial actions.	100 per cent of identified suspected non-compliant actions acted on.
	28. The percentage of overhead costs in total cost recovery expenditure remains below 20 per cent.	✓
	29. The variance between total actual and budgeted cost recovered expenditure should not exceed 5.0 per cent.	✓
	30. The percentage of total cost recovery expenditure to the Gross Value of Production (GVP) of Commonwealth fisheries should be no greater than 5.0 per cent.	✓

Continued on following pages

Contributions to Outcome 1 (continued)

Performance information		
Year	Performance criteria ^(a)	Actual Achievement/Targets
2020–21 (continued)	31. The cost recovered budget will remain at or below the budget in 2005–06 once adjusted for Consumer Price Index (CPI) increases.	✓
	32. An internal review of the AFMA CRIS will be undertaken each year prior to being provided to being provided to the Commonwealth fishing industry's peak body, the CFA, for their review.	✓
	33. Financial reports will be provided to the CFA detailing actual versus budget cost recovery expenditure by AFMA CRIS activity group and by fishery. A report will be provided for financial year to 31 December (by no later than 31 March) and for the full year (by no later than 30 September).	✓
	34. Information sessions for the Commonwealth fishing industry on the CRIS document and on activity cost formulation will be offered in March and October each year.	✓
	35. The change request register detailing industry feedback on the draft budget and CRIS will be published along with the final CRIS on the AFMA website each year before the commencement of the new financial year.	✓
	36. Implementation of Stakeholder Engagement Framework and Communication plan.	✓

Continued on following pages

Contributions to Outcome 1 (continued)

Performance information		
Year	Performance criteria ^(a)	Actual Achievement/Targets
2020–21 (continued)	37. The percentage of stakeholders responding to AFMA surveys (including biennial perception and 'pop-up' style surveys) increases by 10 per cent per annum.	✓
	38. The level of overall satisfaction of stakeholders increases over time.	✓
	39. The level of satisfaction responses of stakeholders to 'pop up' surveys increases over time.	✓
	40. The level of engagement and feedback from engagement with stakeholders increases over time.	✓
	41. The Agency Data Strategy and Roadmap is delivered and endorsed.	✓
	42. The Agency Data Capture project is implemented successfully, and extended across the agency to all logbook, catch disposal and observer data.	✓
	43. AFMA continues to align to the Digital 2020 policy and ensures internal processes and technology are enhanced to meet this requirement.	✓
	44. Data Governance and Culture is embedded into AFMA practices	✓

Continued on following pages

Contributions to Outcome 1 (continued)

Performance information		
Year	Performance criteria ^(a)	Actual Achievement/Targets
2020–21 (continued)	45. Significant increases to data analytical capability provided for AFMA staff.	✓
	46. The technical delivery of an integrated fisheries data architecture is implemented.	✓
2021–22	1. <i>The number of stocks for which management measures are based on species-appropriate scientific assessment.</i>	<i>No change or an increase.</i>
	2. <i>The percentage of species assessed as “residual High Risk” under Ecological Risk Assessment.</i>	<i>No change or a decrease.</i>
	3. <i>The number of AFMA-only stocks assessed as “subject to overfishing” in the ABARES Fishery Status Report.</i>	<i>Zero.</i>
	4. <i>AFMA advocates measures to address stocks shared with states and territories that are assessed as “overfished” or “subject to overfishing” in the ABARES Fishery Status Report in relevant negotiations.</i>	<i>Qualitative assessment.</i>
	5. <i>Status of Wildlife Trade Operations under the Environmental Protection and Biodiversity Conservation Act 1999.</i>	<i>All WTO’s are maintained.</i>
	6. <i>The number of stocks with target reference points based on MEY, an agreed proxy thereof or a multi-stock harvest strategy.</i>	<i>No change or an increase.</i>
	7. <i>Net Economic Return, as assessed in the ABARES Status of Fish Stocks Report.</i>	<i>Positive trend over 3 year window.</i>

Continued on following pages

Contributions to Outcome 1 (continued)

Performance information		
Year	Performance criteria^(a)	Actual Achievement/Targets
2021–22 (continued)	8. <i>Treatment of identified domestic compliance risks as outlined in the National Compliance and Enforcement Program (NCEP).</i>	<i>>90 per cent of NCEP performance targets met.</i>
	9. <i>Incidence level of illegal foreign fishing vessels operating in the Australian Fishing Zone.</i>	<i>Lower than the previous 10 year average.</i>
	10. <i>Compliance rate with international obligations as assessed in RFMO (implemented by AFMA).</i>	<i>>90 per cent.</i>
	11. <i>Cost recover budget.</i>	<i>At or below 2005–06 once adjusted for CPI.</i>
	12. <i>Corporate overheads compared to total budget.</i>	<i><20 per cent.</i>
	13. <i>Engagement with legislated peak body.</i>	<i>Commonwealth Fisheries Association is satisfied that meaningful opportunity is given to contribute to planning, delivery and reporting.</i>
2022–23 and beyond	1. <i>As per 2021–22.</i>	<i>No change or an increase.</i>
	2. <i>As per 2021–22.</i>	<i>No change or a decrease.</i>
	3. <i>As per 2021–22.</i>	<i>Zero.</i>
	4. <i>As per 2021–22.</i>	<i>Qualitative assessment.</i>
	5. <i>As per 2021–22.</i>	<i>All WTO's are maintained.</i>
	6. <i>As per 2021–22.</i>	<i>No change or an increase.</i>
	7. <i>As per 2021–22.</i>	<i>Positive trend over 3 year window.</i>
	8. <i>As per 2021–22.</i>	<i>>90 per cent of NCEP performance targets met.</i>

Continued on following page

Contributions to Outcome 1 (continued)

Performance information		
Year	Performance criteria ^(a)	Actual Achievement/Targets
2022–23 and beyond (continued)	9. <i>As per 2021–22.</i>	<i>Lower than the previous 10 year average.</i>
	10. <i>As per 2021–22.</i>	<i>>90 per cent.</i>
	11. <i>As per 2021–22.</i>	<i>At or below 2005–06 once adjusted for CPI.</i>
	12. <i>As per 2021–22.</i>	<i><20 per cent.</i>
	13. <i>As per 2021–22.</i>	<i>Commonwealth Fisheries Association is satisfied that meaningful opportunity is given to contribute to planning, delivery and reporting.</i>
Purposes	<p>AFMA is responsible for:</p> <ul style="list-style-type: none"> • Managing Commonwealth fisheries resources consistent with principles of ecological sustainable development; • Maximising net economic returns to the Australian community from the management of Commonwealth fisheries; • Promoting compliance with Commonwealth fisheries laws and policies and relevant international fishing obligations and standards; • Delivering effective, cost efficient and accountable management of Commonwealth fisheries resources; and • Considering the economic benefits for recreational and Indigenous stakeholders as well as commercial fishers. 	

(a) New or modified performance criteria that reflect new or materially changed programs are shown in italics.

(b) Please note that not all Commonwealth fish stocks can be managed by MEY; for example, those managed under international regional bodies.

(c) Where higher and lower value species are caught together, different targets for the lower value species may maximise net economic returns overall.

(d) Assessment methodologies are being reviewed. This may mean projections may vary.

(e) Key commercial stocks of a fishery as defined by the Commonwealth Fisheries Harvest Strategy Policy and Guidelines.

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1: Differences between entity resourcing and financial statements

The financial statements are prepared on an accrual basis where revenues and expenses are recognised as and when the resources are received and used. The entity resourcing table recognises cash resources available to be used during the period and includes amounts recognised as revenue in previous periods.

3.1.2: Explanatory notes and analysis of budgeted financial statements

AFMA expects to maintain a balanced budget position over the forward years, before depreciation and amortisation.

AFMA collects levies via regulations under the *Fishing Levy Act 1991*, in accordance with the *Fisheries Management Act 1991*, *Fisheries Administration Act 1991*, Australian Government cost recovery policy and AFMA's Cost Recovery Implementation Statement.

Administered income reflects the fines imposed by AFMA for domestic and international illegal fishing activities and the receipt of administered revenue for expenditure incurred.

Administered expenditure reflects payments to the providers of illegal foreign fishing vessel caretaking and disposal services.

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	21,829	22,043	22,259	22,565	22,790
Suppliers	14,153	15,163	15,588	15,930	15,810
Finance costs	97	87	76	64	52
Depreciation and amortisation	2,757	2,557	3,087	3,579	4,078
Total expenses	38,836	39,850	41,010	42,138	42,730
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	2,237	2,281	2,327	2,374	2,398
Rental income	135	135	135	135	136
Levies and licence fees provided via crediting right to special account	14,665	14,812	14,960	15,109	15,260
Total own-source revenue	17,037	17,228	17,422	17,618	17,794
Gains					
Other	45	45	45	45	45
Total gains	45	45	45	45	45
Total own-source income	17,082	17,273	17,467	17,663	17,839
Net cost of (contribution by) services	21,754	22,577	23,543	24,475	24,891
Revenue from Government	19,973	21,035	21,498	21,826	21,870
Surplus (deficit) attributable to the Australian Government	(1,781)	(1,542)	(2,045)	(2,649)	(3,021)
Total comprehensive income (loss) attributable to the Australian Government	(1,781)	(1,542)	(2,045)	(2,649)	(3,021)

Continued on following page

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

Note: Impact of net cash appropriation arrangements

	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'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)	1,711	1,511	2,050	2,494	3,060
less: depreciation/amortisation expenses for ROU assets ^(b)	1,046	1,046	1,037	1,085	1,018
add: Principal repayments on leased assets ^(b)	976	1,015	1,042	930	1,057
Total comprehensive income (loss) – as per the statement of comprehensive income	(1,781)	(1,542)	(2,045)	(2,649)	(3,021)

(a) From 2010–11, the Government introduced net cash appropriation arrangements where Bill (No. 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 (No. 1) equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.

(b) Applies to leases under AASB 16 Leases. Right of Use (ROU).

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	10,606	10,606	10,224	9,924	9,624
Trade and other receivables	1,269	1,269	1,269	1,269	1,269
Total financial assets	11,875	11,875	11,493	11,193	10,893
Non-financial assets					
Land and buildings	14,463	12,831	11,208	9,573	8,005
Property, plant and equipment	1,085	1,212	1,630	1,888	1,940
Intangibles	423	4,171	7,400	9,931	11,959
Other	538	538	538	538	538
Total non-financial assets	16,509	18,752	20,776	21,930	22,442
Total assets	28,384	30,627	32,269	33,123	33,335
LIABILITIES					
Payables					
Supplier payables	2,457	2,839	2,839	2,839	2,839
Other payables	649	649	649	649	649
Total payables	3,106	3,488	3,488	3,488	3,488
Provisions					
Employee provisions	5,474	5,474	5,474	5,474	5,474
Other provisions	181	181	181	181	181
Total provisions	5,655	5,655	5,655	5,655	5,655
Interest bearing liabilities					
Leases	7,860	6,845	5,803	4,873	3,816
Total interest bearing liabilities	7,860	6,845	5,803	4,873	3,816
Total liabilities	16,621	15,988	14,946	14,016	12,959
Net assets	11,763	14,639	17,323	19,107	20,376
EQUITY*					
Parent entity interest					
Contributed equity	13,721	18,139	22,868	27,301	31,591
Reserves	3,581	3,581	3,581	3,581	3,581
Retained surplus (accumulated deficit)	(5,539)	(7,081)	(9,126)	(11,775)	(14,796)
Total parent entity interest	11,763	14,639	17,323	19,107	20,376
Total Equity	11,763	14,639	17,323	19,107	20,376

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

Prepared on Australian Accounting Standards basis.

**Table 3.3: Departmental statement of changes in equity — summary of movement
(Budget year 2021–22)**

	Retained earnings	Revaluation Asset Reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2021				
Balance carried forward from previous period	(5,539)	3,581	13,721	11,763
Adjusted opening balance	(5,539)	3,581	13,721	11,763
Comprehensive income				
Surplus (deficit) for the period	(1,542)	-	-	(1,542)
Total comprehensive income	(1,542)	-	-	(1,542)
of which:				
Attributable to the Australian Government	(1,542)	-	-	(1,542)
Transactions with owners				
Contributions by owners				
Departmental Capital Budget (DCBs)	-	-	4,418	4,418
Sub-total transactions with owners	-	-	4,418	4,418
Estimated closing balance as at 30 June 2022	(7,081)	3,581	18,139	14,639
Closing balance attributable to the Australian Government	(7,081)	3,581	18,139	14,639

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					
Sale of goods and rendering of services	2,372	2,416	2,462	2,509	2,534
Appropriations	19,973	21,035	21,498	21,826	21,870
Other	14,665	14,812	14,960	15,109	15,260
Total cash received	37,010	38,263	38,920	39,444	39,664
Cash used					
Employees	21,829	22,043	22,259	22,565	22,790
Suppliers	13,726	14,736	15,543	15,885	15,765
Borrowing costs	97	87	76	64	52
Total cash used	35,652	36,866	37,878	38,514	38,607
Net cash from (used by) operating activities	1,358	1,397	1,042	930	1,057
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant, equipment and intangibles	839	4,800	5,111	4,733	4,590
Total cash used	839	4,800	5,111	4,733	4,590
Net cash from (used by) investing activities	(839)	(4,800)	(5,111)	(4,733)	(4,590)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	457	4,418	4,729	4,433	4,290
Total cash received	457	4,418	4,729	4,433	4,290
Cash used					
Lease liability – principal payments	976	1,015	1,042	930	1,057
Total cash used	976	1,015	1,042	930	1,057
Net cash from (used by) financing activities	(519)	3,403	3,687	3,503	3,233
Net increase (decrease) in cash held	-	-	(382)	(300)	(300)
Cash and cash equivalents at the beginning of the reporting period	10,606	10,606	10,606	10,224	9,924
Cash and cash equivalents at the end of the reporting period	10,606	10,606	10,224	9,924	9,624

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
CAPITAL APPROPRIATIONS					
Capital budget – Bill (No. 1) (DCB)	457	4,418	4,729	4,433	4,290
Total capital appropriations represented by:	457	4,418	4,729	4,433	4,290
Total new capital appropriations represented by:					
Purchase of non-financial assets	457	4,418	4,729	4,433	4,290
Total items	457	4,418	4,729	4,433	4,290
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation – DCB ^(a)	457	4,418	4,729	4,433	4,290
Funded internally from departmental resources ^(b)	382	382	382	300	300
TOTAL	839	4,800	5,111	4,733	4,590
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	839	4,800	5,111	4,733	4,590
Total cash used to acquire assets	839	4,800	5,111	4,733	4,590

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

(b) Includes the following sources of funding:

- annual and prior year appropriations;
- internally developed assets;
- section 74 External Revenue receipts;
- proceeds from the sale of assets; and
- the AFMA Special Account under section 94B of the *Fisheries Administration Act 1991*.

Prepared on Australian Accounting Standards basis.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

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

	Land	Buildings	Other property, plant and equipment	Intangibles	L&B, IP&E held for sale	Total
	\$'000	\$'000	\$'000	\$'000		\$'000
As at 1 July 2021						
Gross book value	1,775	5,613	1,595	7,026	2	16,011
Gross book value – ROU ^(a)	-	9,795	-	-	-	9,795
Accumulated depreciation/amortisation and impairment	-	(585)	(510)	(6,603)	(2)	(7,700)
Accumulated depreciation/ amortisation and impairment – ROU ^(a)	-	(2,135)	-	-	-	(2,135)
Opening net book balance	1,775	12,688	1,085	423	-	15,971
CAPITAL ASSET ADDITIONS						
Estimated expenditure on new or replacement assets						
By purchase – appropriation equity ^(b)	-	-	537	4,263	-	4,800
Total additions	-	-	537	4,263	-	4,800
Other movements						
Depreciation/ amortisation expense	-	(586)	(410)	(515)	-	(1,511)
Depreciation/ amortisation expense – ROU ^(a)	-	(1,046)	-	-	-	(1,046)
Total other movements	-	(1,632)	(410)	(515)	-	(2,557)
As at 30 June 2022						
Gross book value	1,775	5,613	2,132	11,289	2	20,811
Gross book value – ROU ^(a)	-	9,795	-	-	-	9,795
Accumulated depreciation/amortisation and impairment	-	(1,171)	(920)	(7,118)	(2)	(9,211)
Accumulated depreciation/ amortisation and impairment – ROU ^(a)	-	(3,181)	-	-	-	(3,181)
Closing net book balance	1,775	11,056	1,212	4,171	-	18,214

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2021–22, including Collection Development Acquisition Budgets; funding provided through Appropriation Bill (No. 1) 2021–22 for depreciation/amortisation expenses, DCBs or other operational expenses; and other internal funding sources.

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)

	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	5,672	5,792	5,816	5,846	5,926
Total expenses administered on behalf of Government	5,672	5,792	5,816	5,846	5,926
Net Cost of (contribution by) services	5,672	5,792	5,816	5,846	5,926
Surplus (Deficit)	(5,672)	(5,792)	(5,816)	(5,846)	(5,926)
Total comprehensive income (loss)	(5,672)	(5,792)	(5,816)	(5,846)	(5,926)

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					
Receivables	34	34	34	34	34
Total financial assets	34	34	34	34	34
Total assets administered on behalf of Government	34	34	34	34	34
LIABILITIES					
Payables					
Suppliers	3	3	3	3	3
Total payables	3	3	3	3	3
Total liabilities administered on behalf of Government	3	3	3	3	3
Net assets/(liabilities)	31	31	31	31	31

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 used					
Suppliers	5,672	5,792	5,816	5,846	5,926
Total cash used	5,672	5,792	5,816	5,846	5,926
Net cash from (used by) operating activities	(5,672)	(5,792)	(5,816)	(5,846)	(5,926)
Net increase (decrease) in cash held	(5,672)	(5,792)	(5,816)	(5,846)	(5,926)
Cash from Official Public Account for:					
– Appropriations	5,672	5,792	5,816	5,846	5,926
Total cash from Official Public Account	5,672	5,792	5,816	5,846	5,926
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.10: Statement of administered asset movements (Budget year 2021–22)

The schedule of administered asset movements on behalf of Government is nil.

**AUSTRALIAN PESTICIDES AND VETERINARY MEDICINES
AUTHORITY**

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AUSTRALIAN PESTICIDES AND VETERINARY MEDICINES AUTHORITY

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Australian Pesticides and Veterinary Medicines Authority (APVMA) is established under the *Agricultural and Veterinary Chemicals (Administration) Act 1992* (Administration Act). The APVMA's principal responsibilities are described in the Administration Act and the *Agricultural and Veterinary Chemicals Code Act 1994*.

The APVMA regulates the supply of safe and effective agricultural and veterinary (agvet) chemicals in Australia. Robust risk assessment methods are used to scientifically evaluate new and existing pesticides and veterinary medicines. Through efficient and effective regulation, the APVMA ensures the registration of agvet chemical products delivers appropriate protections for human health and safety, animals and the environment, and supports international trade.

The APVMA's regulatory responsibility extends from registration and manufacturing through to the point of sale. By agreement, the states and territories are then responsible for regulating and monitoring how agvet chemicals are used.

We will build on the adaptive and flexible response adopted during the COVID-19 pandemic, continuing to deliver regulatory services through collaborative and innovative work practices.

We will work to minimise cost recovery charges, consistent with the Australian Government Cost Recovery Guidelines, through the efficient implementation of cost recovered activities.

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 (i.e. appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Australian Pesticides and Veterinary Medicines Authority – 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	1,736	1,696
Funds from Government		
Annual appropriations – ordinary annual services^(a)		
Outcome 1	4,400	1,923
Total annual appropriations	4,400	1,923
Amounts received from related entities		
Amounts from portfolio department ^(b)	135	136
Total amounts received from related entities	135	136
Total funds from Government	4,535	2,059
Special appropriations^(c)		
<i>Agricultural and Veterinary Chemicals (Administration) Act 1992</i>		
s. 58 (6) – amount payable to the APVMA	38,466	35,878
Total special appropriations	38,466	35,878
Total funds from Government	43,001	37,937
Funds from industry sources		
Levies, fees and charges ^(d)	38,466	35,878
less amounts paid to the CRF	(38,466)	(35,878)
Total funds from industry sources	-	-
Funds from other sources		
Interest	20	20
Other	20	20
Total funds from other sources	40	40
Total net resourcing for APVMA	44,777	39,673
	2020–21	2021–22
Average staffing level (number)	180	187

(a) Appropriation Bill (No. 1) 2021–22. Appropriation is provided through the Department of Agriculture, Water and the Environment (DAWE) and is specified within the Annual Appropriation Bills as a payment to the Australian Pesticides and Veterinary Medicines Authority (APVMA) and is considered departmental for all purposes.

(b) Funding provided by the portfolio department that is not specified within the Annual Appropriation Bills as a payment to that corporate entity (for example, a grant awarded to a corporate entity from one of its portfolio department's administered programs).

(c) APVMA's special appropriation is not directly appropriated as it is a corporate Commonwealth entity under the PGPA Act. Appropriations are made to DAWE and are then paid to APVMA and are considered departmental for all purposes.

Continued on following page

Table 1.1: Australian Pesticides and Veterinary Medicines Authority – Resource Statement – Budget Estimates for 2021–22 as at Budget May 2021 (continued)

(d) These charges are imposed by the *Agricultural and Veterinary Chemicals Code Act 1994* and the *Agricultural and Veterinary Chemical Products (Collection of Levy) Act 1994*. They are collected by APVMA and transferred to the CRF. These amounts are then drawn down by the department as a Special Appropriation under the Administration Act.

CRF – Consolidated Revenue Fund.

Please note: 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.

1.3 BUDGET MEASURES

Budget measures in Part 1 relating to the Australian Pesticides and Veterinary Medicines Authority are detailed in *Budget Paper No. 2: Budget Measures 2021–22* and are summarised below.

Table 1.2: Australian Pesticides and Veterinary Medicines Authority – 2021–22 Budget measures – Measures announced after the Mid-Year Economic and Fiscal Outlook (MYEFO)

APVMA does not have any 2021–22 Budget measures.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance 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.

APVMA's most recent corporate plan can be found at:

<https://apvma.gov.au/node/69251>.

APVMA's most recent annual performance statement can be found at:

<https://apvma.gov.au/node/75056> in chapter 3.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Protection of the health and safety of people, animals, the environment, and agricultural and livestock industries through regulation of pesticides and veterinary medicines.

2.1.1: Linked programs

Department of Agriculture, Water and the Environment
Program 3.10: Agricultural Resources
<p>Contribution to Outcome 1 made by linked programs:</p> <p>The Australian Pesticides and Veterinary Medicines Authority and the Department of Agriculture, Water and the Environment work together to ensure the protection of the health and safety of humans, animals and the environment.</p>

2.1.2: Budgeted expenses for Outcome 1

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

Table 2.1: Budgeted expenses for Outcome 1

Outcome 1: Protection of the health and safety of people, animals, the environment, and agricultural and livestock industries through regulation of pesticides and veterinary medicines.					
	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 Pesticides and Veterinary Medicines Authority					
Revenue from Government					
Ordinary annual services					
(Appropriation Bill (No. 1)) ^(a)	4,400	1,923	1,656	1,663	1,669
Payment from related entities	135	136	138	141	142
Special appropriations					
<i>Agricultural and Veterinary Chemicals</i>					
<i>(Administration) Act 1992 s. 58 (6) –</i>					
amount payable to the APVMA	35,713	36,665	36,665	36,665	36,665
Revenues from other independent sources	100	100	100	100	100
Expenses not requiring appropriation in the Budget year ^(b)	3,767	248	193	136	91
Total expenses for program 1.1	44,115	39,072	38,752	38,705	38,667
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services					
(Appropriation Bill (No. 1)) ^(a)	4,400	1,923	1,656	1,663	1,669
Payment from related entities	135	136	138	141	142
Special appropriations	35,713	36,665	36,665	36,665	36,665
Revenues from other independent sources	100	100	100	100	100
Expenses not requiring appropriation in the Budget year ^(b)	3,767	248	193	136	91
Total expenses for Outcome 1	44,115	39,072	38,752	38,705	38,667
	2020–21	2021–22			
Average staffing level (number)	180	187			

(a) Appropriation Bill (No. 1) 2021–22. The APVMA is a corporate Commonwealth entity (CCE) under the PGPA Act and does not receive direct appropriations. Instead, this funding passes through DAWE to APVMA.

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

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

Prepared on Australian Accounting Standards basis.

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: Protection of the health and safety of people, animals, the environment, and agricultural and livestock industries through regulation of pesticides and veterinary medicines.		
Program 1.1: Australian Pesticides and Veterinary Medicines Authority		
Objective	The APVMA regulates agricultural and veterinary chemicals up to and including at the point of sale to protect the health and safety of people, animals and crops, the environment and trade and support Australian primary industries.	
Delivery	<p>Regulation of agricultural and veterinary chemicals is delivered through four mechanisms:</p> <ul style="list-style-type: none">• Risk-based assessment and registration of pesticides and veterinary chemicals;• Identification and resolution of non-compliance up to and including the point of retail sale;• Licence and audit veterinary manufacturers; and• Identification and review of the safety of existing chemicals of regulatory concern.	
Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020–21	The percentage of applications finalised within statutory timeframes.	100 per cent.
2021–22	As per 2020–21.	As per 2020–21.
2022–23 and beyond	As per 2020–21.	As per 2020–21.
Purpose	Regulate agricultural and veterinary chemicals to ensure they are safe for Australian people, animals and the environment.	

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1: Differences between entity resourcing and financial statements

The resourcing statement is prepared on a cash basis. The financial statements are prepared on an accrual basis. Differences between the resourcing and financial statements represent timing differences between revenue recognition and cash received.

3.1.2: Explanatory notes and analysis of budgeted financial statements

A new Cost Recovery Implementation Statement (CRIS) was approved by the Minister for Agriculture, Drought and Emergency Management in April 2020, and came in to effect on 1 July 2020.

The Government made available an additional \$17.7 million to the APVMA through *Appropriation Act (No. 5) 2019–20* in response to the COVID-19 pandemic, to ensure funding was available in the event of a fall in cost recovered revenue from industry. This appropriation was recorded as revenue in 2019–20 and remains as an amount receivable on the balance sheet.

The operating losses disclosed in Table 3.1 relate to the accounting treatment of office leases, with an additional amount of \$3.466 million in 2020–21 which represents expenditure funded from appropriations received in prior 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	24,304	24,509	25,244	25,748	25,917
Suppliers	16,073	10,877	11,404	10,868	10,677
Depreciation and amortisation	3,537	3,498	1,929	1,929	1,929
Borrowing costs	201	188	175	160	144
Total expenses	44,115	39,072	38,752	38,705	38,667
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	20	20	20	20	20
Other	80	80	80	80	80
Total own-source revenue	100	100	100	100	100
Total own-source income	100	100	100	100	100
Net cost of (contribution by) services	44,015	38,972	38,652	38,605	38,567
Revenue from Government					
Commonwealth contribution	4,400	1,923	1,656	1,663	1,669
Payment from related entities	135	136	138	141	142
Industry contributions	35,713	36,665	36,665	36,665	36,665
Total revenue from Government	40,248	38,724	38,459	38,469	38,476
Surplus/(deficit) attributable to the Australian Government	(3,767)	(248)	(193)	(136)	(91)
Total comprehensive income/(loss) attributable to the Australian Government	(3,767)	(248)	(193)	(136)	(91)
Note: Impact of net cash appropriation arrangements					
	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	(2,387)	-	-	-	-
less depreciation/amortisation expenses for ROU ^(a)	2,380	1,301	1,301	1,301	1,209
add principal repayments on leased assets ^(a)	1,000	1,053	1,108	1,165	1,118
Total comprehensive income/(loss) – as per the Statement of comprehensive income	(3,767)	(248)	(193)	(136)	(91)

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

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	1,696	1,745	1,552	1,842	2,262
Trade and other receivables	27,747	28,534	28,101	27,139	27,139
Total financial assets	29,443	30,279	29,653	28,981	29,401
Non-financial assets					
Land and buildings	16,862	15,491	14,120	12,749	11,378
Property, plant and equipment	1,931	2,673	3,415	4,157	3,899
Intangibles	1,569	-	-	-	-
Other	419	419	419	419	419
Total non-financial assets	20,781	18,583	17,954	17,325	15,696
Total assets	50,224	48,862	47,607	46,306	45,097
LIABILITIES					
Payables					
Suppliers	460	399	447	447	447
Other payables	910	910	880	880	880
Total payables	1,370	1,309	1,327	1,327	1,327
Provisions					
Employee provisions	4,847	4,847	4,875	4,875	4,875
Total provisions	4,847	4,847	4,875	4,875	4,875
Interest bearing liabilities					
Leases	14,466	13,413	12,305	11,140	10,022
Total interest bearing liabilities	14,466	13,413	12,305	11,140	10,022
Total liabilities	20,683	19,569	18,507	17,342	16,224
Net assets	29,541	29,293	29,100	28,964	28,873
EQUITY*					
Parent entity interest					
Contributed equity	6,675	6,675	6,675	6,675	6,675
Reserves	281	281	281	281	281
Retained surplus (accumulated deficit)	22,585	22,337	22,144	22,008	21,917
Total parent entity interest	29,541	29,293	29,100	28,964	28,873
Total Equity	29,541	29,293	29,100	28,964	28,873

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

Prepared on Australian Accounting Standards basis.

**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	22,585	281	6,675	29,541
Adjusted opening balance	22,585	281	6,675	29,541
Comprehensive income				
Surplus (deficit) for the period	(248)	-	-	(248)
Total comprehensive income	(248)	-	-	(248)
of which:				
Attributable to the Australian Government	(248)	-	-	(248)
Estimated closing balance as at 30 June 2022	22,337	281	6,675	29,293
Closing balance attributable to the Australian Government	22,337	281	6,675	29,293

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					
Grants received from Portfolio Department	43,003	37,937	38,892	39,431	38,476
Net GST received	1,578	1,354	1,414	1,365	1,082
Interest receipts	20	20	20	20	20
Other	20	20	20	20	20
Total cash received	44,621	39,331	40,346	40,836	39,598
Cash used					
Employees	24,282	24,509	25,216	25,748	25,917
Suppliers	17,878	12,232	12,740	12,173	11,699
Lease liability – interest payments	201	188	175	160	144
Total cash used	42,361	36,929	38,131	38,081	37,760
Net cash from (used by) operating activities	2,260	2,402	2,215	2,755	1,838
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	1,300	1,300	1,300	1,300	300
Total cash used	1,300	1,300	1,300	1,300	300
Net cash from (used by) investing activities	(1,300)	(1,300)	(1,300)	(1,300)	(300)
FINANCING ACTIVITIES					
Cash used					
Lease liability – principal payments	1,000	1,053	1,108	1,165	1,118
Total cash used	1,000	1,053	1,108	1,165	1,118
Net cash from (used by) financing activities	(1,000)	(1,053)	(1,108)	(1,165)	(1,118)
Net increase (decrease) in cash held	(40)	49	(193)	290	420
Cash and cash equivalents at the beginning of the reporting period	1,736	1,696	1,745	1,552	1,842
Cash and cash equivalents at the end of the reporting period	1,696	1,745	1,552	1,842	2,262

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
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources ^(a)	1,300	1,300	1,300	1,300	300
TOTAL	1,300	1,300	1,300	1,300	300
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	1,300	1,300	1,300	1,300	300
Total cash used to acquire assets	1,300	1,300	1,300	1,300	300

(a) Includes the following sources of funding:

- annual and prior year appropriations;
- internally developed assets;
- section 74 External Revenue; and
- proceeds from the sale of assets.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

Prepared on Australian Accounting Standards basis.

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

	Building	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2021				
Gross book value	3,119	2,389	9,441	14,949
Gross book value – ROU ^(a)	16,293	-	-	16,293
Accumulated depreciation/amortisation and impairment	(170)	(458)	(7,872)	(8,500)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(2,380)	-	-	(2,380)
Opening net book balance	16,862	1,931	1,569	20,362
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase – other ^(b)	-	1,300	-	1,300
Total additions	-	1,300	-	1,300
Other movements				
Depreciation/amortisation expense	(70)	(558)	(1,569)	(2,197)
Depreciation/amortisation expense – ROU ^(a)	(1,301)	-	-	(1,301)
Total other movements	(1,371)	(558)	(1,569)	(3,498)
As at 30 June 2022				
Gross book value	3,119	3,689	9,441	16,249
Gross book value – ROU ^(a)	16,293	-	-	16,293
Accumulated depreciation/amortisation and impairment	(240)	(1,016)	(9,441)	(10,697)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(3,681)	-	-	(3,681)
Closing net book balance	15,491	2,673	-	18,164

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) 'By purchase – other' refers to funding provided through other internal funding sources.

Prepared on Australian Accounting Standards basis.

BUREAU OF METEOROLOGY

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BUREAU OF METEOROLOGY

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Bureau of Meteorology (the Bureau) is Australia's national weather, climate and water agency, providing essential and trusted products and services that contribute to the safety, prosperity and wellbeing of the Australian community all day, every day. The Bureau's work directly informs decisions by governments and the community and supports industry in key sectors such as emergency management, aviation, transport, water management, agriculture and environmental management.

The Bureau is committed to delivering its Strategy 2017–2022. The Strategy is focused on four pillars of success:

- Impact and Value – products and services that benefit the Australian community and drive competitive advantage for businesses and industries.
- Operational Excellence – outstanding people, science, systems, infrastructure and partnerships working together for maximum simplicity, productivity and agility.
- Insight and Innovation – deep understanding and creative thinking that generates novel solutions for our customers and our organisation.
- The Bureau Way – one enterprise, that is safe and diverse, where our people grow and are empowered to excel, and where our customers come first, trust us and consider that we are a pleasure to work with.

The Bureau will continue to improve the security and resilience of its Information Communications Technology systems and business processes under the measure *Bureau of Meteorology – Improved Security and Resilience for ICT Systems – Tranche Two*. This builds upon the measure *Bureau of Meteorology – Improved Security and Resilience* from 2017–18 and will assist the Bureau to continue to provide reliable, ongoing access to weather, climate, water and oceans information.

In addition, the Bureau will continue to invest in, maintain and replace critical assets under the 2020–21 Budget measure *Bureau of Meteorology – Long-term Financial Sustainability*. This measure will benefit the community with improved response times and more consistent and resilient services delivered by the Bureau across urban, regional and remote areas. This investment will also enable Bureau forecasters and climate scientists to access cutting edge tools and technologies needed to deal with the increasing number of multiple and concurrent severe weather events, now and into the future.

Through the measure *COVID-19 Response Package – Aviation and Tourism Support – Maintain Meteorological Services* announced in Budget 2021–22, the Bureau will continue to provide essential aviation meteorological services to support the recovery of the aviation industry.

In collaboration with key partner agencies, the Bureau will lead the work undertaken by the Australian Climate Service which will provide critical climate and natural disaster risk information to ensure the safety, security and prosperity of all Australians. Central to the Service, is the provision of data and information to enable Emergency Management Australia and the new National Recovery and Resilience Agency to work from a common operating picture. This will combine information about recent and impending natural disasters, community vulnerability and at-risk assets to develop and test response, mitigation and recovery plans and build Australia's resilience.

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

Table 1.1: Bureau of Meteorology – Resource Statement – Budget Estimates for 2021–22 as at Budget May 2021

	2020–21 ^(a) Estimated actual \$'000	2021–22 Estimate \$'000
<u>Departmental</u>		
Annual appropriations – ordinary annual services ^(b)		
Prior year appropriations available ^(c)	78,876	76,491
Departmental appropriation ^(d)	267,765	310,386
Section 74 external revenue ^(e)	66,044	81,286
Departmental capital budget ^(f)	41,546	46,014
Annual appropriations – other services – non-operating ^(g)		
Prior year appropriations available ^(c)	74,252	15,000
Equity Injection	119,252	202,591
Total departmental appropriations	647,735	731,768
Total resourcing for Bureau of Meteorology	647,735	731,768
	2020–21	2021–22
Average staffing level (number)	1,562	1,620
Third Party Payments from and on behalf of other entities		
	2020–21 Estimated actual \$'000	2021–22 Estimate \$'000
Payments made to other entities for the provision of services (disclosed above)	13,004	12,192
Receipts received from other entities for the provision of services (disclosed above in section 74 external revenue section above)	10,610	10,588

(a) Annual appropriation amounts appearing for 2020–21 do not include the Appropriation Bills (No. 3) and (No. 4) 2020–21, as they had not been enacted at the time of publication. For the Bureau, the Bills include \$2.154 million in departmental appropriation and \$3.123 million in departmental equity injection.

(b) Appropriation Bill (No. 1) 2021–22.

(c) Excludes \$32.037 million subject to administrative quarantine by the Department of Finance or withheld under section 51 of the PGPA Act.

(d) Excludes departmental capital budget (DCB).

(e) Estimated external revenue receipts under section 74 of the PGPA Act.

(f) Departmental capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.7 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

(g) Appropriation Bill (No. 2) 2021–22.

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

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

1.3 BUDGET MEASURES

Budget measures in Part 1 relating to the Bureau of Meteorology are detailed in *Budget Paper No. 2: Budget Measures 2021–22* and are summarised below.

Table 1.2: Bureau of Meteorology – 2021–22 Budget measures – Measures announced since 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
Payment measures						
Building Australia's Resilience ^(a)	1.1					
Administered payment		-	-	-	-	-
Departmental payment		-	33,223	36,433	33,310	28,842
Total		-	33,223	36,433	33,310	28,842
COVID-19 Response Package – aviation and tourism support – continued – aircservices fee waiver ^(b)	1.1					
Administered payment		-	-	-	-	-
Departmental payment		-	1,906	-	-	-
Total		-	1,906	-	-	-
COVID-19 Response Package – aviation and tourism support – continued – maintain meteorological services ^(b)	1.1					
Administered payment		-	-	-	-	-
Departmental payment		-	24,823	-	-	-
Total		-	24,823	-	-	-
Total payment measures						
Administered		-	-	-	-	-
Departmental		-	59,952	36,433	33,310	28,842
Total		-	59,952	36,433	33,310	28,842
Payment measures (Capital)						
Building Australia's Resilience ^(a)	1.1					
Administered capital		-	-	-	-	-
Departmental capital		-	12,419	28,554	18,793	14,383
Total		-	12,419	28,554	18,793	14,383
Total payment measures (Capital)						
Administered		-	-	-	-	-
Departmental		-	12,419	28,554	18,793	14,383
Total		-	12,419	28,554	18,793	14,383

(a) The lead entity for this measure is the Department of Home Affairs. The measure description appears in *Budget Paper No. 2: Budget Measures 2021–22* under the Home Affairs portfolio.

(b) The lead entity for this measure is the Department of Infrastructure, Transport, Regional Development and Communications. The measure description appears in *Budget Paper No. 2: Budget Measures 2021–22* under the Infrastructure, Transport, Regional Development and Communications portfolio.

Prepared on a Government Finance Statistics (Underlying Cash) basis.

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 Bureau of Meteorology can be found at: http://www.bom.gov.au/inside/2020-21_BOM_Corporate_Plan.pdf.

The most recent annual performance statement can be found at: <https://www.transparency.gov.au/annual-reports/bureau-meteorology/reporting-year/2019-20-26>.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Enabling a safe, prosperous, secure and healthy Australia through the provision of weather, water, climate and ocean services.

2.1.1: Linked programs

Australian Maritime Safety Authority
Program 1.1 Seafarer and ship safety, environment protection and search and rescue.
Contribution to Outcome 1 made by linked programs The Bureau provides marine weather information covering wind, weather, sea and swell conditions for safe maritime operations.
Civil Aviation Safety Authority
Program 1.1: Sub-program 2: Collaborative engagement with the aviation industry and wider community to promote and support aviation safety.
Contribution to Outcome 1 made by linked programs The Bureau provides aviation users with meteorological information necessary for safe and efficient civil aviation operations.
Commonwealth Scientific and Industrial Research Organisation
Program 1: Research – Science, Services and Innovation Fund
Contribution to Outcome 1 made by linked programs The Bureau works with CSIRO to undertake research as part of the Earth Systems and Climate Change Hub through the National Environmental Science Program.

Linked programs (continued)

Department of Agriculture, Water and the Environment
<p>Program 1.2: Environmental Information and Research</p> <p>Program 1.3: Commonwealth Environmental Water</p> <p>Program 2.1: Antarctica: Science, Policy and Presence</p> <p>Program 3.2: Sustainable Management – Natural Resources</p> <p>Program 3.11: Drought Programs</p> <p>Program 5.1: Water Reform</p>
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Bureau is a partner in the Earth Systems and Climate Change Hub in the National Environmental Science Program.</p> <p>In addition, the Bureau's water information services inform Commonwealth water planning and decision making in relation to water resource availability.</p> <p>The Bureau provides weather, climate and water modelling and information to the Department of Agriculture, Water and the Environment.</p> <p>The Bureau provides meteorological and related services in support of the Australian Antarctic Program under a Memorandum of Understanding. There are also joint science projects underway between the Bureau and the Australian Antarctic Division.</p>
Department of Defence
<p>Various programs</p>
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Bureau has a strategic partnering agreement for the provision of meteorological and oceanographic services to support the Department of Defence.</p>
Department of Foreign Affairs and Trade
<p>Program 1.2: Official Development Assistance</p>
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Bureau delivers a number of activities funded by official development assistance programs including:</p> <ul style="list-style-type: none"> the Climate and Ocean Support Program in the Pacific, which is delivering enhanced climate, ocean and tidal services for Pacific Island communities and governments; and the PNG Capacity Development Program which is restoring PNG's meteorological observation network and enhancing technical and governance capacity within the PNG National Weather Service.

Linked programs (continued)

Department of Home Affairs
Program 1.10: Australian Government Disaster Financial Support Payments
Contribution to Outcome 1 made by linked programs The Bureau collaborates with the Department of Home Affairs by providing alerts relating to severe weather events, including floods and tsunamis, to protect the community, weather for maritime security operations and space weather alerts for critical infrastructure management and climatic advice for strategic risk management.
Department of Industry, Science, Energy and Resources
Program 2.1: Reducing Australia's Greenhouse Gas Emissions Program 3.1: Energy
Contribution to Outcome 1 made by linked programs The Bureau provides weather and climate information to the Department of Industry, Science, Energy and Resources to inform priority climate science investment areas and research needs and the reliable and secure operation of energy markets.
Department of Infrastructure, Transport, Regional Development and Communications
Program 2.3: Air Transport
Contribution to Outcome 1 made by linked programs The Bureau works with the Department of Infrastructure, Transport, Regional Development and Communications to maintain air connectivity for Australians, enabling critical freight movement for essential workers and domestic tourism across the country.
Geoscience Australia
Program 1.1: Geoscientific and Spatial Information Services
Contribution to Outcome 1 made by linked programs The Bureau partners with Geoscience Australia to provide the Joint Australian Tsunami Warning Centre.
Murray-Darling Basin Authority
Program 1.1: Murray-Darling Basin Authority
Contribution to Outcome 1 made by linked programs The Bureau provides weather, climate and water modelling, insight and analysis to the Murray-Darling Basin Authority.

2.1.2: Budgeted expenses for Outcome 1

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

Table 2.1: Budgeted expenses for Outcome 1

Outcome 1: Enabling a safe, prosperous, secure and healthy Australia through the provision of weather, water, climate and ocean services.					
	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: Bureau of Meteorology					
Departmental expenses					
Departmental appropriation	274,313	314,912	312,494	293,634	290,608
Section 74 external revenue ^(a)	63,688	79,606	84,842	87,666	87,666
Expenses not requiring appropriation in the budget year ^(b)	156,283	145,435	146,152	146,152	146,152
Total expenses for program 1.1	494,284	539,953	543,488	527,452	524,426
Outcome 1 totals by resource type					
Departmental expenses					
Departmental appropriation	274,313	314,912	312,494	293,634	290,608
Section 74 external revenue ^(a)	63,688	79,606	84,842	87,666	87,666
Expenses not requiring appropriation in the budget year ^(b)	156,283	145,435	146,152	146,152	146,152
Total expenses for Outcome 1	494,284	539,953	543,488	527,452	524,426
	2020–21	2021–22			
Average staffing level (number)	1,562	1,620			

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

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

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

Prepared on Australian Accounting Standards basis.

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: Enabling a safe, prosperous, secure and healthy Australia through the provision of weather, water, climate and ocean services.		
Program 1.1: Bureau of Meteorology		
Objective	Provides trusted, reliable and responsive weather, water, climate and ocean services for Australia—all day, every day.	
Delivery	Program 1.1 will be delivered by: <ul style="list-style-type: none">• Weather, water, climate and ocean products and services that benefit the Australian community and drive competitive advantage for businesses and industries.• Outstanding people, science, systems, infrastructure and partnerships working together for maximum simplicity, productivity and agility.• Deep understanding and creative thinking that generates novel solutions for our customers and our organisation.• One enterprise, that is safe and diverse, where our people grow and are empowered to excel, and where our customers come first, trust us and consider that we are a pleasure to work with.	
Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020–21	<ul style="list-style-type: none">• Financial and social value is delivered to Government, industry and the Australian community.• Delivery of products and services that meet customer requirements, are delivered to budget, meet quality and security specifications and benchmark well in relation to international standards and peer organisations.• The speed, maturity and quality of innovation and novel solutions meets customer needs or enhances internal capability.• Feedback from staff, customers and partners demonstrates alignment of our actual behaviours with our stated intent to create a safe, diverse and empowered enterprise that puts customers first, and provides an outstanding experience every time that they engage with us.	The Bureau is on track to meet the 2020–21 key performance indicators. Evidence of achievement will be described in the Bureau's Annual Performance Statement 2020–21 in line with the evidence targets described in the Corporate Plan 2020–21.

Contributions to Outcome 1 (continued)

Performance information		
Year	Performance criteria	Actual Achievement/Targets
2021–22	<ul style="list-style-type: none"> Financial and social value is delivered to Government, industry and the Australian community. Delivery of products and services that meet customer requirements, are delivered to budget, meet quality and security specifications and benchmark well in relation to international standards and peer organisations. The speed, maturity and quality of innovation and novel solutions meets customer needs or enhances internal capability. Feedback from staff, customers and partners demonstrates alignment of our actual behaviours with our stated intent to create a safe, diverse and empowered enterprise that puts customers first, and provides an outstanding experience every time that they engage with us. 	The Bureau's enterprise level performance criteria have broad relevance across the agency as a whole. Both quantitative and qualitative targets that collectively demonstrate the achievement of the Bureau's enterprise level performance criteria will be set out in the Bureau's Corporate Plan 2021–22 and will be reported in the Bureau's Annual Performance Statement 2021–22.
2022–23 and beyond	As per 2021–22.	As per 2021–22.
Purposes	To provide trusted, reliable and responsive weather, water, climate and ocean services for Australia – all day, every day.	

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1: Explanatory notes and analysis of budgeted financial statements

Budgeted Comprehensive Departmental Income Statement

An analysis of the Bureau's budgeted financial statements, as reflected in the Bureau's budgeted departmental financial statements and administered schedules for the 2021–22 Budget, is provided below:

Total revised revenue to the Bureau in 2021–22 is estimated to be \$390.4 million, an increase of \$56.7 million from the 2020–21 estimated Budget amount. The movement in funding is the result of a number of factors including changes in government decisions, movements in efficiency dividend, indexation rates and adjustments related to other Budget items.

The overall appropriated revenue includes specific funding related to:

- funding associated with the 2016–17 Additional estimates Budget measure – Essential Commonwealth Water Functions;
- funding associated with the Budget measure – Improved security and resilience in the 2017–18, 2018–19 and 2020–21 Budgets;
- funding associated with the 2019–20 Budget measure – Bureau of Meteorology – additional radars and gauges;
- funding associated with the 2019–20 Budget measure – Barkley Regional Deal;
- funding associated with the 2020–21 Budget measures Long-Term Financial Sustainability;
- funding associated with 2019–20, 2020–21 and 2021–22 Funding supplementation to support the aviation sector recovery;
- funding associated with the 2021–22 Budget measure Building Australia's Resilience; and
- reduced funding associated with the 2020–21 Budget measure Savings through Additional Revenue.

Total expenses are estimated to be \$540.0 million, an increase of \$45.7 million from 2020–21 estimate budget expenditure. The increase chiefly reflects increased expenditure associated with new Budget measures and externally generated revenue activities. Whilst the Bureau is no longer funded for Depreciation through Appropriation Bill (No.1) the expenditure is still recognised in the income statement.

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	178,271	188,364	189,244	190,922	188,468
Suppliers	144,209	178,943	180,987	163,346	162,724
Depreciation and amortisation	167,271	168,270	168,785	168,785	168,785
Finance costs	2,386	2,458	2,532	2,532	2,532
Write-down and impairment of assets	1	1	1	1	1
Other expenses	2,146	1,917	1,939	1,866	1,916
Total expenses	494,284	539,953	543,488	527,452	524,426
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sales of goods and rendering of services	63,910	80,062	85,442	88,266	88,266
Total own-source revenue	63,910	80,062	85,442	88,266	88,266
Gains					
Sales of assets	(84)	-	-	-	-
Total gains	(84)	-	-	-	-
Total own-source income	63,826	80,062	85,442	88,266	88,266
Net cost of (contribution by) services	430,458	459,891	458,046	439,186	436,160
Revenue from Government	269,919	310,386	307,832	288,972	285,946
Total revenue from Government	269,919	310,386	307,832	288,972	285,946
Surplus/(deficit) attributable to the Australian Government	(160,539)	(149,505)	(150,214)	(150,214)	(150,214)
Total comprehensive income/(loss) attributable to the Australian Government	(160,539)	(149,505)	(150,214)	(150,214)	(150,214)

Continued on following page

Table 3.1: Comprehensive income statement (showing net cost of services) (for the period ended 30 June) (continued)**Note: Impact of Net Cash Appropriation Arrangements**

	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Total comprehensive income (loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriation, depreciation on ROU, principal repayments on leased assets	(10,861)	455	600	600	600
less depreciation/amortisation expenses previously funded through revenue appropriations ^(a)	145,283	145,435	146,152	146,152	146,152
less depreciation/amortisation expenses for ROU ^(b)	16,658	17,157	17,672	17,672	17,672
add principal repayments on leased assets ^(b)	12,263	12,632	13,010	13,010	13,010
Total comprehensive income (loss) – as per the statement of comprehensive income	(160,539)	(149,505)	(150,214)	(150,214)	(150,214)

(a) From 2010–11, the Government introduced net cash appropriation arrangements where Appropriation Bill (No. 1) or Appropriation Bill (No. 3) revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Appropriation Bill (No. 1) or Bill (No. 3) equity appropriations. For information regarding DCB, please refer to Table 3.6 Departmental Capital Budget Statement.

(b) Applies to leases under AASB 16 Leases. Right of Use (ROU).

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	948	948	948	948	948
Trade and other receivables	93,028	93,984	97,734	101,484	104,484
Other financial assets	2,296	2,296	2,296	2,296	2,296
Total financial assets	96,272	97,228	100,978	104,728	107,728
Non-financial assets					
Land and buildings	197,903	188,435	178,937	173,454	167,971
Property, plant and equipment	476,810	523,141	524,424	486,217	447,699
Intangibles	233,177	298,162	357,727	391,651	422,208
Inventories	5,381	5,381	5,381	5,381	5,381
Other non-financial assets	9,155	9,155	9,155	9,155	9,155
Total non-financial assets	922,426	1,024,274	1,075,624	1,065,858	1,052,414
Assets held for sale	2,548	2,548	2,548	2,548	2,548
Total assets	1,021,246	1,124,050	1,179,150	1,173,134	1,162,690
LIABILITIES					
Payables					
Suppliers	29,031	29,031	29,031	29,031	29,031
Other payables	49,089	49,839	50,589	51,339	51,339
Total payables	78,120	78,870	79,620	80,370	80,370
Interest bearing liabilities					
Leases	127,066	130,475	133,988	137,501	141,014
Total interest bearing liabilities	127,066	130,475	133,988	137,501	141,014
Provisions					
Employee provisions	63,279	63,279	63,279	63,279	63,279
Other provisions	25,141	25,141	25,141	25,141	25,141
Total provisions	88,420	88,420	88,420	88,420	88,420
Total liabilities	293,606	297,765	302,028	306,291	309,804
Net assets	727,640	826,285	877,122	866,843	852,886
EQUITY*					
Parent entity interest					
Contributed equity	1,250,101	1,498,706	1,699,757	1,839,692	1,975,949
Reserves	334,049	334,049	334,049	334,049	334,049
Retained surplus (accumulated deficit)	(856,510)	(1,006,470)	(1,156,684)	(1,306,898)	(1,457,112)
Total parent entity interest	727,640	826,285	877,122	866,843	852,886
Total Equity	727,640	826,285	877,122	866,843	852,886

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

Prepared on Australian Accounting Standards basis.

**Table 3.3: Departmental statement of changes in equity—summary of movement
(Budget year 2021–22)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contribution equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2021				
Balance carried forward from previous period	(856,510)	334,049	1,250,101	727,640
Adjusted opening balance	(856,510)	334,049	1,250,101	727,640
Comprehensive income				
Surplus (deficit) for the period	(149,505)	-	-	(149,505)
Total comprehensive income	(149,505)	-	-	(149,505)
of which:				
Attributable to the Australian Government	(149,505)	-	-	(149,505)
Transactions with owners				
Contributions by owners				
Equity Injection – Appropriation	-	-	202,591	202,591
Departmental Capital Budget (DCB)	-	-	46,014	46,014
Other	(455)	-	-	(455)
Sub-total transactions with owners	(455)	-	248,605	248,150
Estimated closing balance as at 30 June 2022	(1,006,470)	334,049	1,498,706	826,285
Closing balance attributable to the Australian Government	(1,006,470)	334,049	1,498,706	826,285

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	405,143	389,037	389,524	373,488	371,212
Sales of goods and rendering of services	63,909	80,061	85,441	88,265	88,265
Total cash received	469,052	469,098	474,965	461,753	459,477
Cash used					
Employees	181,021	187,614	188,494	190,172	188,468
Suppliers	158,209	178,943	180,987	163,346	162,724
Lease liability – interest payments	2,386	2,458	2,532	2,532	2,532
Section 74 external revenue transferred to the OPA	65,834	80,062	85,442	88,266	88,266
Other	2,146	1,917	1,939	1,866	1,916
Total cash used	409,596	450,994	459,394	446,182	443,906
Net cash from (used by) operating activities	59,456	18,104	15,571	15,571	15,571
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	2,135	1,225	1,225	1,225	1,225
Total cash received	2,135	1,225	1,225	1,225	1,225
Cash used					
Purchase of property, plant and equipment and intangibles	213,249	255,302	204,837	143,721	140,043
Total cash used	213,249	255,302	204,837	143,721	140,043
Net cash from (used by) investing activities	(211,114)	(254,077)	(203,612)	(142,496)	(138,818)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	163,921	248,605	201,051	139,935	136,257
Total cash received	163,921	248,605	201,051	139,935	136,257
Cash used					
Lease liability – principal payments	12,263	12,632	13,010	13,010	13,010
Total cash used	12,263	12,632	13,010	13,010	13,010
Net cash from (used by) financing activities	151,658	235,973	188,041	126,925	123,247
Net increase (decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	948	948	948	948	948
Cash and cash equivalents at the end of the reporting period	948	948	948	948	948

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					
Capital budget – Bill (No. 1) (DCB)	41,546	46,014	59,346	121,128	121,874
Equity injections – Bill (No. 2)	122,375	202,591	141,705	18,807	14,383
Total new capital appropriations	163,921	248,605	201,051	139,935	136,257
<i>Provided for:</i>					
Purchase of non-financial assets	163,921	248,605	201,051	139,935	136,257
Total items	163,921	248,605	201,051	139,935	136,257
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	168,848	202,591	141,705	18,807	14,383
Funded by capital appropriation – DCB ^(b)	41,546	46,014	59,346	121,128	121,874
Funded internally from departmental resources ^(c)	2,855	6,697	3,786	3,786	3,786
TOTAL	213,249	255,302	204,837	143,721	140,043
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	213,249	255,302	204,837	143,721	140,043
Total cash used to acquire assets	213,249	255,302	204,837	143,721	140,043

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

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

(c) Includes the following sources of funding:

- current Bill (No. 1) and prior year Act/Bill (No. 1/3/5) appropriations (excluding amounts from the DCBs);
- donations and gifts of non-financial assets;
- internally developed assets;
- section 74 external revenue; and
- proceeds from the sale of assets.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

Prepared on Australian Accounting Standards basis.

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

	Land	Buildings	Other property, plant and equipment	Computer software and intangibles	L&B, IPE held for sale	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2021						
Gross book value	10,790	83,161	675,174	443,495	2,548	1,215,168
Gross book value – ROU ^(a)	2,475	146,648	1,448	-	-	150,571
Accumulated depreciation/ amortisation and impairment	-	(12,894)	(199,012)	(210,318)	-	(422,224)
Accumulated depreciation/ amortisation and impairment – ROU ^(a)	(1,037)	(31,240)	(800)	-	-	(33,077)
Opening net book balance	12,228	185,675	476,810	233,177	2,548	910,438
CAPITAL ASSET ADDITIONS						
Estimated expenditure on new or replacement assets						
By purchase – appropriation equity ^(b)	-	-	120,174	82,417	-	202,591
By purchase – appropriation equity – ROU ^{(a)(b)}	554	15,168	319	-	-	16,041
By purchase – appropriation ordinary annual services ^(c)	-	1,291	31,895	12,828	-	46,014
By purchase – other ^(d)	-	-	6,697	-	-	6,697
Total additions	554	16,459	159,085	95,245	-	271,343
Other movements						
Depreciation/ amortisation expense	-	(8,531)	(112,322)	(30,260)	-	(151,113)
Depreciation/ amortisation expense – ROU ^(a)	(556)	(16,194)	(407)	-	-	(17,157)
Disposals ^(e)						
From disposal of entities or operations	-	(1,200)	(25)	-	-	(1,225)
Total other movements	(556)	(25,925)	(112,754)	(30,260)	-	(169,495)

Continued on following page

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

	Land	Buildings	Other property, plant and equipment	Computer software and intangibles	L&B, IPE held for sale	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 30 June 2022						
Gross book value	10,790	83,252	833,915	538,740	2,548	1,469,245
Gross book value – ROU ^(a)	3,029	161,816	1,767	-	-	166,612
Accumulated depreciation/ amortisation and impairment	-	(21,425)	(311,334)	(240,578)	-	(573,337)
Accumulated depreciation/ amortisation and impairment – ROU ^(a)	(1,593)	(47,434)	(1,207)	-	-	(50,234)
Closing net book balance	12,226	176,209	523,141	298,162	2,548	1,012,286

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) 'Appropriation equity' refers to equity injections or Administered Assets and Liabilities appropriations provided through Appropriation Bill (No. 2) 2021–2022, including Collection Development Acquisition Budget.

(c) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2021–2022 for depreciation/amortisation expenses, Departmental Capital Budget or other operational expenses.

(d) 'By purchase – other' refers to funding provided through other internal funding sources.

(e) Net proceeds may be returned to the OPA.

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)

	2020–21 Estimated actual \$'000	2021–22 Budget \$'000	2022–23 Forward estimate \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Sale of goods and rendering of services	nfp	nfp	nfp	nfp	-
Total non-taxation revenue	nfp	nfp	nfp	nfp	-
Total own-source revenue administered on behalf of Government	nfp	nfp	nfp	nfp	-
Net Cost of (contribution by) services	nfp	nfp	nfp	nfp	-
Surplus (Deficit)	nfp	nfp	nfp	nfp	-
Total comprehensive income (loss)	nfp	nfp	nfp	nfp	-

Prepared on Australian Accounting Standards basis.

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

The schedule of budgeted assets and liabilities administered on behalf of Government does not apply to the Bureau.

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

The schedule of budgeted administered cash flows on behalf of Government does not apply to the Bureau.

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COTTON

RESEARCH AND DEVELOPMENT CORPORATION

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Cotton Research and Development Corporation (CRDC) delivers outcomes in cotton research, development and extension (RD&E) on behalf of Australia's cotton growers and the Australian Government.

Established in October 1990 and operating under the *Primary Industries Research and Development Act 1989* (PIRD Act), CRDC exists to power the success of Australian cotton through investment in, and delivery of, cotton RD&E. CRDC is based in Narrabri, New South Wales: the heart of one of Australia's major cotton-growing regions and home to the Australian Cotton Research Institute.

Cotton is a major contributor to the economic, environmental and social fabric of rural Australia. Predominately grown in New South Wales and Queensland, with expansion into Victoria and commercial trials in northern Australia, cotton is a major employer and contributor to the local, state and national economy. The industry generates significant wealth and provides an economic foundation to these regions and their communities, employing some 10,000 people. Cotton is Australia's fifth most valuable agricultural export commodity, generating an average of \$1.9 billion in export revenue annually.

CRDC's role is to invest in RD&E on behalf of cotton growers and the government, with the outcomes boosting the productivity and profitability of industry. RD&E, and its resulting innovations, are a key driving force behind the cotton industry's continued success. CRDC's ultimate aim is to deliver increased economic, social and environmental benefits for the Australian cotton industry, and the wider community, by investing in knowledge, innovation and its adoption.

CRDC's investments are governed by a five-year strategic plan, with 2021–22 being the fourth year under CRDC's 2018–23 Strategic Plan. The strategic plan provides an ambitious roadmap for CRDC's investment.

CRDC's aim through the plan is to contribute to creating \$2 billion in additional gross value of cotton production for the benefit of Australian cotton growers and the wider community.

The plan has five key areas of focus:

- Increasing productivity and profitability on Australian cotton farms;
- Improving cotton farming sustainability and value chain competitiveness;
- Building the adaptive capacity of the Australian cotton industry;
- Strengthening partnerships and adoption; and
- Driving RD&E impact.

To help achieve this, Australian cotton growers and the Australian Government will co-invest \$18.9 million into cotton RD&E during 2020–21, across these key focus areas.

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

Table 1.1: Cotton Research and Development Corporation – 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	33,025	23,579
Funds from Government		
Special appropriations^(a)		
<i>Primary Industries Research and Development Act 1989 s.30(3) – Cotton R&D Corporation</i>	4,323	9,183
Total special appropriations	4,323	9,183
Total funds from Government	4,323	9,183
Funds from industry sources		
Levies ^(b)	2,160	4,790
<i>less amounts paid to the CRF</i>	(2,160)	(4,790)
Total funds from industry sources	-	-
Funds from other sources		
Interest	122	100
Royalties	60	5
Other	4,537	3,725
Total funds from other sources	4,719	3,830
Total net resourcing for CRDC	42,067	36,592
	2020–21	2021–22
Average staffing level (number)	15	15

(a) The CRDC is a corporate Commonwealth entity (CCE) under the PGPA Act and does not receive direct appropriations. Instead, this funding passes through DAWE to CRDC and are considered departmental for all purposes.

(b) Levies imposed and collected under the following legislation: *Primary Industries Research and Development Act 1989* (PIRD Act), *Primary Industries (Excise) Levies Act 1999*, *Primary Industries Levies and Charges Collection Act 1991* and associated legislation.

CRF – Consolidated Revenue Fund.

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

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

1.3 BUDGET MEASURES

Budget measures in Part 1 relating to the Cotton Research and Development Corporation are detailed in *Budget Paper No. 2: Budget Measures 2021–22* and are summarised below.

Table 1.2: Cotton Research and Development Corporation – 2021–22 Budget measures – Measures announced since the 2020–21 Mid-Year Economic and Fiscal Outlook (MYEFO)

CRDC does not have any 2021–22 Budget measures.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance 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 Cotton Research and Development Corporation can be found at: www.crdc.com.au/publications/crdc-strategic-plan.

The most recent annual performance statement for the Cotton Research and Development Corporation can be found at:
www.crdc.com.au/publications/crdc-annual-report.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Adoption of innovation that leads to increased productivity, competitiveness and environmental sustainability through investment in research and development that benefits the Australian cotton industry and the wider community.

2.1.1: Linked programs

Department of Agriculture, Water and the Environment
Program 3.10: Agricultural Resources
Contribution to Outcome 1 made by linked program: The Cotton Research and Development Corporation works together with the Department of Agriculture, Water and the Environment to ensure a sustainable, productive and profitable cotton industry.

2.1.2: Budgeted expenses for Outcome 1

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

Table 2.1: Budgeted expenses for Outcome 1

Outcome 1: Adoption of innovation that leads to increased productivity, competitiveness and environmental sustainability through investment in research and development that benefits the Australian cotton industry and the wider community.					
	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: Cotton Research and Development Corporation					
<u>Revenue from Government</u>					
Special appropriations					
<i>Primary Industries Research and Development Act 1989 s. 30(3) – Cotton R&D Corporation</i>	2,160	4,790	7,288	8,705	8,705
Special appropriations – Industry Levies	2,160	4,790	7,288	8,705	8,705
Revenues from other independent sources	4,442	3,831	1,058	355	365
Expenses not requiring appropriation in the budget year ^(a)	9,495	5,511	(2,670)	(3,699)	(3,132)
Total expenses for program 1.1	18,257	18,922	12,964	14,066	14,643
<u>Outcome 1 totals by resource type</u>					
<u>Revenue from Government</u>					
Special appropriations	2,160	4,790	7,288	8,705	8,705
Special appropriations – Industry Levies	2,160	4,790	7,288	8,705	8,705
Revenues from other independent sources	4,442	3,831	1,058	355	365
Expenses not requiring appropriation in the budget year ^(a)	9,495	5,511	(2,670)	(3,699)	(3,132)
Total expenses for Outcome 1	18,257	18,922	12,964	14,066	14,643
<u>Average staffing level (number)</u>					
	2020–21	2021–22			
	15	15			

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

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

Prepared on Australian Accounting Standards basis.

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.

As an entity established under the PIRD Act, CRDC does not produce a Corporate Plan under the PGPA Act and is therefore exempt from the requirement to map purposes to outcomes.

Outcome 1: Adoption of innovation that leads to increased productivity, competitiveness and environmental sustainability through investment in research and development that benefits the Australian cotton industry and the wider community.	
Program 1.1: Cotton Research and Development Corporation	
Objectives	Increase productivity and profitability on cotton farms Deliver RD&E for cotton producers to increase productivity, successfully protect crops from biotic threats and environmental stresses, adopt transformative technologies and innovate for improved profitability.
	Improve cotton farming sustainability and value chain competitiveness Deliver RD&E and innovation to create higher value uses for cotton and assist the industry achieve its ambition to be the highest yielding, finest, cleanest and most responsibly produced cotton in the world.
	Build adaptive capacity of the cotton industry Deliver RD&E to develop science and innovation capacity as well as new knowledge to strengthen adaptive capacity.
	Strengthening partnerships and adoption Deliver RD&E and innovation through collaborative partnerships to ensure adoption of best practice, new knowledge, products and services.
	Driving RD&E impact Deliver assessments of the impact of CRDC's RD&E investments that inform future investment direction and continuous improvement.

Continued on following pages

Contributions to Outcome 1 (continued)

Program 1.1: Cotton Research and Development Corporation (continued)	
Delivery	<p>Increase productivity and profitability on cotton farms</p> <p>Strategically prioritise investment in basic, applied and blue-sky research collaboratively with research and cross-sectoral partners to develop new knowledge, practices and adapt transformative technologies for on-farm application that also protect industry from biotic threats and environmental stresses.</p>
	<p>Improve cotton farming sustainability and value chain competitiveness</p> <p>Strategically prioritise investment in basic, applied and blue-sky research collaboratively with research, industry and cross-sectoral partners to develop new knowledge, practices, processes, higher value products and innovative approaches to improve the sustainability of cotton farming and strengthen value chain competitiveness.</p>
	<p>Build adaptive capacity of the cotton industry</p> <p>Strategically prioritise investment in RD&E collaboratively with research, industry and cross-sectoral partners to develop new knowledge, futures thinking, science and innovation capability.</p>
	<p>Strengthening partnerships and adoption</p> <p>Strategically prioritise investment in the effective adoption of research by strengthening partnerships and collaboration, development of best practice and supporting innovation and commercialisation.</p>
	<p>Driving RD&E impact</p> <p>Strategically prioritise investment in research, data capture, analysis and reviews with stakeholders and partners to demonstrate that RD&E investments deliver impact.</p>

Continued on following page

Contributions to Outcome 1 (continued)

Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020–21	Increase productivity and profitability on cotton farms Improved yield and quality.	Annual increase of 0.35 bales per hectare for irrigated cotton and 0.14 bales per hectare for dryland cotton. <i>On target for irrigated cotton. Not on target for dryland due to drought conditions.</i>
	Improve cotton farming sustainability and value chain competitiveness CRDC collaborates in global leadership for sustainability initiatives.	Participates in six global initiatives. <i>On target.</i>
	Build adaptive capacity of the cotton industry Science and innovation capacity is strengthened and strategically fit for a digital future.	10+ new/early career researchers supported through strategic career pathways. <i>On target.</i>
	Strengthening partnerships and adoption Partnerships are strengthened to engage multi-disciplinary and multi-institutional resources.	40 per cent of annual RD&E investments are through cross sectoral partnerships. <i>On target.</i>
	Driving RD&E impact CRDC monitors and evaluates RD&E impact.	One RD&E impact report per annum. <i>On target.</i>
2021–22	As per 2020–21.	As per 2020–21.
2022–23 and beyond	As per 2020–21.	As per 2020–21.

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1: Differences between entity resourcing and financial statements

The resourcing statement is prepared on a cash basis. The financial statements are prepared on an accrual basis. Differences between the resourcing and financial statements represent timing differences between revenue recognition and cash received.

3.1.2: Explanatory notes and analysis of budgeted financial statements

Budgeted Comprehensive Income Statement

Variability in CRDC's revenue and expenditure is a result of significant fluctuations in the production of Australian cotton each year. Cotton production has been as low as 0.6 million bales in 2008 and 2020, as high as 5.4 million bales in 2012 and is estimated to be 3.0 million bales in 2021–22.

Revenue from industry levies, matching contributions from the Australian Government and royalties are determined by the level of cotton production and represent more than 71 per cent of total revenue. Since 2008–09 CRDC's revenue has fluctuated between \$7.7 million and \$31.4 million per annum.

The impact of a highly variable revenue stream on CRDC's investment in RD&E is minimised by managing cash reserves. During periods of high revenue CRDC builds up reserves by operating in surplus. During periods of low revenue CRDC draws on reserves by operating under approved deficits. This financial strategy allows CRDC to maintain a more consistent level of RD&E expenditure each year.

Matching contributions from the Australian Government are determined by either the value of industry levies collected or 0.5 per cent of the cotton industry's three-year average gross value of production. Which limit will apply depends on the price of cotton, timing of the harvest and ginning and the variability of the crop size. Royalties, interest on investments, external grant revenue and research project refunds make up the balance of the CRDC's income.

To achieve the strategic priorities of the research and development (R&D) plan for the period 2018–23, CRDC planned to invest a total of \$125.0 million for the five-year R&D plan. The 2019 to 2020 drought reduced cotton production in most of the major cotton growing regions and continues to impact CRDC's revenues and ability to invest

\$125 million over the five year R&D plan. The current forward estimate is for a total investment of \$94.3 million.

CRDCs investments during drought have focussed on supporting core research activities to support industry needs and building research and innovation skills that will provide the foundation for the future of the cotton industry.

In 2021-22 CRDC has budgeted for a deficit of \$5.5 million based on revenues of \$13.4 million and RD&E expenditure of \$18.9 million.

Budgeted Balance Sheet

Reserves increased between 2010-11 and 2013-14 during years of high cotton production and decreased from 2014-15 to 2020-21 due to below average levels of cotton production. In 2021-22 CRDC estimates production will be approximately 3.0 million bales, continuing the trend of below-average production. Very recent rainfall resulting in inflows to irrigation storages may reverse this trend however it is currently too early to estimate the benefit these inflows may have.

CRDC plans to use its reserves to maintain research expenditure at a consistent level in future years when crop levels are below historical averages. The balance of expenditure and reserves will be closely monitored to ensure that reserves remain at an appropriate level.

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	1,870	2,172	2,277	2,382	2,491
Suppliers	1,148	1,272	1,336	1,238	1,247
Grants	15,068	15,287	9,140	10,268	10,727
Depreciation and amortisation	171	191	211	178	178
Total expenses	18,257	18,922	12,964	14,066	14,643
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	175	100	90	100	110
Royalties	60	5	5	5	5
Other Grants	3,957	3,476	713	-	-
Other	250	250	250	250	250
Total own-source revenue	4,442	3,831	1,058	355	365
Net cost of (contribution by) services	13,815	15,091	11,906	13,711	14,278
Revenue from Government ^(a)					
Commonwealth contribution	2,160	4,790	7,288	8,705	8,705
Industry contributions	2,160	4,790	7,288	8,705	8,705
Total revenue from Government	4,320	9,580	14,576	17,410	17,410
Surplus/(deficit) attributable to the Australian Government	(9,495)	(5,511)	2,670	3,699	3,132
Total comprehensive income/(loss) attributable to the Australian Government	(9,495)	(5,511)	2,670	3,699	3,132

(a) Revenue from Government includes a Commonwealth contribution under the PIRD Act and levies collected from industry by the Department of Agriculture, Water and the Environment for R&D activities.

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	7,079	7,115	5,226	4,902	3,971
Trade and other receivables	929	1,327	3,826	3,826	3,826
Investments in Shares	144	144	144	144	144
Investments	16,500	10,500	12,500	16,500	20,500
Total financial assets	24,652	19,086	21,696	25,372	28,441
Non-financial assets					
Land and buildings	746	781	816	851	886
Property, plant and equipment	368	401	459	447	475
Intangibles	144	131	98	98	98
Total non-financial assets	1,258	1,313	1,373	1,396	1,459
Total assets	25,910	20,399	23,069	26,768	29,900
LIABILITIES					
Payables					
Suppliers	200	200	200	200	200
Grants	4,000	4,000	4,000	4,000	4,000
Total payables	4,200	4,200	4,200	4,200	4,200
Provisions					
Employee provisions	454	454	454	454	454
Total provisions	454	454	454	454	454
Total liabilities	4,654	4,654	4,654	4,654	4,654
Net assets	21,256	15,745	18,415	22,114	25,246
EQUITY*					
Parent entity interest					
Reserves	307	307	307	307	307
Retained surplus	20,949	15,438	18,108	21,807	24,939
Total parent entity interest	21,256	15,745	18,415	22,114	25,246
Total Equity	21,256	15,745	18,415	22,114	25,246

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

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2021–22)

	Retained earnings	Asset revaluation reserve	Other reserves	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2021				
Balance carried forward from previous period	20,949	273	34	21,256
Adjusted opening balance	20,949	273	34	21,256
Comprehensive income				
Surplus (deficit) for the period	(5,511)	-	-	(5,511)
Total comprehensive income	(5,511)	-	-	(5,511)
of which:				
Attributable to the Australian Government	(5,511)	-	-	(5,511)
Estimated closing balance as at 30 June 2022	15,438	273	34	15,745
Closing balance attributable to the Australian Government	15,438	273	34	15,745

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					
Industry contributions	2,160	4,790	7,288	8,705	8,705
Revenue from Government	2,163	4,393	4,788	8,705	8,705
Interest	122	100	90	100	110
Net GST received	1,747	1,649	972	1,017	1,072
Other Grants	3,957	3,476	713	-	-
Other	640	254	256	255	255
Total cash received	10,789	14,662	14,107	18,782	18,847
Cash used					
Employees	1,830	2,172	2,277	2,382	2,491
Suppliers	1,137	1,272	1,336	1,238	1,247
Grants	16,942	16,936	10,112	11,285	11,799
Total cash used	19,909	20,380	13,725	14,905	15,537
Net cash from (used by) operating activities	(9,120)	(5,718)	382	3,877	3,310
INVESTING ACTIVITIES					
Cash received					
Investments	30,000	20,000	20,000	20,000	20,000
Total cash received	30,000	20,000	20,000	20,000	20,000
Cash used					
Purchase of property, plant and equipment	326	246	271	201	241
Purchase of investment	29,500	14,000	22,000	24,000	24,000
Total cash used	29,826	14,246	22,271	24,201	24,241
Net cash from (used by) investing activities	174	5,754	(2,271)	(4,201)	(4,241)
Net increase (decrease) in cash held	(8,946)	36	(1,889)	(324)	(931)
Cash and cash equivalents at the beginning of the reporting period	16,025	7,079	7,115	5,226	4,902
Cash and cash equivalents at the end of the reporting period	7,079	7,115	5,226	4,902	3,971

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for period end 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)	326	246	271	201	241
TOTAL	326	246	271	201	241
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	326	246	271	201	241
Total cash used to acquire assets	326	246	271	201	241

(a) Includes the following sources of funding:
– internally developed assets.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

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

	Land \$'000	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2021					
Gross book value	190	599	723	993	2,505
Accumulated depreciation/amortisation and impairment	-	(43)	(355)	(849)	(1,247)
Opening net book balance	190	556	368	144	1,258
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
By purchase – other ^(a)	-	50	136	60	246
Total additions	-	50	136	60	246
Other movements					
Depreciation/ amortisation expense	-	(15)	(103)	(73)	(191)
Total other movements	-	(15)	(103)	(73)	(191)
As at 30 June 2022					
Gross book value	190	649	859	1,053	2,751
Accumulated depreciation/ amortisation and impairment	-	(58)	(458)	(922)	(1,438)
Closing net book balance	190	591	401	131	1,313

(a) 'By purchase – other' refers to funding provided through other internal funding sources.

Prepared on Australian Accounting Standards basis.

DIRECTOR OF NATIONAL PARKS

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DIRECTOR OF NATIONAL PARKS

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

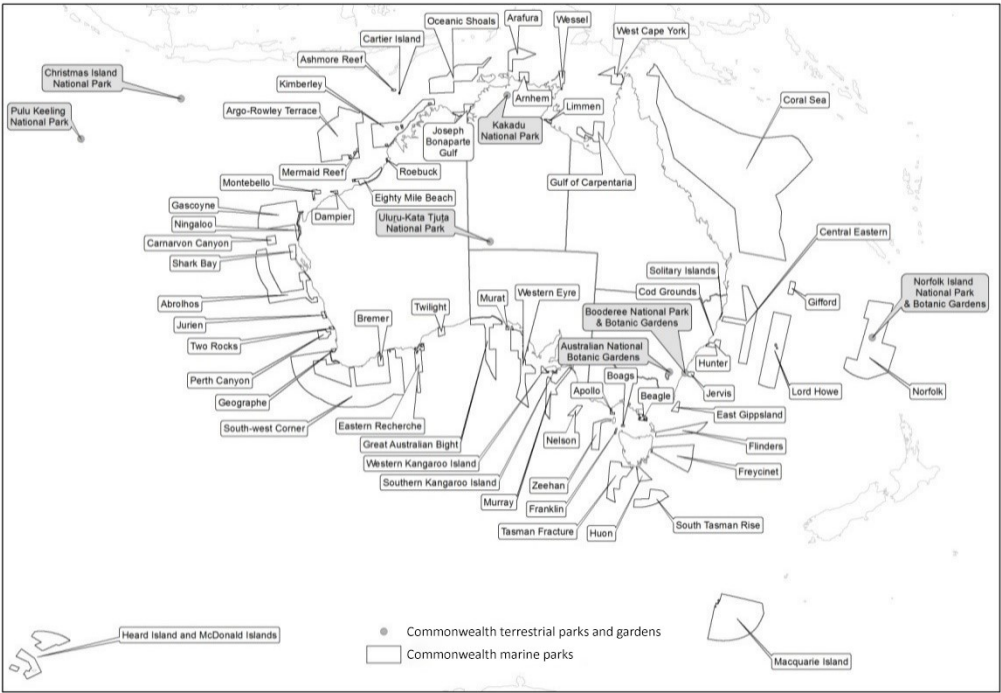
The Director of National Parks (DNP) is a Corporate Commonwealth Entity, operating under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) to administer and manage Commonwealth reserves (national parks, botanic gardens, marine and terrestrial reserves). These reserves include:

- Booderee, Kakadu and Uluru-Kata Tjuta National Parks, which are each jointly managed with their Aboriginal Traditional Owners. Kakadu and Uluru-Kata Tjuta National Parks are World Heritage listed.
- National parks in the Australian territories of Norfolk, Christmas and Cocos (Keeling) Islands.
- The Australian National Botanic Gardens, which is a major national institution for the study of Australian plants.
- The 58 marine parks managed by DNP in the South East, South West, North West, North and Temperate East marine regions and the Coral Sea. The Director of National Parks has delegated responsibilities under the EPBC Act in respect of the Heard Island and McDonald Islands Reserve to the Australian Antarctic Division.

The DNP purpose is to protect, conserve and enhance the values of Commonwealth parks and gardens for the use and wellbeing of all Australians.

To deliver these priorities within the Government's fiscal strategy, the DNP will continue to look to diversify and increase external revenue and partnerships, seek further improvements in the efficient use of our resources and continue to invest in the skills and capabilities of our staff.

Diagram 1: Location of Commonwealth Parks and Gardens



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

Table 1.1: Director of National Parks – 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	44,773	41,973
Funds from Government		
Annual appropriations – other services^(a)		
Equity injection – transferred by portfolio department	25,408	126,241
Total departmental annual appropriations	25,408	126,241
Amounts received from related entities		
Amounts from portfolio department ^(b)	57,063	66,309
Amounts from portfolio department – <i>Assistance for Severely Affected Regions</i> (Coronavirus Economic Response Package) Act 2020	7,370	-
Total amounts received from related entities	64,433	66,309
Total funds from Government	89,841	192,550
Funds from other sources		
Interest	534	404
Sale of goods and services	15,629	28,048
Other	322	253
Total funds from other sources	16,485	28,705
Total net resourcing for DNP	151,099	263,228
	2020–21	2021–22
Average staffing level (number)	324	322

(a) Appropriation Bill (No. 1) 2021–22. DNP is not directly appropriated as it is a corporate Commonwealth entity under the PGPA Act. Appropriations are made to DAWE and are then paid to DNP and are considered departmental for all purposes.

(b) Funding provided by the portfolio department that is not specified within the Annual Appropriation Bills as a payment to that corporate entity (for example, a grant awarded to a corporate entity from one of the portfolio department's administered programs).

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

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

1.3 BUDGET MEASURES

Budget measures in Part 1 relating to the Director of National Parks are detailed in *Budget Paper No. 2: Budget Measures 2021–22* and are summarised below.

Table 1.2: Director of National Parks – 2021–22 Budget measures – Measures announced since 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
Payment measures						
<u>Oceans Leadership Package</u>						
Australian Marine Parks Partnership –						
Indian Ocean Territories ^{(a)(b)}	1.1	-	-	-	-	-
Administered payment		-	-	-	-	-
Departmental payment		-	90	248	516	1,371
Total		-	90	248	516	1,371
Australian Marine Parks Partnership –						
National Parks Conservation ^{(a)(b)}	1.1	-	-	-	-	-
Administered payment		-	-	-	-	-
Departmental payment		-	1,000	3,001	5,502	5,539
Total		-	1,000	3,001	5,502	5,539
Australian Marine Parks Partnership –						
Our Marine Parks ^{(a)(b)}	1.1	-	-	-	-	-
Administered payment		-	-	-	-	-
Departmental payment		-	525	536	644	451
Total		-	525	536	644	451
Sustainable Ocean Economy Strategy						
and Action Plan ^{(a)(b)}	1.1	-	-	-	-	-
Administered payment		-	-	-	-	-
Departmental payment		-	1,511	1,478	635	395
Total		-	1,511	1,478	635	395
Total payment measures						
Administered		-	-	-	-	-
Departmental		-	3,126	5,263	7,297	7,756
Total		-	3,126	5,263	7,297	7,756

(a) The measure description appears in *Budget Paper No. 2: Budget Measures 2021–22* under the Agriculture, Water and Environment portfolio.

(b) Funding for this measure passes through the Department of Agriculture, Water and the Environment to the DNP.

Prepared on a Government Finance Statistics (Underlying Cash) basis.

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 Director of National Parks can be found at: <http://www.environment.gov.au/resource/corporate-plan-2020-21-director-national-parks>.

The most recent annual performance statement can be found at: <https://www.environment.gov.au/system/files/resources/962954a8-3e12-4d9e-ba5d-27843fc0c101/files/dnp-annual-report-2019-20.pdf>.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Management of Commonwealth reserves as outstanding natural places that enhance Australia's well-being through the protection and conservation of their natural and cultural values, supporting the aspirations of Aboriginal and Torres Strait Islander people in managing their traditional land and sea country, and offering world class natural and cultural visitor experiences.

2.1.1: Linked programs

Department of the Agriculture, Water and the Environment
Program 1.1: Sustainable Management of Natural Resources and the Environment Program 1.2: Environmental Information and Research Program 1.4: Conservation of Australia's Heritage and Environment
Contribution to Outcome 1 made by linked programs The DNP and Department of Agriculture, Water and the Environment (DAWE) work together in setting policy directions for science, heritage and species management in Commonwealth managed parks and gardens. The DNP works with DAWE to transition Jabiru township from a mining to a tourism-based economy.
Great Barrier Reef Marine Park Authority
Program 1.1: Improving the Outlook for the Great Barrier Reef
Contribution to Outcome 1 made by linked programs The Coral Sea Marine Park managed by the DNP adjoins the Great Barrier Reef Marine Park and provides complementary protection for ecosystems and biodiversity in the region.
Department of Infrastructure, Transport, Regional Development and Communications
Program 1.1: Infrastructure Investment
Contribution to Outcome 1 made by linked programs The DNP is working with the Department of Infrastructure, Transport, Regional Development and Communications to secure the future of Jabiru by supporting the township's transition from a reliance on mining to a tourism-based economy that leverages its proximity to the Kakadu National Park. Funding of \$70 million for roads within Kakadu National Park under the Infrastructure Investment Program will complement an investment of more than \$100 million by the Australian Government to improve tourism infrastructure across the park and to bolster the local economy and support Indigenous businesses and employment.

Continued on following page

2.1.1: Linked programs (continued)

National Indigenous Australians Agency
Program 1.1: National Indigenous Australians Agency
<p>Contribution to Outcome 1 made by linked programs</p> <p>The DNP is working with the National Indigenous Australians Agency to grow tourism within Kakadu National Park, with funding of \$35 million.</p>

2.1.2: Budgeted expenses for Outcome 1

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

Table 2.1: Budgeted expenses for Outcome 1

Outcome 1: Management of Commonwealth reserves as outstanding natural places that enhance Australia's well-being through the protection and conservation of their natural and cultural values, supporting the aspirations of Aboriginal and Torres Strait Islander people in managing their traditional land and sea country, and offering world class natural and cultural visitor experiences.					
	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: Parks and Reserves					
Revenue from Government					
Payment from related entities	49,693	66,309	69,480	64,444	59,457
Payment from related entities – <i>Assistance for Severely Affected Regions</i> (Coronavirus Economic Response Package) Act 2020	7,370	-	-	-	-
Expenses not requiring appropriation in the budget year ^(a)	15,437	6,090	5,790	5,790	5,652
Revenues from other independent sources	28,210	33,060	24,654	22,211	26,664
Total expenses for program 1.1	100,710	105,459	99,924	92,445	91,773
Outcome 1 totals by resource type					
Revenue from Government					
Payment from related entities	49,693	66,309	69,480	64,444	59,457
Special appropriations	7,370	-	-	-	-
Expenses not requiring appropriation in the budget year ^(a)	15,437	6,090	5,790	5,790	5,652
Revenues from other independent sources	28,210	33,060	24,654	22,211	26,664
Total expenses for program 1.1	100,710	105,459	99,924	92,445	91,773
	2020–21	2021–22			
Average staffing level (number)	324	322			

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

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

Prepared on Australian Accounting Standards basis.

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: Management of Commonwealth reserves as outstanding natural places that enhance Australia’s well-being through the protection and conservation of their natural and cultural values, supporting the aspirations of Aboriginal and Torres Strait Islander people in managing their traditional land and sea country, and offering world class natural and cultural visitor experiences.		
Program 1.1: Parks and Reserves		
Objective	Healthy and resilient parks, gardens and marine reserves, protecting nature and culture and valued by the community now and into the future.	
Delivery	With traditional owners and stakeholders, develop and implement management plans for Commonwealth reserves.	
Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020–21	Sustainable use and enjoyment of Commonwealth parks and gardens by the Australian and international community.	Number of visitors is within 10 per cent of target total visitor numbers. <i>Some concerns.</i>
		Maintain or improve visitor satisfaction. <i>On track.</i>
		Maintain or increase number of virtual visitors. <i>On track.</i>
		95 per cent authorisations processed within target timeframe. <i>Some concerns.</i>
		100 per cent of non-compliance reports have an initial assessment within target timeframe <i>On track.</i>

Continued on following pages

Contributions to Outcome 1 (continued)

Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020–21 (continued)		Maintain or increase the economic contribution made to local economies. <i>On track.</i>
		Maintain or increase the financial benefit to Traditional Owners through lease arrangements and other avenues in jointly managed parks. <i>Some concerns.</i>
		Maintain or increase number of peer reviewed publications resulting from research in Commonwealth parks. <i>On track.</i>
	Opportunities and threats to natural and cultural values are effectively managed for all Australians.	Maintain or improve the condition of priority natural values in Commonwealth parks and gardens. <i>Some concerns.</i>
		Maintain or improve the condition of priority cultural values in Commonwealth parks. <i>Some concerns.</i>
		Review and define priority natural and cultural values for all Commonwealth parks and gardens by 2023. <i>On track.</i>
	Partnerships with Traditional Owners and/or other stakeholders enhance the management of Commonwealth parks and gardens for all Australians.	Maintain or improve key stakeholder and partner satisfaction. <i>Some concerns.</i>
		Resources delivered through partnerships meet or exceed target level. <i>On track.</i>

Continued on following page

Contributions to Outcome 1 (continued)

Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020–21 (continued)		Maintain or increase the number of people who identify as members of the local or Indigenous community who are employed directly or indirectly. <i>Some concerns.</i>
2021–22	As per 2020–21.	As per 2020–21.
2022–23 and beyond	As per 2020–21.	As per 2020–21.
Purposes	Protect, conserve and enhance the values of Commonwealth parks and gardens for the use and well-being of all Australians.	

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1: Differences between entity resourcing and financial statements

The financial statements are prepared on an accrual basis where revenues and expenses are recognised as and when the resources are received and used. The entity resourcing table recognises the cash resources available to be used during the period and includes amounts recognised as revenue in previous periods.

3.2.1: Explanatory notes and analysis of budgeted financial statements

The Agency Resource Statement (Table 1.1) is prepared on a cash basis and provides a consolidated view of all the cash resources available to DNP 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 own source revenue generated by the agency.

The approved operating loss for DNP is attributed to the depreciation of the entity's asset base.

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	40,101	39,498	39,058	40,316	40,316
Suppliers	45,021	50,367	45,266	36,529	35,995
Depreciation and amortisation	14,686	14,686	14,686	14,686	14,548
Other expenses	902	908	914	914	914
Total expenses	100,710	105,459	99,924	92,445	91,773
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sales of goods and rendering of services	15,629	28,048	19,660	16,079	20,541
Interest	534	404	386	1,509	1,500
Other	12,047	4,608	4,608	4,623	4,623
Total own-source revenue	28,210	33,060	24,654	22,211	26,664
Net cost of (contribution by) services	72,500	72,399	75,270	70,234	65,109
Revenue from Government	57,063	66,309	69,480	64,444	59,457
Total revenue from Government	57,063	66,309	69,480	64,444	59,457
Surplus/(deficit) attributable to the Australian Government	(15,437)	(6,090)	(5,790)	(5,790)	(5,652)
Total other comprehensive income	(15,437)	(6,090)	(5,790)	(5,790)	(5,652)
Total comprehensive income/(loss) attributable to the Australian Government	(15,437)	(6,090)	(5,790)	(5,790)	(5,652)
Note: Impact of net cash appropriation arrangements					
	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	(15,106)	(5,758)	(5,455)	(5,455)	(5,317)
less depreciation/amortisation expenses for ROU ^(a)	511	513	516	516	516
add principal repayments on leased assets ^(a)	180	181	181	181	181
Total comprehensive income/(loss) – as per the Statement of comprehensive income	(15,437)	(6,090)	(5,790)	(5,790)	(5,652)

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

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	15,501	15,501	15,501	15,501	15,501
Trade and other receivables	2,391	2,391	2,391	2,391	2,391
Other investments	26,772	26,472	26,472	26,472	26,472
Other financial assets	26	26	26	26	26
Total financial assets	44,690	44,390	44,390	44,390	44,390
Non-financial assets					
Land and buildings	105,851	105,717	105,584	105,068	104,552
Property, plant and equipment	165,880	286,663	337,941	332,486	327,169
Intangibles	3,539	3,539	3,539	3,539	3,539
Other non-financial assets	461	461	461	461	461
Total non-financial assets	275,731	396,380	447,525	441,554	435,721
Total assets	320,421	440,770	491,915	485,944	480,111
LIABILITIES					
Payables					
Suppliers	4,720	4,720	4,720	4,720	4,720
Other payables	9,857	9,857	9,857	9,857	9,857
Total payables	14,577	14,577	14,577	14,577	14,577
Interest bearing liabilities					
Leases	39,441	39,639	39,841	39,660	39,479
Total interest bearing liabilities	39,441	39,639	39,841	39,660	39,479
Provisions					
Employee provisions	11,423	11,423	11,423	11,423	11,423
Other provisions	38	38	38	38	38
Total provisions	11,461	11,461	11,461	11,461	11,461
Total liabilities	65,479	65,677	65,879	65,698	65,517
Net assets	254,942	375,093	426,036	420,246	414,594
EQUITY*					
Parent entity interest					
Contributed equity	63,384	189,625	246,358	246,358	246,358
Reserves	196,412	196,412	196,412	196,412	196,412
Retained surplus (accumulated deficit)	(4,854)	(10,944)	(16,734)	(22,524)	(28,176)
Total parent entity interest	254,942	375,093	426,036	420,246	414,594
Total Equity	254,942	375,093	426,036	420,246	414,594

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

Prepared on Australian Accounting Standards basis.

**Table 3.3: Departmental statement of changes in equity – summary of movement
(Budget year 2021–22)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contribution equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2021				
Balance carried forward from previous period	(4,854)	196,412	63,384	254,942
Adjusted opening balance	(4,854)	196,412	63,384	254,942
Comprehensive income				
Surplus (deficit) for the period	(6,090)	-	-	(6,090)
Total comprehensive income	(6,090)	-	-	(6,090)
of which:				
Attributable to the Australian Government	(6,090)	-	-	(6,090)
Transactions with owners				
Distributions to owners				
Distribution of equity	-	-	126,241	126,241
Sub-total transactions with owners	-	-	126,241	126,241
Estimated closing balance as at 30 June 2022	(10,944)	196,412	189,625	375,093
Closing balance attributable to the Australian Government	(10,944)	196,412	189,625	375,093

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					
Sales of goods and rendering of services	15,629	28,048	19,660	16,079	20,541
Interest	534	404	386	1,509	1,500
Receipts from Government	64,433	66,309	69,480	64,444	59,457
Other	322	253	253	268	268
Total cash received	80,918	95,014	89,779	82,300	81,766
Cash used					
Employees	40,101	39,498	39,058	40,316	40,316
Suppliers	40,666	46,012	40,911	32,174	31,640
Borrowing costs	902	908	914	914	914
Total cash used	81,669	86,418	80,883	73,404	72,870
Net cash from (used by) operating activities	(751)	8,596	8,896	8,896	8,896
INVESTING ACTIVITIES					
Cash received					
Disposal of investments	4,491	300	-	-	-
Total cash received	4,491	300	-	-	-
Cash used					
Purchase of property, plant and equipment and intangibles	31,468	134,956	65,448	8,715	8,715
Total cash used	31,468	134,956	65,448	8,715	8,715
Net cash from (used by) investing activities	(26,977)	(134,656)	(65,448)	(8,715)	(8,715)
FINANCING ACTIVITIES					
Cash received					
Equity injection – transferred by Portfolio Department	25,408	126,241	56,733	-	-
Total cash received	25,408	126,241	56,733	-	-
Cash used					
Lease liability – principal payments	180	181	181	181	181
Total cash used	180	181	181	181	181
Net cash from (used by) financing activities	25,228	126,060	56,552	(181)	(181)
Net increase (decrease) in cash held	(2,500)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	18,001	15,501	15,501	15,501	15,501
Cash and cash equivalents at the end of the reporting period	15,501	15,501	15,501	15,501	15,501

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 injection – transferred by Portfolio Department	25,408	126,241	56,733	-	-
Total new capital appropriations	25,408	126,241	56,733	-	-
<i>Provided for:</i>					
Purchase of non-financial assets	25,408	126,241	56,733	-	-
Total items	25,408	126,241	56,733	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	25,408	126,241	56,733	-	-
Funded internally from departmental resources ^(b)	6,060	8,715	8,715	8,715	8,715
TOTAL	31,468	134,956	65,448	8,715	8,715
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	31,468	134,956	65,448	8,715	8,715
Total cash used to acquire assets	31,468	134,956	65,448	8,715	8,715

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

(b) Includes the following sources of funding:

- current Bill (No. 1) and prior year Act/Bill (No. 1/3/5) appropriations (excluding amounts from the DCBs);
- donations and gifts of non-financial assets;
- internally developed assets;
- proceeds from the sale of assets.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

Prepared on Australian Accounting Standards basis.

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	13,105	65,511	207,865	5,620	292,101
Gross book value – ROU ^(a)	39,924	-	-	-	39,924
Accumulated depreciation/amortisation and impairment	-	(11,573)	(41,985)	(2,081)	(55,639)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(1,116)	-	-	-	(1,116)
Opening net book balance	51,913	53,938	165,880	3,539	275,270
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
By purchase – appropriation equity ^(b)	-	2,500	132,456	-	134,956
By purchase – appropriation equity – ROU ^{(a)(b)}	379	-	-	-	379
Total additions	379	2,500	132,456	-	135,335
Other movements					
Depreciation/amortisation expense	-	(2,500)	(11,673)	-	(14,173)
Depreciation/amortisation expense – ROU ^(a)	(513)	-	-	-	(513)
Total other movements	(513)	(2,500)	(11,673)	-	(14,686)
As at 30 June 2022					
Gross book value	13,105	68,011	340,321	5,620	427,057
Gross book value – ROU ^(a)	40,303	-	-	-	40,303
Accumulated depreciation/amortisation and impairment	-	(14,073)	(53,658)	(2,081)	(69,812)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(1,629)	-	-	-	(1,629)
Closing net book balance	51,779	53,938	286,663	3,539	395,919

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2021–22, including Collection Development Acquisition Budget; and other internal funding sources.

Prepared on Australian Accounting Standards basis.

FISHERIES
RESEARCH AND DEVELOPMENT CORPORATION

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FISHERIES RESEARCH AND DEVELOPMENT CORPORATION

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Fisheries Research and Development Corporation (FRDC) invests in science, shares knowledge and builds partnerships for the benefit of the Australian community, so that Australia's marine and freshwater resources can be managed and used for fishing and aquaculture sustainably.

The FRDC delivers these functions in close consultation with a diverse stakeholder-base including the aquaculture sector, commercial wild harvest, Indigenous, and recreational fishers, as well as consumers, and the community. The FRDC'S activities span a range of environments, from the northern tropics through to temperate seas and icy Antarctic waters, from freshwater rivers and lakes, to estuaries and land-based aquaculture facilities.

FRDC's investment policy balances the needs of these diverse stakeholders to achieve specific, planned end user solutions to national, regional and sector-based priorities. Partnerships and previous research, development and extension (RD&E) are considered in its planning and investment processes to optimise use of previous research, maximise leverage and reduce duplication. FRDC also contributes to the broader national strategic approach to fishing and aquaculture RD&E to build cohesion and establish common goals between sectors.

The FRDC leads investment in fisheries RD&E, partnering with organisations that have the capabilities to undertake the varied and specialised activities necessary to deliver against its strategic intent.

The FRDC's approach towards planning and implementation allows for adaptive and creative approaches to problem solving in anticipation of the increasing uncertainty and volatility faced by Australia's fishing and aquaculture sectors. The research and development Plan 2020–25 pursues outcomes in five key strategic areas, with a strong focus on capacity building, shaping beliefs and behaviours, enhancing digital infrastructure and data inter-operability, improving intelligence, increasing adoption of circular economy principles, understanding sector values, driving innovation, increasing adoption, and nurturing strategic relationships to help deliver improved impact, based on shared principles and values.

In terms of its internal operations, the FRDC is a quality-certified organisation (AS/NZS ISO 9001:2015) working to ensure continuous improvement. The RD&E investment activities are underpinned by a quality management system including mechanisms for reviewing performance and implementing changes.

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’ table in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Fisheries Research and Development Corporation – 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	26,411	21,772
Funds from Government		
Amounts received from related entities		
Amounts from portfolio department ^(a)	400	100
Total amounts received from related entities	400	100
Special appropriations^(b)		
Primary Industries Research and Development Act 1989, s. 30A(3) & s. 30B(9) – Fisheries R&D Corporation	23,588	24,235
Total special appropriations	23,588	24,235
Total funds from Government	23,988	24,335
Funds from industry sources		
Levies ^(c)	1,200	1,200
less amounts paid to the CRF	(1,200)	(1,200)
Industry contributions	8,293	8,238
Total funds from industry sources	8,293	8,238
Funds from other sources		
Interest	100	100
Other	2,218	2,297
Total funds from other sources	2,318	2,397
Total net resourcing for FRDC	61,010	56,742
	2020–21	2021–22
Average staffing level (number)	19	17

(a) FRDC has a grant agreement with the Department of Agriculture, Water and the Environment (DAWE) to develop the National Carp Control Plan.

(b) FRDC's special appropriation is not directly appropriated as it is a corporate Commonwealth entity under the PGPA Act. Appropriations are made to DAWE and then paid to FRDC and are considered departmental for all purposes.

(c) Levies are collected under the *Primary Industries Research and Development Act 1989* (PIRD Act) and the Fishing Levy Regulations and are remitted to DAWE and transferred to the CRF. An equivalent amount of FRDC management levy is paid to FRDC by DAWE under a special appropriation under the PIRD Act.

CRF – Consolidated Revenue Fund

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

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

1.3 BUDGET MEASURES

Budget measures in Part 1 relating to the Fisheries Research and Development Corporation are detailed in *Budget Paper No. 2: Budget Measures 2021–22* and are summarised below.

Table 1.2: Fisheries Research and Development Corporation – 2021–22 Budget measures – Measures announced since the 2020–21 Mid-Year Economic and Fiscal Outlook (MYEFO)

FRDC does not have any 2021–22 Budget measures.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance 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.

While the FRDC reports against an annual framework, as an organisation that invests in science, the benefit of those investments endures over a longer time period.

The most recent corporate plans (annual operating plan and research development and extension plan for the Fisheries Research and Development Corporation can be found at:

<http://frdc.com.au/en/about/corporate-documents/annual-operational-plan> and
<http://frdc.com.au/en/research/rde-planning-and-priorities>.

The most recent annual performance statement for the Fisheries Research and Development Corporation can be found at:

<http://frdc.com.au/en/about/corporate-documents/annual-reports>.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Increased economic, social and environmental benefits for Australian fishing and aquaculture, and the wider community, by investing in knowledge, innovation, and marketing.

2.1.1: Linked programs

Department of Agriculture, Water and the Environment
Program 3.4: Fishing Industry
<p>Contribution to Outcome 1 made by linked program:</p> <p>The Fisheries Research Development Corporation works together with the Department of Agriculture, Water and the Environment to ensure fishing and aquaculture in Australia is sustainable, productive and profitable.</p>

2.1.2: Budgeted expenses for Outcome 1

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

Table 2.1: Budgeted expenses for Outcome 1

Outcome 1: Increased economic, social and environmental benefits for Australian fishing and aquaculture, and the wider community, by investing in knowledge, innovation, and marketing.

	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: Fisheries Research and Development Corporation					
Revenue from Government					
Payment from related entities	400	100	-	-	-
Special appropriations					
<i>Primary Industries Research and Development Act 1989, s. 30A(3) & s. 30B(9) – Fisheries R&D Corporation</i>	26,750	24,200	26,455	27,875	28,843
Revenues from industry sources	10,086	9,124	9,507	9,802	10,102
Revenues from other independent sources	1,143	1,198	1,148	1,199	1,199
Total expenses for program 1.1	38,379	34,622	37,110	38,876	40,144
Outcome 1 totals by resource type					
Revenue from Government					
Payment from related entities	400	100	-	-	-
Special appropriations	26,750	24,200	26,455	27,875	28,843
Revenues from industry sources	10,086	9,124	9,507	9,802	10,102
Revenues from other independent sources	1,143	1,198	1,148	1,199	1,199
Total expenses for Outcome 1	38,379	34,622	37,110	38,876	40,144
	2020–21	2021–22			
Average staffing level (number)	19	17			

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

Prepared on Australian Accounting Standards basis.

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.

As an entity established under the PIRD Act, FRDC does not produce a Corporate Plan under the PGPA Act and is therefore exempt from the requirement to map purposes to outcomes.

Outcome 1: Increased economic, social and environmental benefits for Australian fishing and aquaculture, and the wider community, by investing in knowledge, innovation, and marketing.	
Program 1.1: Fisheries Research and Development Corporation	
Vision	By 2030, establish collaborative, vibrant fishing and aquaculture, creating diverse benefits from aquatic resources, and celebrated by the community.
Objectives	Growth for enduring prosperity. Enduring and balanced ecological, social and economic growth for the community benefit.
	Best practices and production systems. Diverse benefits from aquatic resources to be consistent with shared principles.
	A culture that is inclusive and forward thinking. A fishing and aquaculture community that is cooperative, diverse and well equipped to enable growth and adaptability in a complex and uncertain world.
	Fair and secure access to aquatic resources. Integrated management of Australia's aquatic resources, providing certainty and confidence.
	Community trust, respect and value. People feel good about using the products, services and experiences provided by fishing and aquaculture.
Delivery	Growth for enduring prosperity. Continue to prioritise investment in RD&E working collaboratively with solution providers and cross-sectoral partners to deliver enduring, balanced ecological, social and economic growth for community benefit. Complement project-level activities with investment in five enabling strategies to make progress towards outcome faster and easier.

Continued on following pages

Contributions to Outcome 1 (continued)

Outcome 1: Increased economic, social and environmental benefits for Australian fishing and aquaculture, and the wider community, by investing in knowledge, innovation, and marketing.		
Program 1.1: Fisheries Research and Development Corporation		
Delivery (continued)	Best practices and production systems. Continue to prioritise investment in RD&E working collaboratively with solution providers and cross-sectoral partners to deliver diverse benefits from aquatic resources to be consistent with shared principles. Complement project-level activities with investment in five enabling strategies to make progress towards outcome faster and easier.	
	A culture that is inclusive and forward thinking. Continue to prioritise investment in RD&E working collaboratively with solution providers and cross-sectoral partners to build a fishing and aquaculture community that is cooperative, diverse and well equipped to enable growth and adaptability in a complex and uncertain world. Complement project-level activities with investment in five enabling strategies to make progress towards outcome faster and easier.	
	Fair and secure access to aquatic resources. Continue to prioritise investment in RD&E working collaboratively with solution providers and cross-sectoral partners to enable integrated management of Australia's aquatic resources, providing certainty and confidence. Complement project-level activities with investment in five enabling strategies to make progress towards outcome faster and easier.	
	Community trust, respect and value. Continue to prioritise investment in RD&E working collaboratively with solution providers and cross-sectoral partners to enable people to feel good about using the products, services and experiences provided by fishing and aquaculture. Complement project-level activities with investment in five enabling strategies to make progress towards outcome faster and easier.	
Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020–21	Growth for enduring prosperity. Enduring and balanced ecological, social and economic growth for the community benefit.	Invest in nominated priorities as identified by stakeholders in R&D Plan Outcome Roadmaps.
	Best practices and production systems. Diverse benefits from aquatic resources to be consistent with shared principles.	95 per cent are a high priority.

Continued on following page

Contributions to Outcome 1 (continued)

Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020–21 (continued)	A culture that is inclusive and forward thinking. A fishing and aquaculture community that is cooperative, diverse and well equipped to enable growth and adaptability in a complex and uncertain world.	FRDC maintains certification.
	Fair and secure access to aquatic resources. Integrated management of Australia's aquatic resources, providing certainty and confidence.	100 per cent met Government requirements.
	Community trust, respect and value. People feel good about using the products, services and experiences provided by fishing and aquaculture.	Achieve unqualified audit result.
2021–22	As per 2020–21.	As per 2020–2021.
2022–23 and beyond	As per 2020–21.	As per 2020–2021.

Note: Performance criteria and targets were changed in 2020–21 for subsequent years following the approval of the FRDC Research, Development and Extension Plan 2020–25.

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1: Explanatory notes and analysis of budgeted financial statements

The FRDC's RD&E expenditure is dependent on the gross value of production (GVP) of the Australian fishing industry. The indication for the GVP for the Australian fishing industry is positive, with growth expected in 2021–22 year. This is based primarily on aquaculture which is anticipated to grow – prawns, Barramundi, Atlantic Salmon and Yellowtail Kingfish will be key drivers. Income contributions from the commercial sector are expected to maintain current levels.

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	3,119	3,385	3,520	3,661	3,807
Suppliers	1,119	1,181	1,241	1,305	1,372
Grants	32,989	28,815	31,066	32,584	33,594
Depreciation and amortisation	364	385	385	385	385
Finance costs	8	6	5	4	2
Other	780	850	893	937	984
Total expenses	38,379	34,622	37,110	38,876	40,144
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	100	100	150	200	200
Contributions	8,293	8,238	8,521	8,813	9,113
Other	1,528	2,000	2,000	2,000	2,000
Total own-source revenue	9,921	10,338	10,671	11,013	11,313
Total own-source income	9,921	10,338	10,671	11,013	11,313
Net cost of (contribution by) services	28,458	24,284	26,439	27,863	28,831
Revenue from Government ^(a)					
Commonwealth contribution	23,988	24,335	26,495	27,905	28,876
Total revenue from Government	23,988	24,335	26,495	27,905	28,876
Surplus/(deficit) attributable to the Australian Government	(4,470)	51	56	42	45
Total comprehensive income/(loss) attributable to the Australian Government	(4,470)	51	56	42	45

Continued on following page

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

Note: Impact of net cash appropriation arrangements

	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	(4,336)	61	65	49	52
less depreciation/amortisation expenses for ROU ^(b)	175	175	175	175	175
add principal repayments on leased assets ^(b)	41	165	166	168	168
Total comprehensive income/(loss) – as per the statement of comprehensive income	(4,470)	51	56	42	45

(a) Revenue from Government includes a Commonwealth contribution under the PIRD Act and levies collected from industry by the Department of Agriculture, Water and the Environment for R&D activities.

(b) Applies to leases under AASB 16 Leases. Right of Use (ROU).

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	21,772	22,150	22,053	22,017	22,034
Trade and other receivables	1,460	1,163	1,349	1,474	1,549
Total financial assets	23,232	23,313	23,402	23,491	23,583
Non-financial assets					
Land and buildings	790	615	440	265	90
Property, plant and equipment	139	109	85	45	5
Intangibles	672	722	722	722	722
Other	15	15	15	15	15
Total non-financial assets	1,616	1,461	1,262	1,047	832
Total assets	24,848	24,774	24,664	24,538	24,415
LIABILITIES					
Payables					
Suppliers	200	200	200	200	200
Projects	250	250	250	250	250
Total payables	450	450	450	450	450
Interest bearing liabilities					
Leases	937	772	606	438	270
Total interest bearing liabilities	937	772	606	438	270
Provisions					
Employee provisions	750	790	790	790	790
Total provisions	750	790	790	790	790
Total liabilities	2,137	2,012	1,846	1,678	1,510
Net assets	22,711	22,762	22,818	22,860	22,905
EQUITY*					
Parent entity interest					
Reserves	562	562	562	562	562
Retained earnings	22,149	22,200	22,256	22,298	22,343
Total parent entity interest	22,711	22,762	22,818	22,860	22,905
Total Equity	22,711	22,762	22,818	22,860	22,905

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

Prepared on Australian Accounting Standards basis.

**Table 3.3: Departmental statement of changes in equity – summary of movement
(Budget year 2021–22)**

	Retained earnings	Asset revaluation reserve	Total equity
	\$'000	\$'000	\$'000
Opening balance as at 1 July 2021			
Balance carried forward from previous period	22,149	562	22,711
Adjusted opening balance	22,149	562	22,711
Comprehensive income			
Surplus (deficit) for the period	51	-	51
Total comprehensive income	51	-	51
of which:			
Attributable to the Australian Government	51	-	51
Estimated closing balance as at 30 June 2022	22,200	562	22,762
Closing balance attributable to the Australian Government	22,200	562	22,762

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 Australian Government	24,490	24,579	26,739	28,149	28,876
Other operating receipts	9,995	10,281	10,075	10,444	11,038
Interest	100	100	150	200	200
Net GST received	156	-	-	-	-
Total cash received	34,741	34,960	36,964	38,793	40,114
Cash used					
Employees	3,064	3,345	3,520	3,661	3,807
Suppliers	413	481	541	1,305	1,372
Projects	34,153	28,815	31,066	32,584	33,594
Lease liability – interest payments	8	6	5	4	2
Other operating payments	1,481	1,550	1,593	937	984
Total cash used	39,119	34,197	36,725	38,491	39,759
Net cash from (used by) operating activities	(4,378)	763	239	302	355
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	220	220	170	170	170
Total cash used	220	220	170	170	170
Net cash from/(used by) investing activities	(220)	(220)	(170)	(170)	(170)
FINANCING ACTIVITIES					
Cash used					
Lease liability – principal payments	41	165	166	168	168
Total cash used	41	165	166	168	168
Net cash from/(used by) financing activities	(41)	(165)	(166)	(168)	(168)
Net increase (decrease) in cash held	(4,639)	378	(97)	(36)	17
Cash and cash equivalents at the beginning of the reporting period	26,411	21,772	22,150	22,053	22,017
Cash and cash equivalents at the end of the reporting period	21,772	22,150	22,053	22,017	22,034

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for the period end 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)	220	220	170	170	170
TOTAL	220	220	170	170	170
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	220	220	170	170	170
Total cash used to acquire assets	220	220	170	170	170

(a) Includes the following source of funding:
 – internally developed assets.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

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

	Other property, plant and equipment \$'000	Intangibles \$'000	Total \$'000
As at 1 July 2021			
Gross book value	259	1,515	1,774
Gross book value – ROU ^(a)	1,140	-	1,140
Accumulated depreciation/amortisation and impairment	(120)	(843)	(963)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(350)	-	(350)
Opening net book balance	929	672	1,601
CAPITAL ASSET ADDITIONS			
Estimated expenditure on new or replacement assets			
By purchase – other ^(b)	30	200	230
Total additions	30	200	230
Other movements			
Depreciation/ amortisation expense	(60)	(150)	(210)
Depreciation/ amortisation expense – ROU ^(a)	(175)	-	(175)
Total other movements	(235)	(150)	(385)
As at 30 June 2022			
Gross book value	289	1,715	2,004
Gross book value – ROU ^(a)	1,140	-	1,140
Accumulated depreciation/ amortisation and impairment	(180)	(993)	(1,173)
Accumulated depreciation/ amortisation and impairment – ROU ^(a)	(525)	-	(525)
Closing net book balance	724	722	1,446

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) 'By purchase – other' refers to funding provided through other internal funding sources.

Prepared on Australian Accounting Standards basis.

GRAINS
RESEARCH AND DEVELOPMENT CORPORATION

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GRAINS

RESEARCH AND DEVELOPMENT CORPORATION

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Grains Research and Development Corporation's (GRDC) purpose is to invest in research, development and extension (RD&E) to create enduring profitability for Australian grain growers.

In supporting its purpose, GRDC invests in RD&E activities across a portfolio spanning temperate and tropical cereals (including coarse grains), pulses and oilseeds. This involves identifying and prioritising research for investment; monitoring, evaluating and reporting on research impacts; and facilitating the dissemination, adoption and commercialisation of research results.

GRDC also contributes to the development of strategic national approaches to grains industry RD&E, to reduce fragmentation and duplication and to help address industry-wide issues such as biosecurity, grains market access and sustainable resource management.

While its focus is on delivering benefits to Australian grain growers, who pay levies, GRDC also generates outcomes from investing in RD&E that benefit other participants in the Australian grains industry value chain and the wider Australian community, as well as the grains research community in Australia and overseas. GRDC investments support the capacity of the Australian research community through collaborative approaches that minimise duplication of effort and provide access to shared knowledge, infrastructure and facilities.

Effective partnerships with other Australian organisations enable GRDC to leverage resources and research capability; share market knowledge, technologies and intellectual property; and reduce the risk associated with transformational investments. GRDC also builds strong relationships with organisations overseas, both to broaden the resources available to the Australian grains industry and to access international RD&E efforts that offer potential benefits, such as food security, for Australia.

Because adoption by growers is critical to achieving benefits from research and development (R&D), GRDC undertakes activities to raise awareness of grains industry R&D and extend the results of GRDC-supported investments to grain growers and their advisers, other participants in rural industry and the wider community. Recognising different needs and preferences for receiving information, GRDC uses a range of products and channels, from phone apps to field days.

GRDC works closely with Australian grain growers and the Australian Government to ensure that their RD&E priorities are effectively addressed through GRDC investments. GRDC also maintains strong connections with its other stakeholders, particularly in the R&D and agribusiness sectors.

GRDC's investment priorities are articulated in the RD&E Plan 2018–2023. The plan is firmly focussed on delivering research and extension investments that increase the profitability of Australian grain growers. The plan considers the key drivers of profitability in terms of yield, price, costs (on-farm and post farm gate) as well as risk.

It is important to note that the impact of different drivers on profit will vary across grain-growing businesses and environments. This will inform the potential shape and scope of the GRDC's RD&E investment portfolio at the national level, and on the activities and approaches required to support adoption of RD&E outputs at the regional and local levels.

The RD&E Plan 2018–2023 has been informed by extensive consultation across a broad spectrum of grains industry participants, government, and research providers. The consultation identified 36 key investment targets, with relative priorities that will underpin the delivery of the GRDC's purpose.

Detailed performance information across all the drivers of profitability through Key Investment Targets will be available in each of the GRDC Annual Operational Plans across the five-year period.

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 (i.e. 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: Grains Research and Development Corporation – 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	165,225	156,568
Funds from Government		
Special appropriations^(a)		
<i>Primary Industries Research and Development Act 1989,</i> s. 30(3) – Grains and Wheat R&D Corporation	187,715	185,844
Total special appropriations	187,715	185,844
Total funds from Government	187,715	185,844
Funds from industry sources		
Levies ^(b)	140,000	119,207
less amounts paid to the CRF	(140,000)	(119,207)
Total funds from industry sources	-	-
Funds from other sources		
Interest	2,168	1,932
Royalties	4,891	6,484
Other	13,302	9,552
Total funds from other sources	20,361	17,968
Total net resourcing for GRDC	373,301	360,380
	2020–21	2021–22
Average staffing level (number)	79	79

(a) GRDC is not directly appropriated as it is a corporate Commonwealth entity under the PGPA Act. Appropriations are made to the Department of Agriculture, Water and the Environment (DAWE) and then paid to GRDC and are considered departmental for all purposes.

(b) The levies collected under the *Primary Industries Levies and Charges Collection Act 1991* are remitted to DAWE and transferred to the CRF. An equivalent amount is paid to GRDC by DAWE under a special appropriation under the *Primary Industries Research and Development Act 1989* (PIRD Act).

CRF – Consolidated Revenue Fund

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

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

1.3 BUDGET MEASURES

Budget measures in Part 1 relating to the Grains Research and Development Corporation are detailed in *Budget Paper No. 2: Budget Measures 2021–22* and are summarised below.

Table 1.2: Grains Research and Development Corporation – 2021–22 Budget measures – Measures announced since the 2020–21 Mid-Year Economic and Fiscal Outlook (MYEFO)

GRDC does not have any 2021–22 Budget measures.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance 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 Grains Research and Development Corporation can be found at:

<https://grdc.com.au/about/who-we-are/corporate-governance/corporate-planning>.

The most recent annual performance statement for the Grains Research and Development Corporation can be found at:

<https://grdc.com.au/about/who-we-are/corporate-governance/performance-monitoring-and-reporting>.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: New information and products that enhance the productivity, competitiveness and environmental sustainability of Australian grain growers and benefit the industry and wider community, through planning, managing and implementing investments in grains research and development.

2.1.1: Linked programs

Department of Agriculture, Water and the Environment
Program 3.7: Grains Industry
Contribution to Outcome 1 made by linked program: The Grains Research Development Corporation works together with the Department of Agriculture, Water and the Environment to ensure sustainable, productive and profitable grains industry.

2.1.2: Budgeted expenses for Outcome 1

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

Table 2.1: Budgeted expenses for Outcome 1

Outcome 1: New information and products that enhance the productivity, competitiveness and environmental sustainability of Australian grain growers and benefit the industry and wider community, through planning, managing and implementing investments in grains research and development.

	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: Grains Research and Development Corporation					
<u>Revenue from Government</u>					
Special appropriations					
<i>Primary Industries Research and Development Act 1989, s. 30(3) – Grains and Wheat R&D Corporation</i>	63,519	64,950	69,636	67,049	67,020
Revenues from industry sources	140,000	119,207	119,456	120,754	119,806
Revenues from other independent sources	19,083	18,468	16,737	18,526	19,384
Expenses not requiring appropriation in the budget year ^(a)	(9,953)	12,504	2,063	1,732	(302)
Total expenses for program 1.1	212,649	215,129	207,892	208,061	205,908
Outcome 1 totals by resource type					
<u>Revenue from Government</u>					
Special appropriations	63,519	64,950	69,636	67,049	67,020
Revenues from industry sources	140,000	119,207	119,456	120,754	119,806
Revenues from other independent sources	19,083	18,468	16,737	18,526	19,384
Expenses not requiring appropriation in the budget year ^(a)	(9,953)	12,504	2,063	1,732	(302)
Total expenses for Outcome 1	212,649	215,129	207,892	208,061	205,908
	2020–21	2021–22			
Average staffing level (number)	79	79			

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

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

Prepared on Australian Accounting Standards basis.

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.

As an entity established under the Primary Industries Research and Development Act (PIRD Act), GRDC does not produce a Corporate Plan under the PGPA Act and is therefore exempt from the requirement to map purposes to outcomes.

Outcome 1: New information and products that enhance the productivity, competitiveness and environmental sustainability of Australian grain growers and benefit the industry and wider community, through planning, managing and implementing investments in grains research and development.		
Program 1.1: Grains Research and Development Corporation		
Objective	Drive the discovery, development and delivery of world-class innovation to enhance the productivity, profitability and sustainability of Australian grain growers and benefit the industry and the wider community.	
Delivery	Continue to prioritise RD&E investments that supports the enduring profitability of Australian grain growers. The target group is primarily Australian grain growers but the grains industry value chain also includes Governments, industry groups, rural and regional communities, research organisations and the wider community.	
Performance information ^(a)		
Year	Performance criteria	Actual Achievement/Targets
2020–21	Average farm business rates of return.	A minimum of 6 per cent by 2023.
	Improvements in yield and yield stability.	Minimum yield increases equivalent to one per cent per annum for cereals, two per cent per annum for pulses and 1.5 per cent for oilseeds.
	Yield stability.	By 2023 a minimum 20 per cent closure of the gap between potential yield and actual yield.

Continued on following pages

Contributions to Outcome 1 (continued)

Performance information^(a)		
Year	Performance criteria	Actual Achievement/Targets
2020–21 (continued)	Maintaining and improving price.	<p>Identification of potential new products that attract premium prices.</p> <p>Identification of opportunities for product differentiation.</p> <p>Defence of current market access programs.</p>
	Optimising input costs.	<p>Maintain increases in chemistry costs below the five-year trend (2018–2023) equivalent to \$85.50 per hectare or a ratio of input to crop revenue of 0.166.</p> <p>Maintain increases in fertilizer costs below the five-year trend (2018–2023) equivalent to \$84.30 per hectare or a ratio of input to crop revenue of 0.164.</p> <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Not all input costs are captured in this target – all inputs costs as a share of cash receipts are captured in the calculation of Rates of Return.</i> • <i>Reporting on a mean can be informative but is not the best indicator of impact due to variations across region, soil type, rainfall, and business characteristics of each farm. GRDC is working toward developing a more detailed regionalised dataset which will allow for impact measurement.</i>

Continued on following page

Contributions to Outcome 1 (continued)

Performance information^(a)		
Year	Performance criteria	Actual Achievement/Targets
2021–22	As per 2020–21.	As per 2020–21.
2022–23 and beyond	As per 2020–21.	As per 2020–21.

(a) Additional performance information that support the achievement of the above performance criteria are available in the GRDC's 2018–2023 Strategic RD&E plan.

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1: Differences between entity resourcing and financial statements

The financial statements are prepared on an accrual basis where revenues and expenses are recognised as and when the resources are received and used. The entities resourcing table recognises cash resources available to be used during the period and includes amounts recognised as revenue in previous periods.

3.1.2: Explanatory notes and analysis of budgeted financial statements

GRDC's revenue is primarily from industry contributions in the form of levies paid on the farm gate value of grain sold and Australian Government contributions which are capped at 0.5 per cent of the three-year rolling average of gross value of production (GVP). GRDC's revenue streams are therefore subject to the volatility of local and international grain commodity markets, farm gate costs, environmental conditions, and the marketing decisions of growers. This means the assumptions in developing financial forecasts have a high degree of uncertainty and change frequently.

In 2021–22, GRDC is budgeting for an operating deficit of \$12.5 million which will be funded from its own accumulated reserves. Industry contributions are expected to decrease by \$20.8 million, down on current year estimates and returning to the long-term trend. Australian Government contributions are expected to increase by \$1.4 million after the higher-than-average gross volume of production in the current year. Own source income is expected to hold steady with decreases in interest, and other income, partially offset by increases in royalties and dividends. In support of current higher values of RD&E investment, supplier expenses, including those relating to contracted operational support services are expected to increase by \$4.5 million in 2021–22.

The budgeted net asset position for 2021–22 is \$214.9 million which is \$12.5 million less than the 2020–21 estimated actual. This decrease is due to the reduction in investments that are required to manage the budgeted loss in 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	14,036	14,858	15,329	15,814	16,317
Suppliers	191,556	193,076	185,445	184,885	182,342
Depreciation and amortisation	6,139	6,655	6,598	6,861	6,769
Borrowing costs	918	540	520	501	480
Total expenses	212,649	215,129	207,892	208,061	205,908
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	2,168	1,932	1,530	2,105	2,753
Rental income	176	182	188	195	202
Royalties	4,500	6,484	6,549	6,756	6,959
Dividends	617	1,500	1,500	1,500	1,500
Other	11,622	8,370	6,970	7,970	7,970
Total own-source revenue	19,083	18,468	16,737	18,526	19,384
Total own-source income	19,083	18,468	16,737	18,526	19,384
Net cost of (contribution by) services	193,566	196,661	191,155	189,535	186,524
Revenue from Government ^(a)					
Commonwealth contributions	63,519	64,950	69,636	67,049	67,020
Industry contributions	140,000	119,207	119,456	120,754	119,806
Total revenue from Government	203,519	184,157	189,092	187,803	186,826
Surplus/(deficit) attributable to the Australian Government	9,953	(12,504)	(2,063)	(1,732)	302
Total comprehensive income (loss)	9,953	(12,504)	(2,063)	(1,732)	302
Total comprehensive income/(loss) attributable to the Australian Government	9,953	(12,504)	(2,063)	(1,732)	302

Continued on following page

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

Note: Impact of net cash appropriation arrangements

	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	10,207	(12,324)	(1,962)	(1,709)	242
less depreciation/amortisation expenses for ROU ^(b)	2,346	2,312	2,301	2,300	2,300
add principal repayments on leased assets ^(b)	2,092	2,132	2,200	2,277	2,360
Total comprehensive income/(loss) – as per the Statement of comprehensive income	9,953	(12,504)	(2,063)	(1,732)	302

(a) Revenue from Government includes a Commonwealth contribution under the PIRD Act and levies collected from industry by the Department of Agriculture, Water and the Environment for R&D activities.

(b) Applies to leases under AASB 16 Leases. Right of Use (ROU).

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	48,238	50,811	39,640	37,775	31,026
Trade and other receivables	26,932	25,317	27,424	21,560	23,460
Investments	108,330	89,847	91,157	93,052	95,530
Other investments	66,404	78,747	83,347	87,947	90,547
Other financial assets	7,569	-	-	-	-
Total financial assets	257,473	244,722	241,568	240,334	240,563
Non-financial assets					
Land and buildings	14,414	12,092	9,980	7,870	5,850
Property, plant and equipment	2,302	1,425	749	1,080	505
Intangibles	12,222	12,766	13,136	13,134	12,960
Other non-financial assets	407	407	407	407	407
Total non-financial assets	29,345	26,690	24,272	22,491	19,722
Total assets	286,818	271,412	265,840	262,825	260,285
LIABILITIES					
Payables					
Suppliers	38,500	38,100	36,500	36,300	35,700
Other payables	2,000	1,500	1,500	1,500	1,500
Total payables	40,500	39,600	38,000	37,800	37,200
Interest bearing liabilities					
Leases	14,808	12,676	10,656	9,459	7,099
Total interest bearing liabilities	14,808	12,676	10,656	9,459	7,099
Provisions					
Employee provisions	3,504	3,634	3,745	3,859	3,977
Other provisions	542	542	542	542	542
Total provisions	4,046	4,176	4,287	4,401	4,519
Total liabilities	59,354	56,452	52,943	51,660	48,818
Net assets	227,464	214,960	212,897	211,165	211,467
EQUITY*					
Parent entity interest					
Reserves	110,106	105,706	105,156	103,506	103,506
Retained earnings	117,358	109,254	107,741	107,659	107,961
Total parent entity interest	227,464	214,960	212,897	211,165	211,467
Total Equity	227,464	214,960	212,897	211,165	211,467

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

Prepared on Australian Accounting Standards basis.

**Table 3.3: Departmental statement of changes in equity – summary of movement
(Budget year 2021–22)**

	Retained earnings	Asset revaluation reserve	Other reserves	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2021				
Balance carried forward from previous period	117,358	12,206	97,900	227,464
Adjusted opening balance	117,358	12,206	97,900	227,464
Comprehensive income				
Surplus (deficit) for the period	(12,504)	-	-	(12,504)
Total comprehensive income	(12,504)	-	-	(12,504)
of which:				
Attributable to the Australian Government	(12,504)	-	-	(12,504)
Transactions with owners				
Transfers between equity				
Transfers between equity components	4,400	-	(4,400)	-
Estimated closing balance as at 30 June 2022	109,254	12,206	93,500	214,960
Closing balance attributable to the Australian Government	109,254	12,206	93,500	214,960

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					
Industry contributions	140,466	119,207	119,456	120,755	119,806
Revenue from Government	48,162	60,020	66,195	73,151	65,109
Sale of goods and rendering of services	-	3,366	-	195	202
Interest	1,895	1,786	1,455	1,867	2,764
Dividends	617	1,500	1,500	1,500	1,500
Net GST received	19,232	18,798	17,852	17,908	-
Other	16,869	14,354	12,019	14,726	14,929
Total cash received	227,241	219,031	218,477	230,101	204,310
Cash used					
Employees	13,884	14,728	15,218	15,700	16,199
Suppliers	212,952	212,273	204,897	202,993	182,942
Borrowing costs	518	140	120	101	80
Total cash used	227,354	227,141	220,235	218,794	199,221
Net cash from (used by) operating activities	(113)	(8,110)	(1,758)	11,307	5,089
INVESTING ACTIVITIES					
Cash received					
Investments	45,000	30,000	15,000	15,000	-
Other	-	3,506	3,097	-	-
Total cash received	45,000	33,506	18,097	15,000	-
Cash used					
Purchase of property, plant and equipment	4,286	4,000	4,000	4,000	4,000
Investments	3,907	16,691	21,310	21,895	5,478
Total cash used	8,193	20,691	25,310	25,895	9,478
Net cash from (used by) investing activities	36,807	12,815	(7,213)	(10,895)	(9,478)

Continued on following page

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 used					
Lease liability – principal payments	2,092	2,132	2,200	2,277	2,360
Total cash used	2,092	2,132	2,200	2,277	2,360
Net cash from/(used by) financing activities	(2,092)	(2,132)	(2,200)	(2,277)	(2,360)
Net increase (decrease) in cash held	34,602	2,573	(11,171)	(1,865)	(6,749)
Cash and cash equivalents at the beginning of the reporting period	13,636	48,238	50,811	39,640	37,775
Cash and cash equivalents at the end of the reporting period	48,238	50,811	39,640	37,775	31,026

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement

	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)	4,286	4,000	4,000	4,000	4,000
TOTAL	4,286	4,000	4,000	4,000	4,000
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	4,286	4,000	4,000	4,000	4,000
Total cash used to acquire assets	4,286	4,000	4,000	4,000	4,000

(a) Includes the following source of funding:
 – internally developed assets.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

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

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2021				
Gross book value	4,283	3,706	22,521	30,510
Gross book value – ROU ^(a)	16,748	2,017	-	18,765
Accumulated depreciation/amortisation and impairment	(2,796)	(2,473)	(10,299)	(15,568)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(3,821)	(948)	-	(4,769)
Opening net book balance	14,414	2,302	12,222	28,938
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase – other ^(b)	-	-	4,000	4,000
Total additions	-	-	4,000	4,000
Other movements				
Depreciation/amortisation expense	(430)	(457)	(3,456)	(4,343)
Depreciation/amortisation expense – ROU ^(a)	(1,892)	(420)	-	(2,312)
Total other movements	(2,322)	(877)	(3,456)	(6,655)
As at 30 June 2022				
Gross book value	4,283	3,706	26,521	34,510
Gross book value – ROU ^(a)	16,748	2,017	-	18,765
Accumulated depreciation/amortisation and impairment	(3,226)	(2,930)	(13,755)	(19,911)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(5,713)	(1,368)	-	(7,081)
Closing net book balance	12,092	1,425	12,766	26,283

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) 'By purchase – other' refers to funding provided through other internal funding sources.

Prepared on Australian Accounting Standards basis.

GREAT BARRIER REEF MARINE PARK AUTHORITY

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GREAT BARRIER REEF MARINE PARK AUTHORITY

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Great Barrier Reef (the Reef) is a vast and spectacular ecosystem and one of the most complex natural wonders on Earth. It is an iconic symbol of the nation and helps shape Australia's global reputation. However, climate change impacts continue to affect the Reef and remain its greatest threat. Australia's practical action on emissions reduction goes hand-in-hand with our practical action on climate adaptation. This includes the Great Barrier Reef Marine Park Authority (the Authority) efforts to improve the health and resilience of the Reef by reducing local and regional pressures, and by leading the way in reef adaptation science.

The Authority is a world leader in marine park management, and for more than 40 years the Authority has acted to protect and conserve the Great Barrier Reef Marine Park (Marine Park) and World Heritage Area. Benchmarked against global standards, the Authority's management of the Marine Park is considered by many to be the "gold standard" for large-scale marine protected area management, according to a United Nations Educational, Scientific and Cultural Organization report.

The Authority is committed to strengthening its relationships with Traditional Owners of the Reef and will continue to implement the Aboriginal and Torres Strait Islander Heritage Strategy for the Great Barrier Reef Marine Park. A focus of the strategy is to increase management partnerships with Traditional Owners and more fully integrate consideration of Traditional Owner aspirations and heritage across Authority functions. Traditional Use of Marine Resources Agreements describe how the Great Barrier Reef Traditional Owner groups work in partnership with the Australian and Queensland governments to manage traditional use activities on their sea country. Today, over 25 per cent of the Marine Park coastline is managed under these agreements and contribute to the outcomes of the Aboriginal and Torres Strait Islander Heritage Strategy.

The coronavirus (COVID-19) pandemic has created significant, long-term challenges for Reef-dependent businesses, particularly tourism operators. Prior to the pandemic, the Reef was estimated to contribute \$6.4 billion a year to the economy. To assist with the COVID-19 pandemic regional recovery funding, the Authority is implementing measures to assist the tourism industry to deliver in-water reef site maintenance and monitoring across the Reef, including support of up to 300 jobs. The Government has also waived the Environment Management Charge for the Marine Park users until June 2022.

The Reef Joint Field Management Program – a joint program between the Queensland and Australian governments – will continue to expand through to 2021–22 and will evolve and respond to emerging threats while maintaining core foundational activities and deliver field operations across the 348,000 square kilometre Great Barrier Reef World Heritage Area. The new \$9 million, 24 metre ‘Reef Resilience’ vessel will significantly enhance and expand the range of compliance and conservation activities.

As part of the Reef Trust Partnership grant to the Great Barrier Reef Foundation, funding has been provided to continue the Crown-of-thorns Starfish Control Program to protect reefs of high tourist and ecological value across the Marine Park. The best-practice integrated pest management approach is demonstrating effective management of the coral eating Crown-of-thorns Starfish at these on high value reefs. Reef Restoration and Adaptation Program (RRAP) partners are working on governance arrangements for the future of RRAP under the Reef Trust Partnership funding, and on the transition from the scoping and feasibility phase to the implementation phase. The Authority will continue to be engaged in the development and implementation of RRAP to ensure risks to the Reef are minimised while maximum outcomes are achieved.

The Reef 2050 Long-Term Sustainability Plan (Reef 2050 Plan) has been reviewed and updated to ensure it contains the right priorities and actions to support the health and resilience of the Reef. The Authority will continue to play a key role implementing the Reef 2050 Plan which sets an overarching framework for protection of the Reef’s Outstanding Universal Value.

The Reef 2050 Integrated Monitoring and Reporting Program (RIMReP) is a joint Australian and Queensland government initiative, that has been designed to support management decisions and evaluate the outcomes of the Reef 2050 Plan. As part of RIMReP, the Authority will continue to develop a new online Reef Knowledge System. The Reef Knowledge System is a ‘first-stop shop’ that allows users to easily access a wide range of information about the Reef, including interactive maps, reports, datasets, monitoring and modelling information and guidance tools for managers.

The Authority’s Reef HQ Great Barrier Aquarium (Reef HQ) is currently closed to the public to undertake a suite of upgrades to support its strong focus on education, consistent with the Authority’s functions in the *Great Barrier Reef Marine Park Act 1975* (Cth). The Reef HQ master plan 2020–2040 provides long-term direction for continuous improvements to remain a highly effective mechanism for influencing community perceptions about the Reef to a broad audience of visitors (local, regional, national and international). The \$40.1 million in Government funding will enable a suite of upgrades to the 33-year-old facility that will ensure the national education centre for the Reef continues to be a powerful educational tool for decades to come.

Our Purpose:

Provide for the long-term protection, ecologically sustainable use, understanding and enjoyment of the Great Barrier Reef for all Australians and the international community through the care and development of the Marine Park.

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 (i.e. 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: Great Barrier Reef Marine Park Authority – Resource Statement – Budget Estimates for 2021–22 as at Budget May 2021

	2020–21 <i>Estimated actual</i> \$'000	2021–22 Estimate \$'000
<u>Departmental</u>		
Annual appropriations – ordinary annual services^(a)		
Prior year appropriations available	32,349	32,349
Departmental appropriation	59,400	57,656
Section 74 external revenue ^(b)	13,538	6,225
Departmental capital budget ^(c)	751	755
Annual appropriations – other services – non-operating^{(d),(e)}		
Equity injection	8,853	4,359
Total departmental annual appropriations	114,891	101,344
<u>Special appropriation</u>		
Assistance for Severely Affected Regions (Coronavirus Economic Response Package) Act 2020	18,864	-
Great Barrier Reef Marine Park Act 1975	-	-
Total special appropriations^(f)	18,864	-
<u>Special accounts^(f)</u>		
Opening balance	31,969	31,969
Appropriation receipts ^(g)	18,072	19,428
Non-appropriation receipts	18,416	21,026
Total special accounts	68,457	72,423
<i>less departmental appropriations drawn from annual/ special appropriations and credited to special accounts</i>	18,072	19,428
Total departmental appropriations	184,140	154,339
Total resourcing for GBRMPA	184,140	154,339
	2020–21	2021–22
Average staffing level (number)	238	240

(a) Appropriation Bill (No. 1) 2021–2022.

(b) Estimated external revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

(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 3.7 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

(d) Amounts credited to the Authority as special appropriation under Section 65(a) of the *Great Barrier Reef Marine Park Act 1975*.

(e) Appropriation Bill (No. 2) 2021–22.

(f) Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to *Budget Paper No. 4: Agency Resourcing*. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.

(g) Amounts credited to the special account(s) from the Authority's annual and special appropriations.

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

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

1.3 BUDGET MEASURES

Budget measures in Part 1 relating to the Great Barrier Reef Marine Park Authority are detailed in *Budget Paper No. 2: Budget Measures 2021–22* and are summarised below.

Table 1.2: Great Barrier Reef Marine Park Authority – 2021–22 Budget measures – Measures announced since 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
Payment measures					
COVID-19 Response Package – aviation and tourism support – continued – support tourism and review of current charging structure framework ^(a)					
1.1					
Administered payment	-	-	-	-	-
Departmental payment	-	10,300	3,794	48	-
Total	-	10,300	3,794	48	-
Total payment measures					
Administered	-	-	-	-	-
Departmental	-	10,300	3,794	48	-
Total	-	10,300	3,794	48	-
Decision Taken But Not Yet Announced	-	-	-	-	-

(a) The lead entity for this measure is the Department of Infrastructure, Transport, Regional Development and Communications. The measure description appears in *Budget Paper No. 2: Budget Measures 2021–22* under the Infrastructure, Transport, Regional Development and Communications portfolio.

Prepared on a Government Finance Statistics (Underlying Cash) basis

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 Great Barrier Reef Marine Park Authority can be found at: <http://www.gbrmpa.gov.au/about-us/corporate-plan>.

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

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: The long-term protection, ecologically sustainable use, understanding and enjoyment of the Great Barrier Reef for all Australians and the international community, through the care and development of the Marine Park.

2.1.1: Linked programs

Australian Institute of Marine Science
Program 1: Marine Research
Contribution to Outcome 1 made by linked programs The Authority and the Australian Institute of Marine Science work together on implementation of the Reef 2050 Plan to protect and conserve the Great Barrier Reef.
Clean Energy Finance Corporation
Program 1.1: Clean Energy Finance Corporation
Contribution to Outcome 1 made by linked programs The Clean Energy Finance Corporation is making available up to \$1 billion of investment finance over 10 years for the Reef Funding Program. This program will deliver financial investment 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' Reef 2050 Plan.
Department of Agriculture, Water and the Environment
Program 1.1: Sustainable Management of Natural Resources and the Environment Program 1.4: Conservation of Australia's Heritage and Environment Program 1.5: Environmental Regulation
Contribution to Outcome 1 made by linked programs The Department of Agriculture, Water and the Environment (DAWE) and The Authority work together on heritage management, environment health, species conservation and fisheries management as well as joint implementation of the Reef 2050 Plan to protect and conserve the Great Barrier Reef.
Department of Industry, Science, Energy and Resources
Program 1.1: Reviewing Climate Change Mitigation Policies
Contribution to Outcome 1 made by linked programs Climate change is the most significant threat to the Great Barrier Reef. The Department of Industry, Science, Energy and Resources is responsible for climate change mitigation policy and the DAWE is responsible for climate adaptation policy and climate science to support an effective global response to climate change.

Continued on following page

2.1.1: Linked programs (continued)

Director of National Parks
Program 1.1: Parks and Reserves: healthy and resilient parks, gardens and marine reserves, protecting nature and culture and valued by the community now and into the future
Contribution to Outcome 1 made by linked programs The Coral Sea Commonwealth Marine Reserve managed by the Director of National Parks adjoins the Great Barrier Reef Marine Park and provides complementary protection for ecosystems and biodiversity in the region.

2.1.2: Budgeted expenses for Outcome 1

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

Table 2.1: Budgeted expenses for Outcome 1

Outcome 1: The long-term protection, ecologically sustainable use, understanding and enjoyment of the Great Barrier Reef for all Australians and the international community, through the care and development of the Marine Park.

	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: Great Barrier Reef Marine Park Authority					
<u>Departmental expenses</u>					
Departmental appropriation	30,176	36,507	24,949	20,572	22,334
Section 74 external revenue ^(a)	15,486	7,946	8,697	4,723	2,996
<u>Special appropriations</u>					
<i>Assistance for Severely Affected Regions (Coronavirus Economic Response Package) Act 2020</i>	11,286	-	-	-	-
<i>Great Barrier Reef Marine Park Act 1975</i>	-	-	8,177	11,000	11,000
<u>Special accounts</u>					
Great Barrier Reef Field Management Special Account	36,488	40,454	40,161	40,091	38,433
Expenses not requiring appropriation in the Budget year ^(b)	1,917	2,420	2,482	2,214	1,951
Total expenses for program 1.1	95,353	87,327	84,466	78,600	76,714
Outcome 1 totals by resource type					
<u>Departmental expenses</u>					
Departmental appropriation	30,176	36,507	24,949	20,572	22,334
Section 74 external revenue ^(a)	15,486	7,946	8,697	4,723	2,996
Special appropriations	11,286	-	8,177	11,000	11,000
Special accounts	36,488	40,454	40,161	40,091	38,433
Expenses not requiring appropriation in the Budget year ^(b)	1,917	2,420	2,482	2,214	1,951
Total expenses for Outcome 1	95,353	87,327	84,466	78,600	76,714
	2020–21	2021–22			
Average staffing level (number)	238	240			

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

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

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

Prepared on Australian Accounting Standards basis.

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: The long-term protection, ecologically sustainable use, understanding and enjoyment of the Great Barrier Reef for all Australians and the international community through the care and development of the Marine Park.		
Program 1.1: Great Barrier Reef Marine Park Authority		
Objective	Protects and manages the environment, biodiversity, and heritage values of the Great Barrier Reef Region, and ensures the ecologically sustainable use and benefits of the Great Barrier Reef Marine Park for current and future generations.	
Delivery	Program 1.1 will be delivered by: <ul style="list-style-type: none">• Enhancing Reef resilience by providing expert knowledge to advise key decision makers on managing, reducing or avoiding significant threats to the Reef.• Enhancing Reef resilience through innovation, management and regulation of the Marine Park and our in-field presence.• Enhancing Reef resilience through partnerships, collaboration and education.• Supporting a high-performing organisation.	
Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020–21	The Reef is Protected: Percentage of allocated short-term actions that are 'on track' or 'completed' in the Aboriginal and Torres Strait Islander Heritage Strategy for the Great Barrier Reef Marine Park.	75 per cent.
	The Reef is Protected: Proportion of Policy and Planning Roadmap agreed actions for 2020–21 that are either 'on track' or 'completed'.	85 per cent.
	Sustainable use of the Reef: Proportion of effective Key Performance Information's (KPI) identified in the Authority's Regulator Performance Framework Self-Assessment 2020–21.	100 per cent of KPIs are 'effective' or 'mostly effective'.

Continued on following pages

Contributions to Outcome 1 (continued)

Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020–21 (continued)	Sustainable use of the Reef: Proportion of Reef Joint Field Management Program Annual Business Plan targets achieved or with significant progress 2020–21.	85 per cent.
	The Reef is Understood: Identify priority knowledge gaps for Reef management.	Develop revised Science for Information Needs Strategy by end of the 2020–21 financial year.
	The Reef is Understood: Reef Integrated Monitoring and Reporting Business Strategy defines the activities of the Reef 2050 Reef Integrated Monitoring and Reporting program (RIMReP) and includes a measureable Annual Business Plan for the 2021–22 financial year.	Develop Business Strategy 2020–2025, which is endorsed by partners, and develop an Annual Business Plan for 2021–22 by end of the 2020–21 financial year.
2021–22	The Reef is Protected. As per 2020–21.	As per 2020–21.
	The Reef is Protected As per 2020–21.	As per 2020–21.
	Sustainable use of the Reef: Proportion of Reef Joint Field Management Program Annual Business Plan targets achieved or with significant progress 2020–21.	85 per cent.
	The Reef is Understood: Priority knowledge gaps are identified and understood.	The Authority promotes the Science Information Needs Framework to key stakeholders (70 per cent / 10 key stakeholders). The number of priority knowledge gaps being addressed increases each financial year (with a target of a 10 per cent increase annually).

Continued on following page

Contributions to Outcome 1 (continued)

Performance information		
Year	Performance criteria	2020-21 Achievement/Targets
2021–22 (continued)	<p>The Reef is Understood:</p> <p>Publication of a five-year Reef 2050 Integrated Monitoring and Reporting Program Business Strategy that defines activities to support resilience-based management and enable progress reporting against the Reef 2050 Plan.</p>	The five-year Business Strategy – endorsed by partners – is published on the Authority's website.
	<p>The Reef is Understood:</p> <p>Proportion of participants that 'strongly agree' or 'agree' that participating in initiatives delivered as part of the Reef Education and Engagement Strategy 2020–2025:</p> <ul style="list-style-type: none"> • Inspires the audience to care about the Great Barrier Reef (Care). • Increases the audience's knowledge and understanding about the Great Barrier Reef (Learn). • Encourages/motivates the audience to take environmental/sustainable actions (Act). • Encourages/motivates the audience to share their learning and experiences with others (Share). • Encourages/motivates the audience to take actions that enhance Reef resilience (Steward). 	<p>Care and Learn – 80 per cent.</p> <p>Act – 75 per cent.</p> <p>Share and Steward – 60 per cent.</p>
2022–23 and beyond	As per 2021–22.	As per 2021–22.
Purpose	Our Purpose is to ensure the long-term protection, ecologically sustainable use, understanding and enjoyment of the Great Barrier Reef for all Australians and the international community through the care and development of the Marine Park.	

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1: Differences between entity resourcing and financial statements

The financial statements are prepared on an accrual basis where revenues and expenses are recognised as and when the resources are received and used. The entity resourcing table recognises cash resources available to be used during the period and includes amounts recognised as revenue in previous periods.

3.1.2: Explanatory notes and analysis of budgeted financial statements

Changes in appropriation from 2020–21 to 2021–22 are the result of the additional funding received in 2021–22 for the Joint Field Management Program, offset by ceasing of the Coronavirus Economic Response Package.

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	26,543	28,810	29,223	28,745	29,273
Suppliers	41,905	27,067	24,008	18,888	16,737
Depreciation and amortisation ^{(a),(b)}	3,244	3,294	3,347	3,347	3,347
Finance costs ^(b)	32	33	34	34	34
Provision for Douglas Shoal	-	487	531	263	-
Payments to Queensland Government for Field Management Program	23,629	27,636	27,323	27,323	27,323
Total expenses	95,353	87,327	84,466	78,600	76,714
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	1,925	146	2,814	2,814	2,814
Fees and fines	-	-	260	260	260
Grants received from Government and Industry Partners	13,561	7,878	5,701	1,727	-
Receipts from Queensland Government for Field Management Program	16,468	19,227	19,227	19,227	19,227
Total own-source revenue	31,954	27,251	28,002	24,028	22,301
Gains					
Other	54	54	54	54	54
Total gains	54	54	54	54	54
Total own-source income	32,008	27,305	28,056	24,082	22,355
Net cost of (contribution by) services	63,345	60,022	56,410	54,518	54,359
Revenue from Government	78,264	57,656	53,982	52,358	52,462
Total revenue from Government	78,264	57,656	53,982	52,358	52,462
Surplus/(deficit) attributable to the Australian Government	14,919	(2,366)	(2,428)	(2,160)	(1,897)
Total other comprehensive income	14,919	(2,366)	(2,428)	(2,160)	(1,897)
Total comprehensive income/(loss) attributable to the Australian Government	14,919	(2,366)	(2,428)	(2,160)	(1,897)

Continued on following page

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)**Note: Impact of Net Cash Appropriation Arrangements**

	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Total comprehensive income (loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriation, depreciation on ROU, principal repayments on leased assets	16,782	(487)	(531)	(263)	-
less depreciation/amortisation expenses previously funded through revenue appropriations ^(a)	1,300	1,300	1,300	1,300	1,300
less depreciation/amortisation expenses for ROU ^(b)	1,944	1,994	2,047	2,047	2,047
add principal repayments on leased assets ^(b)	1,381	1,415	1,450	1,450	1,450
Total comprehensive income (loss) – as per the statement of comprehensive income	14,919	(2,366)	(2,428)	(2,160)	(1,897)

(a) From 2010–11, the Government introduced net cash appropriation arrangements where Appropriation Bill (No. 1) or Bill (No. 2) revenue appropriations for the depreciation/amortisation expenses of non-Corporate Commonwealth Entities were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Appropriation Bill (No. 1) or Bill (No. 2) equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.

(b) Applies to leases under AASB 16 Leases. Right of Use (ROU).

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	32,349	30,623	16,663	3,278	3,278
Trade and other receivables	39,111	38,832	38,832	38,832	38,832
Total financial assets	71,460	69,455	55,495	42,110	42,110
Non-financial assets					
Land and buildings	27,325	30,985	35,060	36,059	36,942
Property, plant and equipment	3,413	3,199	3,002	2,678	2,479
Intangibles	2,586	2,420	2,243	2,093	1,943
Inventories	29	29	29	29	29
Other non-financial assets	407	407	407	407	407
Total non-financial assets	33,760	37,040	40,741	41,266	41,800
Total assets	105,220	106,495	96,236	83,376	83,910
LIABILITIES					
Payables					
Suppliers	2,912	2,912	2,912	2,912	2,912
Permit bonds	1,358	1,358	1,358	1,358	1,358
Other payables	427	427	427	427	427
Total payables	4,697	4,697	4,697	4,697	4,697
Interest bearing liabilities					
Leases	1,957	2,002	2,048	2,094	2,140
Total interest bearing liabilities	1,957	2,002	2,048	2,094	2,140
Provisions					
Employee provisions	7,859	7,859	7,859	7,859	7,859
Other provisions	28,069	26,551	13,122	-	-
Total provisions	35,928	34,410	20,981	7,859	7,859
Total liabilities	42,582	41,109	27,726	14,650	14,696
Net assets	62,638	65,386	68,510	68,726	69,214
EQUITY*					
Parent entity interest					
Contributed equity	46,989	52,103	57,655	60,031	62,416
Reserves	2,497	2,497	2,497	2,497	2,497
Retained surplus (accumulated deficit)	13,152	10,786	8,358	6,198	4,301
Total parent entity interest	62,638	65,386	68,510	68,726	69,214
Total Equity	62,638	65,386	68,510	68,726	69,214

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

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity – summary of movement (Budget year 2021–22)

	Retained earnings \$'000	Revaluation Asset Reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2021				
Balance carried forward from previous period	13,152	2,497	46,989	62,638
Adjusted opening balance	13,152	2,497	46,989	62,638
Comprehensive income				
Surplus (deficit) for the period	(2,366)	-	-	(2,366)
Total comprehensive income	(2,366)	-	-	(2,366)
Transactions with owners				
Contributions by owners				
Equity Injection – Appropriation	-	-	4,359	4,359
Departmental Capital Budget (DCB)	-	-	755	755
Sub-total transactions with owners	-	-	5,114	5,114
Estimated closing balance as at 30 June 2022	10,786	2,497	52,103	65,386
Closing balance attributable to the Australian Government	10,786	2,497	52,103	65,386

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	69,060	57,935	53,982	52,358	52,462
Receipts from Government and industry	13,561	7,878	5,701	1,727	-
Sale of goods and rendering of services	1,925	146	3,074	3,074	3,074
Receipts from Queensland Government for Field Management Program	16,468	19,227	19,227	19,227	19,227
Total cash received	101,014	85,186	81,984	76,386	74,763
Cash used					
Employees	26,543	28,810	29,223	28,745	29,273
Suppliers	41,851	28,739	37,914	32,219	16,683
Payment to Queensland Government for Field Management Program	23,629	27,915	27,323	27,323	27,323
Interest payment on lease liability	32	33	34	34	34
Total cash used	92,055	85,497	94,494	88,321	73,313
Net cash from (used by) operating activities	8,959	(311)	(12,510)	(11,935)	1,450
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	17,182	5,114	5,552	2,376	2,385
Total cash used	17,182	5,114	5,552	2,376	2,385
Net cash from (used by) investing activities	(17,182)	(5,114)	(5,552)	(2,376)	(2,385)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	9,604	5,114	5,552	2,376	2,385
Total cash received	9,604	5,114	5,552	2,376	2,385
Cash used					
Lease liability – principal payments	1,381	1,415	1,450	1,450	1,450
Total cash used	1,381	1,415	1,450	1,450	1,450
Net cash from (used by) financing activities	8,223	3,699	4,102	926	935
Net increase (decrease) in cash held	-	(1,726)	(13,960)	(13,385)	-
Cash and cash equivalents at the beginning of the reporting period	32,349	32,349	30,623	16,663	3,278
Cash and cash equivalents at the end of the reporting period	32,349	30,623	16,663	3,278	3,278

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					
Capital budget – Bill (No. 1) (DCB)	751	755	1,237	1,252	2,385
Equity injections – Bill (No. 2)	8,853	4,359	4,315	1,124	-
Total new capital appropriations	9,604	5,114	5,552	2,376	2,385
Provided for:					
Purchase of non-financial assets	9,604	5,114	5,552	2,376	2,385
Total items	9,604	5,114	5,552	2,376	2,385
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	8,853	3,366	2,055	1,124	-
Funded by capital appropriation – DCB ^(b)	751	1,748	3,497	1,252	2,385
Funded by special appropriations	7,578	-	-	-	-
TOTAL	17,182	5,114	5,552	2,376	2,385
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	17,182	5,114	5,552	2,376	2,385
Total cash used to acquire assets	17,182	5,114	5,552	2,376	2,385

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

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

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

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	27,176	4,198	3,109	34,483
Gross book value – ROU ^(a)	4,102	648	-	4,750
Accumulated depreciation/amortisation and impairment	(856)	(1,174)	(523)	(2,553)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(3,097)	(259)	-	(3,356)
Opening net book balance	27,325	3,413	2,586	33,324
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase – appropriation equity ^(b)	4,609	371	134	5,114
By purchase – appropriation equity – ROU ^{(a)(b)}	1,335	125	-	1,460
Total additions	5,944	496	134	6,574
Other movements				
Depreciation/amortisation expense	(400)	(600)	(300)	(1,300)
Depreciation/amortisation expense – ROU ^(a)	(1,884)	(110)	-	(1,994)
Total other movements	(2,284)	(710)	(300)	(3,294)
As at 30 June 2022				
Gross book value	31,785	4,569	3,243	39,597
Gross book value – ROU ^(a)	5,437	773	-	6,210
Accumulated depreciation/amortisation and impairment	(1,256)	(1,774)	(823)	(3,853)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(4,981)	(369)	-	(5,350)
Closing net book balance	30,985	3,199	2,420	36,604

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2021–22, including Collection Development Acquisition Budgets; and funding provided through Appropriation Bill (No. 1) 2021–22 for depreciation/amortisation expenses, DCBs or other operational expenses.

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)

	2020–21 Estimated actual \$'000	2021–22 Budget \$'000	2022–23 Forward estimate \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000
Own-source revenue					
Non-taxation revenue					
Environmental management charge	-	-	8,180	11,000	11,000
Infringement notices	80	80	80	80	80
Rental income	186	375	381	387	393
Total non-taxation revenue	266	455	8,641	11,467	11,473
Total own-source revenue administered on behalf of Government	266	455	8,641	11,467	11,473
Net (cost of)/ contribution by services	(266)	(455)	(8,641)	(11,467)	(11,473)
Surplus/ (Deficit)	266	455	8,641	11,467	11,473
Total comprehensive income (loss) attributable to the Australian Government	266	455	8,641	11,467	11,473

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					
Trade and other receivables	841	841	841	841	841
Total financial assets	841	841	841	841	841
Non-financial assets					
Land and buildings	2,996	2,996	2,996	2,996	2,996
Total non-financial assets	2,996	2,996	2,996	2,996	2,996
Total assets administered on behalf of Government	3,837	3,837	3,837	3,837	3,837
LIABILITIES					
Payables					
Suppliers payable	841	841	841	841	841
Total payables	841	841	841	841	841
Total liabilities administered on behalf of Government	841	841	841	841	841
Net assets/(liabilities)	2,996	2,996	2,996	2,996	2,996

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					
Environmental management charge	-	-	8,180	11,000	11,000
Infringement notices	80	80	80	80	80
Rental income	186	375	381	387	393
Total cash received	266	455	8,641	11,467	11,473
Net cash from (used by) operating activities	266	455	8,641	11,467	11,473
Net increase (decrease) in cash held	266	455	8,641	11,467	11,473
Cash to Official Public Account for:					
– Special Appropriations	-	-	8,180	11,000	11,000
– Other	266	455	461	467	473
Cash from Official Public Account for:	266	455	8,641	11,467	11,473
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.10: Statement of asset movements (Budget year 2021–22)

	Land	Buildings	Total
	\$'000	\$'000	\$'000
As at 1 July 2021			
Gross book value	2,386	610	2,996
Opening net book balance	2,386	610	2,996
As at 30 June 2022			
Gross book value	2,386	610	2,996
Closing net book balance	2,386	610	2,996

Prepared on Australian Accounting Standards basis.

MURRAY-DARLING BASIN AUTHORITY

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MURRAY-DARLING BASIN AUTHORITY

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Murray-Darling Basin Authority (MDBA) establishes and monitors the sustainable and integrated management of the water resources of the Murray-Darling Basin. We do this in a way that best meets the social, economic and environmental needs of the Basin and its communities. The MDBA achieves this through its outcome:

Outcome 1: Equitable and sustainable use of the Murray-Darling Basin by governments and the community including through development and implementation of a Basin Plan, operation of the River Murray system, shared natural resource management programmes, research, information and advice.

Murray Darling Basin agreement functions

In addition to its functions under the *Water Act 2007*, the MDBA has functions under the Murray-Darling Basin Agreement (Agreement), which forms Schedule 1 to the Act. These include giving effect to decisions of the Murray-Darling Basin Ministerial Council and the Basin Officials' Committee in relation to the Basin governments' joint programs. The MDBA delivers its functions under the Agreement in conjunction with and on behalf of the contracting governments – the Australian Government and the governments of Victoria, South Australia, New South Wales, Queensland and the Australian Capital Territory.

Our purpose

To advance the sustainability, productivity, wellbeing and resilience of the Murray-Darling Basin and its communities.

Our objectives

During 2021–22, the MDBA has the following goals:

- Drive the successful implementation of the Basin Plan;
- Efficiently and effectively operate River Murray System for Basin governments; and
- Improve transparency and confidence in the Basin Plan.

Key areas of focus include:

- Implement and improve the Basin Plan;
- Operate the River Murray System on behalf of Basin governments;
- Enhance preparedness for climate challenges;
- Improve opportunities and involvement of First Nations in Basin water management;
- Partner with communities and other experts to improve water management, information sharing and incorporate of local knowledge; and
- Monitor Basin conditions and collaborate to improve knowledge science and modelling.

Material amendments to measures

The MDBA currently has a role in compliance in relation to the Basin Plan. The 2020–21 Budget measure to establish a statutory authority of the Inspector-General of Water Compliance will impact this role from 2021–22. The MDBA will continue to exercise its statutory responsibility for the compliance function until legislation is amended and the functions are transitioned to the Department of Agriculture Water and the Environment.

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 (i.e. appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Murray-Darling Basin Authority – 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	147,005	139,733
Funds from Government		
Annual appropriations – ordinary annual services^(a)		
Outcome 1	62,007	80,770
Annual appropriations – other services – non-operating^(b)		
Equity injection	1,922	12,189
Total annual appropriations	63,929	92,959
Amounts received from related entities		
Amounts from portfolio department ^(c)	12,560	14,429
Total amounts received from related entities	12,560	14,429
Total funds from Government	76,489	107,388
Funds from other sources		
Royalties	2,400	2,400
Sale of goods and services	238	238
Grant	79,441	92,837
Other	26,537	9,040
Total funds from other sources	108,616	104,515
Total net resourcing for MDBA	332,110	351,636
	2020–21	2021–22
Average staffing level (number)	266	271

Continued on following page

Table 1.1: Murray-Darling Basin Authority – Resource Statement – Budget Estimates for 2021–22 as at Budget May 2021 (continued)

- (a) Appropriation Bill (No. 1) 2021–22. Appropriation is provided through the Department of Agriculture, Water and the Environment (DAWE) and is specified with the Annual Appropriation Bills as payment to the MDBA.
- (b) Appropriation Bill (No. 1) and Bill (No. 2) 2021–22. Appropriation is provided through DAWE and is specified within the Annual Appropriation Bills as a payment to the MDBA.
- (c) Funding provided by the portfolio department that is not specified within the Annual Appropriation Bills as a payment to that corporate entity (for example, a grant awarded to a corporate entity from one of its portfolio department's administered programs).

Please note: 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.

1.3 BUDGET MEASURES

Budget measures in Part 1 relating to the Murray-Darling Basin Authority are detailed in *Budget Paper No. 2: Budget Measures 2021–22* and are summarised below.

Table 1.2: Murray-Darling Basin Authority – 2021–22 Budget measures – Measures announced since 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
Payment measures						
Murray-Darling Basin – managing water resources ^{(a),(b)}	1.1					
Administered payment ^(c)		-	nfp	nfp	nfp	nfp
Departmental payment ^(c)		-	nfp	nfp	nfp	nfp
Total		-	nfp	nfp	nfp	nfp
Total payment measures						
Administered		-	nfp	nfp	nfp	nfp
Departmental		-	nfp	nfp	nfp	nfp
Total		-	nfp	nfp	nfp	nfp
Capital measures						
Murray-Darling Basin – managing water resources ^{(a),(b)}	1.1					
Administered capital ^(c)		-	nfp	nfp	nfp	nfp
Departmental capital ^(c)		-	nfp	nfp	nfp	nfp
Total		-	nfp	nfp	nfp	nfp
Total capital measures						
Administered		-	nfp	nfp	nfp	nfp
Departmental		-	nfp	nfp	nfp	nfp
Total		-	nfp	nfp	nfp	nfp

(a) The measure description appears in *Budget Paper No. 2: Budget Measures 2021–22* under the Agriculture, Water and Environment portfolio.

(b) Funding for this measure passes through the Department of Agriculture, Water and the Environment to the MDBA.

(c) Funding is not for publication (nfp) due to ongoing negotiations with Basin jurisdictions.

Prepared on a Government Finance Statistics (Underlying Cash) basis

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.

MDBA's most recent corporate plan can be found at:

<https://www.mdba.gov.au/publications/policies-guidelines/corporate-plan>.

MDBA's most recent annual performance statement can be found at:

<https://www.mdba.gov.au/publications/mdba-reports/mdba-annual-report>.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Equitable and sustainable use of the Murray-Darling Basin by governments and the community including through development and implementation of a Basin Plan, operation of the River Murray system, shared natural resource management programs, research, information and advice.

2.1.1: Linked programs

Department of Agriculture, Water and the Environment
<p>Program 1.3: Commonwealth Environmental Water</p> <p>Program 5.1: Water Reform</p>
<p>Contribution to Outcome 1 made by linked programs:</p> <p>The Murray-Darling Basin Authority (MDBA) works collaboratively with the Department of Agriculture, Water and the Environment (DAWE) to implement the Murray-Darling Basin Plan and the Intergovernmental Agreement on Murray-Darling Basin Reform.</p> <p>MDBA and DAWE also work together on the operation of the River Murray System, shared natural resource management programs, research, information, advice and Basin Plan reporting obligations, all of which contribute to the management of Commonwealth environmental water.</p>
Bureau of Meteorology
<p>Program 1.1: Bureau of Meteorology</p>
<p>Contribution to Outcome 1 made by linked program:</p> <p>The Bureau of Meteorology provides weather, climate and water modelling, insight, data and analysis to the MDBA.</p>

2.1.2: Budgeted expenses for Outcome 1

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

Table 2.1: Budgeted expenses for Outcome 1

Outcome 1: Equitable and sustainable use of the Murray-Darling Basin by governments and the community including through development and implementation of a Basin Plan, operation of the River Murray system, shared natural resource management programs, research, information and advice.					
	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: Murray–Darling Basin Authority					
<u>Revenue from Government</u>					
Ordinary annual services					
(Appropriation Bill (No. 1)) ^(a)	62,007	80,770	49,409	44,549	39,987
Payment from related entities	12,560	14,429	13,506	13,579	13,579
Revenues from other independent sources ^(b)	116,701	126,165	99,590	98,404	95,030
Total expenses for program 1.1	191,268	221,364	162,505	156,532	148,596
Outcome 1 totals by resource type					
<u>Revenue from Government</u>					
Ordinary annual services					
(Appropriation Bill (No. 1)) ^(a)	62,007	80,770	49,409	44,549	39,987
Payment from related entities	12,560	14,429	13,506	13,579	13,579
Revenues from other independent sources ^(b)	116,701	126,165	99,590	98,404	95,030
Total expenses for Outcome 1	191,268	221,364	162,505	156,532	148,596
	2020–21	2021–22			
Average staffing level (number)	266	271			

(a) Appropriation Bill (No. 1) 2021–22. The MDBA is a corporate Commonwealth entity (CCE) under the PGPA Act and does not receive direct appropriations. Appropriation is provided through DAWE and is specified with the Annual Appropriation Bills as payment to the MDBA and is considered departmental for all purposes.

(b) Revenues from other independent sources include contributions from jurisdictions for Agreement functions, other miscellaneous revenue and funds drawn from the Murray-Darling Basin special account. The Murray-Darling Basin special account is not a Special Account for the purpose of the PGPA Act.

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

Prepared on Australian Accounting Standards basis.

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 – Equitable and sustainable use of the Murray-Darling Basin by governments and the community including through development and implementation of a Basin Plan, operation of the River Murray system, shared natural resource management programs, research, information and advice.		
Program 1.1: Equitable and sustainable use of the Murray-Darling Basin		
Objective	To improve the sustainability of the Murray Darling Basin through integrated reform and management of water and other natural resources for the long-term benefit of the Australian community.	
Delivery	Collaborating with Basin governments, communities and the Commonwealth to achieve sustainable management of the Murray-Darling Basin river system, in accordance with the <i>Water Act 2007</i> , Murray-Darling Basin Agreement and the Murray-Darling Basin Plan.	
Performance information		
Year	Performance criteria	Actual Achievement/Targets^(a)
2020–21	Lead the implementation of the Basin Plan in collaboration with Basin state and territory governments and other Australian government agencies.	The measures and evidence of progress against this measure will be described in the Authority’s Annual Performance Statement 2020–21 in line with the evidence targets described in the 2020–21 Corporate Plan.
	Operate the River Murray system efficiently for partner governments.	The measures and evidence of progress against this measure will be described in the Authority’s Annual Performance Statement 2020–21 in line with the evidence targets described in the 2020–21 Corporate Plan.
2021–22	Drive the successful implementation of the Basin Plan.	As per 2020–21.
	Efficiently and effectively operate the River Murray system for partner governments.	As per 2020–21.

Continued on following page

Contributions to Outcome 1 (continued)

Performance information		
Year	Performance criteria	Actual Achievement/Targets^(a)
2022–23 and beyond	As per 2021–22.	As per 2021–22.
Purpose ^(a)	To advance the sustainability, productivity, wellbeing and resilience of the Murray-Darling Basin and its communities.	

(a) Refers to updated purpose reflected in the 2021–22 Corporate Plan.

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1: Differences between entity resourcing and financial statements

There are no differences between the resource information presented in the Budget Papers and Portfolio Budget Statements.

3.1.2: Explanatory notes and analysis of budgeted financial statements

Revenue is credited to the Murray-Darling Basin special account from the following:

- Funding received through the Department of Agriculture, Water and the Environment for Basin Plan functions and the South Australian Riverland Floodplain Integrated Infrastructure Project (refer below);
- Australian Government contribution to Murray-Darling Basin Agreement; and
- State and territory government contributions and miscellaneous revenue from other sources (for example, property revenues, hydro generation and sale of assets) for the Agreement functions.

Australian Government and state and territory government contributions to the Agreement functions, which are reflected as grants income in the financial statements and grants cash in the balance sheet, for 2021–22, and forward years represent amounts as per 2020–21 work plan approved by Ministerial Council.

Where appropriate, expenses, both employees and suppliers, have been adjusted to reflect the appropriations and changes in revenues resulting from any revised contributions to the joint programs.

The MDBA has budgeted for an operating deficit in 2021–22 which is impacted by the need to complete a number of joint programs (i.e. programs funded through non-appropriation receipts), including for river and environmental management programs and the residual components of the Environmental Works and Measures Program, Hydrometric Networks and Remote Sensing Program, Water and Environment Research Program for which funds have been retained in the Murray-Darling Basin special account.

Revenue from government includes funding for the South Australia Riverland Floodplain Integrated Infrastructure Program (SARFIIP). SARFIIP had an initial cost of \$155 million and was due to be completed in 2019–20. However, the 2020–21 Budget included an additional \$37.6 million over two years for SARFIIP, bringing the Government’s total investment in the program to \$192.6 million. This funding will be used for the following three additional projects:

- Restoring natural river patterns in Lock 6 reach;
- River infrastructure and operational investments in the Lock 3 reach; and
- Reinstating natural habitat conditions in the Bookmark Creek area.

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					
Depreciation and amortisation	4,629	4,633	4,541	5,047	4,417
Employee benefits	38,192	37,254	38,177	39,131	40,105
Finance cost	334	286	236	187	140
Grants ^(a)	16,578	39,691	10,572	10,572	10,572
Suppliers	131,535	139,500	108,979	101,595	93,362
Total expenses	191,268	221,364	162,505	156,532	148,596
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Grants ^(b)	92,001	107,266	102,325	103,015	103,015
Royalties	2,400	2,400	2,400	2,400	2,400
Other	26,775	9,278	8,286	6,483	3,109
Total own-source revenue	121,176	118,944	113,011	111,898	108,524
Total own-source income	121,176	118,944	113,011	111,898	108,524
Gains					
Other	85	85	85	85	85
Total gains	85	85	85	85	85
Net cost of (contribution by) services	70,007	102,335	49,409	44,549	39,987
Revenue from Government	62,007	80,770	49,409	44,549	39,987
Total revenue from Government	62,007	80,770	49,409	44,549	39,987
Surplus/(deficit) attributable to the Australian Government^(c)	(8,000)	(21,565)	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government^(c)	(8,000)	(21,565)	-	-	-

Continued on following page

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

Note: Impact of net cash appropriation arrangements

	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	(7,790)	(21,472)	-	636	-
less depreciation/amortisation expenses for ROU ^(d)	2,697	2,697	2,234	2,795	2,095
add principal repayments on leased assets ^(d)	2,487	2,604	2,234	2,159	2,095
Total comprehensive income/(loss) – as per the Statement of comprehensive income	(8,000)	(21,565)	-	-	-

(a) The amount includes payment to South Australia under the South Australia Riverland Floodplain Integrated Infrastructure Program (SARFIIP). Other payments relate to grants paid to jurisdictions, non-profit organisations and the private sector.

(b) For 2021–22 and the forward years represent amounts as per 2020–21 Joint Program work plan approved by Ministerial Council.

(c) The MDBA's operating loss is primarily the result of recommended accounting treatment for the special appropriation of \$441.500 million recognised as revenue during transition from Murray-Darling Basin Commission to MDBA in 2008–09.

(d) Applies to leases under AASB 16 Leases. Right of Use (ROU).

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	139,733	116,684	114,772	112,879	110,879
Trade and other receivables	3,652	3,652	3,652	3,652	3,652
Total financial assets	143,385	120,336	118,424	116,531	114,531
Non-financial assets					
Land and buildings	19,116	16,488	14,262	11,467	9,372
Property, plant and equipment	1,632	1,563	1,555	2,762	2,762
Intangibles	1,694	15,456	29,016	36,496	39,943
Others	1,957	1,957	1,957	1,957	1,957
Total non-financial assets	24,399	35,464	46,790	52,682	54,034
Total assets	167,784	155,800	165,214	169,213	168,565
LIABILITIES					
Payables					
Suppliers	21,557	21,941	21,941	21,941	21,941
Employee	860	860	860	860	860
Other payables	653	653	653	653	653
Total payables	23,070	23,454	23,454	23,454	23,454
Interest bearing liabilities					
Leases	13,786	10,762	8,528	6,369	4,274
Total interest bearing-liabilities	13,786	10,762	8,528	6,369	4,274
Provisions					
Employee provisions	11,332	11,332	11,332	11,332	11,332
Other provisions	1,237	1,269	1,301	1,333	1,333
Total provisions	12,569	12,601	12,633	12,665	12,665
Total liabilities	49,425	46,817	44,615	42,488	40,393
Net assets	118,359	108,983	120,599	126,725	128,172
EQUITY*					
Parent entity interest					
Contributed equity	(1,852)	10,337	21,953	28,079	29,526
Reserves	2	2	2	2	2
Retained surplus (accumulated deficit)	120,209	98,644	98,644	98,644	98,644
Total parent entity interest	118,359	108,983	120,599	126,725	128,172
Total Equity	118,359	108,983	120,599	126,725	128,172

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

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2021–22)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contribution equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2021				
Balance carried forward from previous period	120,209	2	(1,852)	118,359
Adjusted opening balance	120,209	2	(1,852)	118,359
Comprehensive income				
Surplus (deficit) for the period	(21,565)	-	-	(21,565)
Total comprehensive income	(21,565)	-	-	(21,565)
Transactions with owners				
Contributions by owners				
Equity injection – Appropriation	-	-	12,189	12,189
Sub-total transactions with owners	-	-	12,189	12,189
Estimated closing balance as at 30 June 2022	98,644	2	10,337	108,983
Closing balance attributable to the Australian Government	98,644	2	10,337	108,983

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	62,007	80,770	49,409	44,549	39,987
Sale of goods and rendering of services	238	238	238	238	238
Grants cash received	92,001	107,266	102,325	103,015	103,015
Interest received	160	350	350	350	350
Net GST received	14,096	16,093	13,154	11,819	10,548
Other	28,777	11,090	10,098	8,295	4,921
Total cash received	197,279	215,807	175,574	168,266	159,059
Cash used					
Employees	38,192	37,254	38,177	39,131	40,105
Suppliers	144,688	154,572	120,991	112,272	102,768
Grants	17,472	40,663	11,629	11,629	11,629
Lease liability – interest payments	302	254	204	155	108
Total cash used	200,654	232,743	171,001	163,187	154,610
Net cash from (used by) operating activities	(3,375)	(16,936)	4,573	5,079	4,449
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	3,332	15,698	15,867	10,939	5,801
Total cash used	3,332	15,698	15,867	10,939	5,801
Net cash from (used by) investing activities	(3,332)	(15,698)	(15,867)	(10,939)	(5,801)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	1,922	12,189	11,616	6,126	1,447
Total cash received	1,922	12,189	11,616	6,126	1,447
Cash used					
Lease liability – principal payments	2,487	2,604	2,234	2,159	2,095
Total cash used	2,487	2,604	2,234	2,159	2,095
Net cash from (used by) financing activities	(565)	9,585	9,382	3,967	(648)
Net increase (decrease) in cash held	(7,272)	(23,049)	(1,912)	(1,893)	(2,000)
Cash and cash equivalents at the beginning of the reporting period	147,005	139,733	116,684	114,772	112,879
Cash and cash equivalents at the end of the reporting period	139,733	116,684	114,772	112,879	110,879

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 – transferred by portfolio department	1,922	12,189	11,616	6,126	1,447
Total new capital appropriations	1,922	12,189	11,616	6,126	1,447
Provided for:					
Purchase of non-financial assets	1,922	12,189	11,616	6,126	1,447
Total items	1,922	12,189	11,616	6,126	1,447
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation	1,500	13,862	13,660	7,789	3,447
Funded internally from departmental resources	1,832	1,836	2,207	3,150	2,354
TOTAL	3,332	15,698	15,867	10,939	5,801
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	3,332	15,698	15,867	10,939	5,801
Total cash used to acquire assets	3,332	15,698	15,867	10,939	5,801

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

Prepared on Australian Accounting Standards basis.

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

	Land and Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2021				
Gross book value	8,044	3,336	9,450	20,830
Gross book value – ROU ^(a)	18,543	372	-	18,915
Accumulated depreciation/amortisation and impairment	(2,384)	(1,772)	(7,756)	(11,912)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(5,087)	(304)	-	(5,391)
Opening net book balance	19,116	1,632	1,694	22,442
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase – appropriation equity ^(b)	987	649	14,062	15,698
Total additions	987	649	14,062	15,698
Other movements				
Depreciation/amortisation expense	(987)	(649)	(300)	(1,936)
Depreciation/amortisation expense – ROU ^(a)	(2,628)	(69)	-	(2,697)
Total other movements	(3,615)	(718)	(300)	(4,633)
As at 30 June 2022				
Gross book value	9,031	3,985	23,512	36,528
Gross book value – ROU ^(a)	18,543	372	-	18,915
Accumulated depreciation/amortisation and impairment	(3,371)	(2,421)	(8,056)	(13,848)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(7,715)	(373)	-	(8,088)
Closing net book balance	16,488	1,563	15,456	33,507

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2021–22, including Collection Development Acquisition Budgets; and other internal funding sources.

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)

The schedule of budgeted income and expenses administered on behalf of Government does not apply to the MDBA.

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

The schedule of budgeted assets and liabilities administered on behalf of Government does not apply to the MDBA.

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

The schedule of budgeted administered cash flows on behalf of Government does not apply to the MDBA.

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REGIONAL INVESTMENT CORPORATION

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Regional Investment Corporation (RIC) is a corporate Commonwealth entity established by the *Regional Investment Corporation Act 2018*. An independent Board oversees the RIC and is responsible for providing loans to eligible farm businesses, farm-related small businesses and forestry businesses.

The RIC Board also provides independent advice to the Minister for Agriculture, Drought and Emergency Management on the making of individual grants or arrangements for projects and activities that build drought resilience to be funded by the Future Drought Fund.

The RIC streamlines the administration of concessional loans by delivering loans that are assessed in a nationally consistent, prudent and timely manner. Loans are targeted at farm businesses and farm-related small businesses impacted by drought and those that are in financial need that mainly supply, or intend to mainly supply, products into supply chains that are interstate or overseas. Loans are also targeted at forestry businesses to encourage new plantation developments and the replanting of bushfire-damaged plantation areas.

The concessional loan programs support the long-term strength, resilience and profitability of eligible farm businesses, farm-related small businesses and forestry businesses with \$500.0 million in loan funding available for the RIC in 2021–22. This funding recognises the importance of RIC loans for farmers, foresters and small businesses in need of practical assistance and the high demand for RIC loan products.

The RIC achieves this through its outcome:

Outcome 1: Encourage growth, investment and resilience in Australian farm businesses and rural and regional communities by delivering the Commonwealth's farm business concessional loans.

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 (i.e. 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: Regional Investment Corporation – 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	10,489	13,515
Funds from Government		
Annual appropriations – ordinary annual services^(a)		
Outcome 1	45,762	26,317
Annual appropriations – other services – non-operating^(b)		
Equity injection	-	337
Total annual appropriations	45,762	26,654
Total funds from Government	45,762	26,654
Total net resourcing for RIC	56,251	40,169
	2020–21	2021–22
Average staffing level (number)	69	62

(a) Appropriation Bill (No. 1) 2021–22. Appropriation is provided through the Department of Agriculture, Water and the Environment and is specified within the Annual Appropriation Bills as a payment to the RIC.

(b) Funding provided by the portfolio department that is not specified within the Annual Appropriation Bills as a payment to that corporate entity (for example, a grant awarded to a corporate entity from one of its portfolio department's administered programs).

Please note: 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.

1.3 BUDGET MEASURES

Budget measures in Part 1 relating to the Regional Investment Corporation are detailed in *Budget Paper No. 2: Budget Measures 2021–22* and are summarised below.

Table 1.2: Regional Investment Corporation – 2021–22 Budget measures – Measures announced since 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
Payment measures					
Agriculture 2030 – Forestry and Fisheries – Plantation Development 1.1					
Concessional Loans ^{(a),(b)}					
Administered payment	-	-	-	-	-
Departmental payment	-	800	-	-	-
Total	-	800	-	-	-
Total payment measures					
Administered	-	-	-	-	-
Departmental	-	800	-	-	-
Total	-	800	-	-	-

(a) The measure description appears in *Budget Paper No. 2: Budget Measures 2021–22* under the Agriculture, Water and Environment portfolio.

(b) Funding for this measure passes through the Department of Agriculture, Water and the Environment to the RIC.

Prepared on a Government Finance Statistics (Underlying Cash) basis.

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 Regional Investment Corporation can be found at: www.ric.gov.au/about/corporate-plan.

The most recent annual report for the Regional Investment Corporation can be found at: <http://www.ric.gov.au/about/reporting/annual-report>.

2.1 CHANGE IN PRESENTATION

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

New Outcome 1	<i>Outcome 1: Encourage growth, investment and resilience in Australian farm businesses and rural and regional communities by delivering the Commonwealth's farm business concessional loans.</i>
Description of change:	
On 6 October 2020, the Government announced that it will not proceed with the National Water Infrastructure Loan Facility, refer to page 140 of the <i>2020–21 Budget Paper (No.2)</i> .	
Old Statement:	
<i>Outcome 1: Encourage growth, investment and resilience in Australian farm businesses and rural and regional communities by delivering the Commonwealth's farm business concessional loans and the National Water Infrastructure Loan Facility.</i>	

2.2 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Encourage growth, investment and resilience in Australian farm businesses and rural and regional communities by delivering the Commonwealth’s farm business concessional loans.

2.2.1: Linked programs

Department of Agriculture, Water and the Environment
<ul style="list-style-type: none">Program 3.11: Drought Programs
<p>Contribution to Outcome 1 made by linked program:</p> <p>The Regional Investment Corporation (RIC) works together with the Department of Agriculture, Water and the Environment to ensure more sustainable, productive, internationally competitive and profitable Australian agricultural industries.</p>

2.2.2: 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 2.2: Budgeted expenses for Outcome 1

Outcome 1: Encourage growth, investment and resilience in Australian farm businesses and rural and regional communities by delivering the Commonwealth's farm business concessional loans.					
	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: Regional Investment Corporation					
Revenue from Government					
Ordinary annual services (Appropriation Bill (No. 1)) ^(a)	42,705	32,360	22,817	22,175	22,261
Total expenses for program 1.1	42,705	32,360	22,817	22,175	22,261
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill (No. 1)) ^(a)	42,705	32,360	22,817	22,175	22,261
Total expenses for Outcome 1	42,705	32,360	22,817	22,175	22,261
	2020–21	2021–22			
Average staffing level (number)	69	62			

(a) Appropriation Bill (No. 1) 2021–22. The RIC is a corporate Commonwealth entity (CCE) under the PGPA Act and does not receive direct appropriations. Instead, this funding passes through the Department of Agriculture, Water and the Environment to the RIC.

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

Prepared on Australian Accounting Standards basis.

2.2.3: Performance criteria for Outcome 1

Table 2.2.3 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 – Encourage growth, investment and resilience in Australian farm businesses and rural and regional communities by delivering the Commonwealth’s farm business concessional loans.		
Program 1.1: Regional Investment Corporation		
Objectives	<p>Provide practical support and investment to help rural and regional communities achieve economic growth, agricultural productivity and resilience through the delivery of farm business loans and flood recovery loans.</p> <p>The Corporation’s farm business loans and flood recovery loans provide low-cost finance to farm businesses that are in financial need of assistance, to recover from short-term hardship, but are assessed as financially viable over the long-term and able to repay the loan.</p> <p>The Corporation will establish and administer plantation development concessional loans to support new plantation developments and the replanting of bushfire-damaged plantations.</p>	
Delivery	<p>Concessional loans are delivered directly to eligible farm and forestry businesses in a streamlined and nationally consistent way.</p>	
Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020–21	a. Loan transactions completed in accordance with funding appropriation.	<p>Support provided within funding appropriation limits.</p> <p><i>Achieved.</i></p> <p>Implementation of the AgriStarter loan program.</p> <p><i>Achieved.</i></p> <p>90 per cent of loan approvals fall within risk profile determined by the Board.</p> <p><i>Achieved.</i></p> <p>Fraud awareness training undertaken at staff induction with regular refresher programs.</p> <p><i>Achieved.</i></p>

Continued on following pages

Contributions to Outcome 1 (continued)

Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020–21 (continued)	b. Improve loan processes.	<p>80 per cent of loans with an end-to-end delivery timeframe of 65 days.</p> <p><i>In progress.</i></p> <p>Implement refined process and documentation for farm business loans.</p> <p><i>Achieved.</i></p> <p>Average cost per loan decision decreases over time.</p> <p><i>Data not yet available.</i></p>
	c. Customer and stakeholder satisfaction.	<p>10 per cent increase in satisfaction rates.</p> <p><i>Data not yet available.</i></p>
2021–22	a. Loan transactions completed in accordance with funding appropriation.	<p>Support provided within funding appropriation limits.</p> <p>Implementation of the Plantation Development loan program.</p> <p>90 per cent of loan approvals fall within risk profile determined by the Board.</p> <p>Fraud awareness training undertaken at staff induction with regular refresher programs.</p>
	b. Improve loan processes.	<p>80 per cent of loans with an end-to-end delivery timeframe of 65 days.</p> <p>Implement refined process and documentation.</p> <p>Average cost per loan decision decreases over time.</p>
	c. Customer and stakeholder satisfaction.	<p>10 per cent increase in satisfaction rates.</p>

Continued on following page

Contributions to Outcome 1 (continued)

Performance information		
Year	Performance criteria	Actual Achievement/Targets
2022–23 and beyond	As per 2021–22.	As per 2021–22.
	As per 2021–22.	As per 2021–22.
	As per 2021–22.	As per 2021–22.
Purpose	To provide loans that support the long-term strength, resilience and profitability of Australian farm businesses and new plantation developments to support the growth of regional economies and communities.	

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1: Explanatory notes and analysis of budgeted financial statements

The RIC is budgeting for a \$6.1 million operating loss in 2021–22 with expenses (including employee and supplier expenses) budgeted at \$32.36 million and based on clearing the loan processing backlog.

In 2021–22, the RIC will continue to support the provision of loans to eligible farm businesses and farm-related small businesses, and establish loans for eligible forestry businesses.

The expense budget reflects the work programs for the RIC in receiving and evaluating loan applications and managing approved loans to eligible farm businesses, farm-related small businesses and eligible forestry businesses, and providing independent advice to 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	10,581	7,446	7,276	7,214	7,520
Suppliers	31,980	24,770	15,397	14,961	14,741
Finance costs	10	10	10	-	-
Depreciation and amortisation	134	134	134	-	-
Total expenses	42,705	32,360	22,817	22,175	22,261
LESS:					
Net cost of (contribution by) services	42,705	32,360	22,817	22,175	22,261
Revenue from Government ^(a)	45,762	26,317	22,874	22,175	22,261
Total revenue from Government	45,762	26,317	22,874	22,175	22,261
Surplus/(deficit) attributable to the Australian Government	3,057	(6,043)	57	-	-
Total comprehensive income/(loss) attributable to the Australian Government	3,057	(6,043)	57	-	-
Note: Impact of net cash appropriation arrangements					
	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	3,000	(6,100)	-	-	-
less depreciation/amortisation expenses for ROU ^(b)	134	134	134	-	-
add principal repayments on leased assets ^(b)	191	191	191	-	-
Total comprehensive income/(loss) – as per the Statement of comprehensive income	3,057	(6,043)	57	-	-

(a) The RIC is a corporate Commonwealth entity (CCE) under the PGPA Act and does not receive direct appropriations. Instead, this funding passes through the department to the RIC.

(b) Applies to leases under AASB 16 Leases. Right of Use (ROU).

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	13,515	7,432	7,446	7,446	7,446
Total financial assets	13,515	7,432	7,446	7,446	7,446
Non-financial assets					
Property, plant and equipment	347	347	347	347	347
Intangibles	-	337	337	337	337
Buildings	738	795	852	852	852
Other	71	71	71	71	71
Total non-financial assets	1,156	1,550	1,607	1,607	1,607
Total assets	14,671	8,982	9,053	9,053	9,053
LIABILITIES					
Payables					
Suppliers	2,591	2,598	2,601	2,601	2,601
Other payables	183	193	204	204	204
GST payables	115	115	115	115	115
Other tax payable	101	101	101	101	101
Total payables	2,990	3,007	3,021	3,021	3,021
Interest bearing liabilities					
Leases	646	646	646	646	646
Total interest bearing liabilities	646	646	646	646	646
Provisions					
Employee provisions	474	474	474	474	474
Total provisions	474	474	474	474	474
Total liabilities	4,110	4,127	4,141	4,141	4,141
Net assets	10,561	4,855	4,912	4,912	4,912
EQUITY*					
Parent entity interest					
Contributed equity	-	337	337	337	337
Retained surplus (accumulated deficit)	10,561	4,518	4,575	4,575	4,575
Total parent entity interest	10,561	4,855	4,912	4,912	4,912
Total Equity	10,561	4,855	4,912	4,912	4,912

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

Prepared on Australian Accounting Standards basis.

**Table 3.3: Departmental statement of changes in equity—summary of movement
(Budget year 2021–22)**

	Retained earnings \$'000	Contribution equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2021			
Balance carried forward from previous period	10,561	-	10,561
Adjusted opening balance	10,561	-	10,561
Comprehensive income			
Surplus (deficit) for the period	(6,043)	-	(6,043)
Total comprehensive income	(6,043)	-	(6,043)
Transactions with owners			
Contributions by owners			
Other	-	337	337
Sub-total transactions with owners	-	337	337
Estimated closing balance as at 30 June 2022	4,518	337	4,855
Closing balance attributable to the Australian Government	4,518	337	4,855

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	45,762	26,317	22,874	22,175	22,261
Total cash received	45,762	26,317	22,874	22,175	22,261
Cash used					
Employees	10,570	7,436	7,265	7,214	7,520
Suppliers	31,965	24,763	15,394	14,961	14,741
Interest payments	10	10	10	-	-
Total cash used	42,545	32,209	22,669	22,175	22,261
Net cash from (used by) operating activities	3,217	(5,892)	205	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of non-financial assets	-	337	-	-	-
Total cash used	-	337	-	-	-
Net cash from (used by) investing activities	-	(337)	-	-	-
FINANCING ACTIVITIES					
Cash received					
Contributed equity	-	337	-	-	-
Total cash received	-	337	-	-	-
Cash used					
Lease liability – principal payments	191	191	191	-	-
Total cash used	191	191	191	-	-
Net cash from (used by) financing activities	(191)	146	(191)	-	-
Net increase (decrease) in cash held	3,026	(6,083)	14	-	-
Cash and cash equivalents at the beginning of the reporting period	10,489	13,515	7,432	7,446	7,446
Cash and cash equivalents at the end of the reporting period	13,515	7,432	7,446	7,446	7,446

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 – transferred by portfolio department	-	337	-	-	-
Total new capital appropriations	-	337	-	-	-
Provided for:					
Purchase of non-financial assets		337	-	-	-
Total items	-	337	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	-	337	-	-	-
TOTAL	-	337	-	-	-
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	-	337	-	-	-
Total cash used to acquire assets	-	337	-	-	-

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

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	-	486	-	486
Gross book value – ROU ^(a)	1,023	-	-	1,023
Accumulated depreciation/amortisation and impairment	-	(139)	-	(139)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(285)	-	-	(285)
Opening net book balance	738	347	-	1,085
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase – appropriation equity ^(b)	-	-	337	337
By purchase – appropriation equity – ROU ^(a)	191	-	-	191
Total additions	191	-	337	528
Other movements				
Depreciation/amortisation expense – ROU ^(a)	(134)	-	-	(134)
Total other movements	(134)	-	-	(134)
As at 30 June 2022				
Gross book value	-	486	337	823
Gross book value – ROU ^(a)	1,214	-	-	1,214
Accumulated depreciation/amortisation and impairment	-	(139)	-	(139)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(419)	-	-	(419)
Closing net book balance	795	347	337	1,479

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2021–22, including Collection Development Acquisition Budgets.

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)

The schedule of budgeted income and expenses administered on behalf of Government does not apply to the RIC.

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

The schedule of budgeted assets and liabilities administered on behalf of Government does not apply to the RIC.

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

The schedule of budgeted administered cash flows on behalf of Government does not apply to the RIC.

SYDNEY HARBOUR FEDERATION TRUST

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SYDNEY HARBOUR FEDERATION TRUST

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Sydney Harbour Federation Trust (the Trust) manages some of Sydney's most renowned and prominent foreshore lands on Sydney Harbour. These sites are the former Defence lands at Middle Head, Georges Heights and Chowder Bay in Mosman, the North Head former School of Artillery, Macquarie Lightstation near South Head, Woolwich Dock and Parklands, Cockatoo Island, the former Marine Biological Station at Watsons Bay and the former HMAS Platypus (Sub Base Platypus) at Neutral Bay. The *Sydney Harbour Federation Trust Act 2001* also provides the potential for other Commonwealth lands in Sydney Harbour, such as Snapper Island, to be vested in the Trust.

The Trust is adapting and reusing heritage buildings to bring life and activity to these harbour foreshores and, at the same time, generate revenue towards operating and maintaining the sites. Its overarching objective is to transform its sites into precincts and parklands that will enhance the cultural and historical values of the city, whilst conserving the environmental integrity and unique heritage of the sites.

Planning has progressed for projects announced in prior budgets at Headland Park (10 Terminal) and Sub Base Platypus (Stage 2). For 10 Terminal there has been continuing community consultation into potential uses, as well as the commencement of early stage removal of hazardous materials. A focus for the Trust in 2021–22 is to consult the community on a draft concept plan for the precinct, which will inform the preparation of a more detailed development application for the renewal project to be exhibited in late 2021. For Platypus, designs are being finalised in consultation with the community with demolition and construction works to follow in 2021–22. Both projects involve investment from the Government for landscaping works, and the refurbishment of key buildings and structures to allow for their adaptive reuse. Once completed, both projects will add to and enhance the vibrancy of both Sub Base Platypus and Headland Park.

Whilst the Trust has rehabilitated buildings for preservation as well as revenue generation to support its operations, the majority of the Trust's investment to date has been in enabling public access to the sites, conserving historic buildings, remediation activities and enhancing the public domain. While decontamination, conservation, refurbishment and rehabilitation of sites has been substantial, there remains significant works and unrealised potential at a number of sites, most notably Cockatoo Island and North Head Sanctuary.

The Trust has been the subject of an Independent Review in 2019–20, examining its legislative, financial and governance arrangements. With the Trust now approaching 20 years of age, the Review has provided an opportunity to take stock and ensure that arrangements are fit for the future.

Released on 18 June 2020 by the Minister for the Environment, the Hon. Sussan Ley MP, the Independent Review Report contains 21 recommendations on the future of the Trust and our operations. Chief amongst these recommendations is for the Trust to become an ongoing entity, with current provisions contained in the Sydney Harbour Federation Trust Act 2001 mandating the repeal of the Trust to be removed. These legislative amendments were tabled in March 2021.

Much of the Trust's focus for the coming year will be to continue to work with the Department of Agriculture, Water and the Environment to implement the recommendations of the Independent Review. Some of the more visible outcomes of this work include the delivery of \$47 million over four years for maintenance and upkeep of the Harbour Trust's sites, including addressing a backlog of repairs and maintenance. Identified projects include restoration works to the large cranes on Cockatoo Island; restoration and conservation of the Commonwealth Heritage Listed Greenway Stone Wall at Macquarie Lighthouse; and stabilisation and restoration of the World War II era Gun Emplacements, Observation Post and Tunnels at North Head Sanctuary.

In addition, Government funding of \$3 million enables the Trust to continue its dialogue with the community about the future vision and direction for Cockatoo Island and North Head Sanctuary, ultimately evolving the directions into fully developed masterplans and rehabilitation plans. Specifically, this funding will help the Harbour Trust refine the future directions for Cockatoo Island and North Head Sanctuary, enabling the protection, conservation, and interpretation of environmental, and heritage values, public access and providing a pathway to the creation of vibrant places.

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

Table 1.1: Sydney Harbour Federation Trust – 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	29,192	44,090
Funds from Government		
Annual appropriations – ordinary annual services ^(a)		
Outcome 1	20,584	2,465
Annual appropriations – other services – non-operating ^(a)		
Equity injection	23,637	2,310
Total annual appropriations	23,637	2,310
Total funds from Government	44,221	4,775
Funds from other sources		
Interest	69	90
Sale of goods and services ^(b)	12,277	16,004
Other	87	346
Total funds from other sources	12,433	16,440
Total net resourcing for the Trust	85,846	65,305
	2020–21	2021–22
Average staffing level (number)	60	63

(a) Appropriation Bill (No. 1) 2021–2022. The Trust is not directly appropriated as it is a corporate commonwealth entity under the PGPA Act. Appropriations are made to DAWE and are then paid to the Trust and are considered departmental for all purposes.

(b) Funds from Sales of Goods and Services excludes cash received and held on trust as security for the performance of tenants' obligation under various lease agreements.

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

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

1.3 BUDGET MEASURES

Budget measures in Part 1 relating to the Sydney Harbour Federation Trust (the Trust) are detailed in *Budget Paper No. 2: Budget Measures 2021–22* and are summarised below.

Table 1.2: Sydney Harbour Federation Trust – 2021–22 Budget measures – Measures announced since the 2020–21 Mid-Year Economic and Fiscal Outlook (MYEFO)

The Trust does not have any 2021–22 Budget measures.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance 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 (contained within the annual report) for the Sydney Harbour Federation Trust can be found at:
<https://www.harbourtrust.gov.au/en/corporate/publications/>.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Enhanced appreciation and understanding of the natural and cultural values of Sydney for all visitors, through the remediation, conservation and adaptive re-use of, and access to, Trust lands on Sydney Harbour.

2.1.1: Linked programs

Department of Agriculture, Water and the Environment
Program 1.4: Conservation of Australia's Heritage and Environment
Contribution to Outcome 1 made by linked program: The Department of Agriculture, Water and the Environment and the Sydney Harbour Federation Trust collaborate through engagement on policy direction and site management to conserve and enhance the natural and cultural heritage of Sydney Harbour Federation Trust land and maximise public access and enjoyment of its sites.

2.1.2: Budgeted expenses for Outcome 1

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

Table 2.1: Budgeted expenses for Outcome 1

Outcome 1: Enhanced appreciation and understanding of the natural and cultural values of Sydney for all visitors, through the remediation, conservation and adaptive re-use of, and access to, Trust lands on Sydney Harbour.

	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: Sydney Harbour Federation Trust					
<u>Revenue from Government</u>					
Ordinary annual services (Appropriation Bill (No. 1)) ^(a)	20,584	2,465	1,044	536	-
Revenues from other independent sources	21,050	19,986	20,584	21,451	22,047
Total expenses for program 1.1	41,634	22,451	21,628	21,987	22,047
Outcome 1 totals by resource type					
<u>Revenue from Government</u>					
Ordinary annual services (Appropriation Bill (No. 1)) ^(a)	20,584	2,465	1,044	536	-
Revenues from other independent sources	21,050	19,986	20,584	21,451	22,047
Total expenses for program 1.1	41,634	22,451	21,628	21,987	22,047
Average staffing level (number)					
	2020–21 60	2021–22 63			

(a) Appropriation Bill (No. 1) 2021–22. The SHFT is a corporate Commonwealth entity (CCE) under the PGPA Act and does not receive direct appropriations. Appropriation is provided through DAWE and is specified with the Annual Appropriation Bills as payment to the SHFT and is considered departmental for all purposes.

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

Prepared on a Government Finance Statistics (fiscal) basis.

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: Enhanced appreciation and understanding of the natural and cultural values of Sydney for all visitors, through the remediation, conservation and adaptive re-use of, and access to, Trust lands on Sydney Harbour.		
Program 1.1: Sydney Harbour Federation Trust		
Objective	To manage emblematic lands around Sydney Harbour, preserve their natural and cultural heritage and foster and promote them as place of leisure, enjoyment and interest for all Australians.	
Delivery	Undertake works and develop programs and facilities to ensure the Trust sites are progressively rehabilitated, conserved and made available for public use and enjoyment.	
Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020–21	Steward Our Parklands – to care for, conserve, and enhance our parklands and built assets, applying the principles of ecological sustainable development.	90 per cent of our land open to public. On track. 77 per cent of our built assets (with the potential to be in active use) in active use. On track. Visitor satisfaction with public domain greater than 90 per cent. On track.

Continued on following pages

Contributions to Outcome 1 (continued)

Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020–21 (continued)	Welcome Everyone – our parklands are for all Australians and we welcome both domestic and international visitors. We want to ensure our sites tell their rich stories, are easy to access, and are places of exploration and discovery.	1.85 million visits to Trust sites. On track. Visitor satisfaction greater than 85 per cent. On track.
	Build Partnerships – underpin our work through collaboration and engagement with partners to help us deliver our vision. We are responsible for important public places, and we want to encourage dialogue and debate about their future and the choices we make to ensure sustainability.	Number of volunteer hours of 16,665. Not on track. COVID-19 restrictions have impacted the operation of the volunteer program throughout 2020–21. Ten significant, multi-year cultural, environmental and heritage partners. On track.
2021–22	As per 2020–21.	90 per cent of our land open to public. 77 per cent of our built assets (with the potential to be in active use) in active use. Visitor satisfaction with public domain greater than 90 per cent.
	As per 2020–21.	1.8 million visits to Trust sites. Visitor satisfaction greater than 90 per cent.
	As per 2020–21.	Number of volunteer hours of 20,000. Ten significant, multi-year cultural, environmental and heritage partners. \$0 in philanthropic and sponsorship contributions (target to be reassessed once organisational design work complete).

Continued on following page

Contributions to Outcome 1 (continued)

Performance information		
Year	Performance criteria	Actual Achievement/Targets
2022–23 and beyond	As per 2021–22.	<i>As per 2020–21 except where indicated below.</i>
		79 per cent of our built assets (with the potential to be in active use) in active use in 2022–23 onwards.
		1.85 million visits to Trust sites from 2022–23 onwards.
Purposes	<p>The Trust's purpose, as set out in the <i>Sydney Harbour Federation Trust Act 2001</i>, is:</p> <ol style="list-style-type: none"> (1) To ensure that management of Harbour Trust land contributes to enhancing the amenity of the Sydney Harbour region; (2) To protect, conserve and interpret the environmental and heritage values of Harbour Trust land; (3) To maximise public access to Harbour Trust land; (4) To establish and manage suitable Harbour Trust land as a park on behalf of the Commonwealth as the national government; (5) To cooperate with other Commonwealth bodies that have a connection with any Harbour land in managing that land; and (6) To cooperate with New South Wales, affected councils and the community in furthering the above objects. <p>We achieve our purpose by vision planning, remediating and enabling the adaptive reuse of Commonwealth lands to create a network of urban parklands for the enjoyment of all Australians.</p>	

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1: Differences between entity resourcing and financial statements

There are no differences between the resource information presented in the Budget Papers and Portfolio Budget Statements.

3.1.2: Explanatory notes and analysis of budgeted financial statements

Budgeted Comprehensive Income Statement

The Trust has budgeted for an operating deficit of \$3.2 million in 2021–22. Whilst the major impact of COVID-19 appears to have passed, the timing and strength of the recovery remains uncertain. Small operating surpluses are maintained in the forward years with improvement in own-source revenue.

The Trust, following a recommendation of the Independent Review, received operational funding of \$40.6 million through appropriations over four years to fund backlog repairs and maintenance works. The acquittal of the grant will have no net impact on the Harbour Trust's operating result but will see offsetting impacts on revenue and expenditure. Further government funding is committed over the forward estimates.

The Trust income is primarily sourced from leasing its rehabilitated heritage buildings. The Trust's leasing revenue (\$12.5 million) is budgeted to recover significantly from the effects of the COVID-19 pandemic of 2020–21. However, a softer leasing market is expected to persist resulting in challenges maintaining occupancy levels and rental rates. Property leasing growth is estimated in the out years as the full impact of new lease stock is realised.

Visitation based revenue across the Trust's various sites is budgeted to recover in 2021–22. Event and accommodation revenue are expected to remain sluggish in the first half of 2021–22 before returning to normal operating levels.

Overall expenditure forecast for the 2021-22 financial year is \$22.4 million, including \$2.5 million for the acquittal of the departmental grant to fund backlog repairs and maintenance. Excluding the grant acquittal, underlying budgeted expenditure is \$20.0 million, with 3-4 per cent increases over the forward estimates to reflect cost indexation.

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	7,474	7,878	8,035	8,195	8,355
Suppliers	30,641	11,028	9,993	10,176	10,051
Depreciation and amortisation	3,496	3,522	3,578	3,594	3,619
Write down and impairment of assets	19	19	19	19	19
Finance costs	4	4	3	3	3
Total expenses	41,634	22,451	21,628	21,987	22,047
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sales of goods and rendering of services	13,437	16,341	20,186	21,055	21,655
Grant revenue	-	16	16	16	16
Grants received from Portfolio Department	20,584	2,465	1,044	536	-
Fees and fines	20	330	335	339	339
Interest	125	90	57	57	57
Total own-source revenue	34,166	19,242	21,638	22,003	22,067
Total own-source income	34,166	19,242	21,638	22,003	22,067
Net cost of (contribution by) services	7,468	3,209	(10)	(16)	(20)
Surplus/(deficit) attributable to the Australian Government	(7,468)	(3,209)	10	16	20
Total comprehensive income/(loss) attributable to the Australian Government	(7,468)	(3,209)	10	16	20
Note: Impact of net cash appropriation arrangements					
	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	(7,459)	(3,180)	18	45	20
less depreciation/amortisation expenses for ROU ^(a)	33	29	29	29	-
add principal repayments on leased assets ^(a)	24	-	21	-	-
Total comprehensive income/(loss) – as per the Statement of comprehensive income	(7,468)	(3,209)	10	16	20

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

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	25,395	7,270	5,983	7,009	8,307
Trade and other receivables	1,113	1,113	1,113	1,113	1,113
Other investments	21,191	18,695	9,386	7,409	7,409
Total financial assets	47,699	27,078	16,482	15,531	16,829
Non-financial assets					
Land and buildings	320,296	323,471	323,496	323,992	322,507
Property, plant and equipment	43,571	42,642	41,693	41,319	39,254
Intangibles	565	493	435	558	489
Heritage and Cultural assets	56,837	74,135	91,376	96,058	98,399
Other non-financial assets	20	20	20	20	20
Total non-financial assets	421,289	440,761	457,020	461,947	460,669
Total assets	468,988	467,839	473,502	477,478	477,498
LIABILITIES					
Payables					
Suppliers	2,243	2,271	2,258	2,233	2,233
Personal benefits	100	100	100	100	100
Other payables	4,100	3,762	3,762	3,762	3,762
Total payables	6,443	6,133	6,120	6,095	6,095
Interest bearing liabilities					
Leases	316	316	316	316	316
Total interest bearing liabilities	316	316	316	316	316
Provisions					
Employee provisions	1,532	1,592	1,592	1,592	1,592
Total provisions	1,532	1,592	1,592	1,592	1,592
Total liabilities	8,291	8,041	8,028	8,003	8,003
Net assets	460,697	459,798	465,474	469,475	469,495
EQUITY*					
Parent entity interest					
Contributed equity	303,072	305,382	311,048	315,033	315,033
Reserves	161,535	161,535	161,535	161,535	161,535
Retained surplus (accumulated deficit)	(3,910)	(7,119)	(7,109)	(7,093)	(7,073)
Total parent entity interest	460,697	459,798	465,474	469,475	469,495
Total Equity	460,697	459,798	465,474	469,475	469,495

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

Prepared on Australian Accounting Standards basis.

**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	Contribution equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2021					
Balance carried forward from previous period	(3,910)	156,204	5,331	303,072	460,697
Adjusted opening balance	(3,910)	156,204	5,331	303,072	460,697
Comprehensive income					
Other comprehensive income					
Surplus (deficit) for the period	(3,209)	-	-	-	(3,209)
Total comprehensive income	(3,209)	-	-	-	(3,209)
Transactions with owners					
Contributions by owners					
Equity Injection – Appropriation	-	-	-	2,310	2,310
Sub-total transactions with owners	-	-	-	2,310	2,310
Estimated closing balance as at 30 June 2022	(7,119)	156,204	5,331	305,382	459,798
Closing balance attributable to the Australian Government	(7,119)	156,204	5,331	305,382	459,798

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	20,584	2,481	1,060	552	16
Sales of goods and rendering of services	12,945	16,004	20,167	21,036	21,636
Interest	69	90	57	57	57
Other	87	330	335	339	339
Total cash received	33,685	18,905	21,619	21,984	22,048
Cash used					
Employees	7,414	7,818	8,035	8,195	8,355
Suppliers	29,463	11,020	10,006	10,201	10,051
Interest	4	4	3	3	3
Total cash used	36,881	18,842	18,044	18,399	18,409
Net cash from (used by) operating activities	(3,196)	63	3,575	3,585	3,639
INVESTING ACTIVITIES					
Cash received					
Investments	9,465	2,496	9,309	1,977	-
Total cash received	9,465	2,496	9,309	1,977	-
Cash used					
Investments	8,562	-	-	-	-
Purchase of property, plant, and equipment and intangibles	3,926	22,994	19,816	8,521	2,341
Total cash used	12,488	22,994	19,816	8,521	2,341
Net cash from (used by) investing activities	(3,023)	(20,498)	(10,507)	(6,544)	(2,341)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	23,637	2,310	5,666	3,985	-
Total cash received	23,637	2,310	5,666	3,985	-
Cash used					
Lease liability – principal payments	24	-	21	-	-
Total cash used	24	-	21	-	-
Net cash from (used by) financing activities	23,613	2,310	5,645	3,985	-
Net increase (decrease) in cash held	17,394	(18,125)	(1,287)	1,026	1,298
Cash and cash equivalents at the beginning of the reporting period	8,001	25,395	7,270	5,983	7,009
Cash and cash equivalents at the end of the reporting period	25,395	7,270	5,983	7,009	8,307

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 injection – transferred by Portfolio Department	23,637	2,310	5,666	3,985	-
Total new capital appropriations	23,637	2,310	5,666	3,985	-
Provided for:					
Purchase of non-financial assets	23,637	2,310	5,666	3,985	-
Total items	23,637	2,310	5,666	3,985	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	3,926	17,373	5,666	3,985	-
Funded internally from departmental resources ^(b)	-	5,621	14,150	4,536	2,341
TOTAL	3,926	22,994	19,816	8,521	2,341
Total cash used to acquire assets	3,926	22,994	19,816	8,521	2,341

(a) Includes current Appropriation Bill (No. 1) and prior year Appropriation Bill No. 2/4/6.

(b) Includes the following sources of funding:

- current Bill (No. 1) and prior year Act/Bill (No. 1/3/5) appropriations (excluding amounts from the DCBs);
- donations and gifts of non-financial assets;
- section 74 External Revenue;
- internally developed assets; and
- proceeds from the sale of assets.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

Prepared on Australian Accounting Standards basis.

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

	Land \$'000	Buildings \$'000	Other property, plant and equipment \$'000	Heritage and culture \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2021						
Gross book value	244,942	76,779	49,845	56,837	1,226	429,629
Gross book value – ROU ^(a)	-	-	365	-	-	365
Accumulated depreciation/ amortisation and impairment	-	(1,425)	(6,585)	-	(661)	(8,671)
Accumulated depreciation/ amortisation and impairment – ROU ^(a)	-	-	(54)	-	-	(54)
Opening net book balance	244,942	75,354	43,571	56,837	565	421,269
CAPITAL ASSET ADDITIONS						
Estimated expenditure on new or replacement assets						
By purchase – appropriation equity ^(b)	450	4,150	1,051	17,298	45	22,994
Total additions	450	4,150	1,051	17,298	45	22,994
Other movements						
Depreciation/amortisation expense	-	(1,425)	(1,951)	-	(117)	(3,493)
Depreciation/amortisation expense – ROU ^(a)	-	-	(29)	-	-	(29)
Total other movements	-	(1,425)	(1,980)	-	(117)	(3,522)
As at 30 June 2022						
Gross book value	245,392	80,929	50,896	74,135	1,271	452,623
Gross book value – ROU ^(a)	-	-	365	-	-	365
Accumulated depreciation/ amortisation and impairment	-	(2,850)	(8,536)	-	(778)	(12,164)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	-	-	(83)	-	-	(83)
Closing net book balance	245,392	78,079	42,642	74,135	493	440,741

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2021–22, including Collection Development Acquisition Budgets; and other internal funding sources.

Prepared on Australian Accounting Standards basis.

WINE AUSTRALIA

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WINE AUSTRALIA

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

Wine Australia seeks to foster and encourage profitable, resilient and sustainable Australian winegrape and wine businesses by investing in research and development (R&D), building markets, disseminating market information and knowledge, encouraging adoption and ensuring compliance through our regulatory functions. We are governed by the *Wine Australia Act 2013* (Wine Australia Act).

Our role under the Wine Australia Act is to:

- Coordinate or fund grape and wine R&D and facilitate the dissemination, adoption and commercialisation of the results;
- Control the export of wine from Australia; and
- Promote the sale and consumption of wine, both in Australia and overseas.

We are funded by grape growers, winemakers and exporters through levies and user-pays charges; and by the Australian Government, which provides matching funding for research, development and adoption (RD&A) investments.

Australian wine is a unique, high-quality product crafted in 65 wine regions around the country. The Australian wine sector has approximately 6,251 grape growers, 146,244 hectares of vines, 2,468 wineries and produces 1.2 billion litres of wine. In 2019, independent economic research quantified the Australian grape and wine sector's contribution to the national economy. The wine sector—defined as grape growing, winemaking and wine-related tourism—supported 163,790 full-time and part-time jobs, most of which are in regional Australia, and contributed \$45.5 billion to the value of gross output to the Australian economy.

International demand for fine Australian wine declined slightly in 2019–20, with the growth in the first two quarters disrupted by the COVID-19 pandemic, which led to a one per cent fall in the value of exports to \$2.8 billion free on board (FOB). Three consecutive lower vintages in 2018, 2019 and 2020 contributed to the ongoing decline in volume of nine per cent to 730 million litres (81 million nine-litre case equivalents), driven mainly by lower price segments. There is now less wine available for export. The average value of exported wine grew to \$3.89 per litre FOB. There were 2,813 active exporters in 2019–20 and 28,057 products exported to 116 destinations.

Our goal is profitable, resilient and sustainable winegrape and wine businesses and how we achieve our responsibilities under the Act is outlined in our five-year Strategic Plan 2020–25. In 2021–22, the second year of our strategic plan, we will continue to invest in five strategies:

- Strategy 1: Promote Australian wine;
- Strategy 2: Protect Australian wine;
- Strategy 3: Build grape and wine excellence;
- Strategy 4: Build sustainable environments; and
- Strategy 5: Build business sustainability, excellence and leadership.

Since Wine Australia’s 2020–25 Strategic Plan was approved in June 2020, the environment within which we operate has been significantly impacted by COVID-19 restrictions, and the imposition of significant tariffs on Australian wine imported to China.

The operational impacts that will flow from the current market and financial challenges have been contemplated in developing this statement and will be reflected in future Annual Operational Plans.

In the current operational environment, we are seeking to develop and maximise the larger established markets of USA, Canada and the UK through our in market resources based in London, California and Toronto to:

- utilise our existing marketing and brand assets to develop and deliver collective promotional activities to engage the trade, consumers and media, and supplement the promotional activities of individual companies
- pivot our marketing activities to increase social media and digital engagement and deliver more retailer and distributor promotions, and
- expand our educational reach, both domestically and overseas.

Wine Australia has partnered with Austrade to leverage market diversification opportunities in the Asia Pacific Accreditation Cooperation (APAC) markets such as Vietnam, Thailand, South Korea, Indonesia and Taiwan.

Our regulatory services activities seek to protect the reputation and integrity of Australian wine in all our markets, including the domestic market. We will ensure that the regulatory regime remains fit for purpose, we will explore new opportunities for traceability technologies, we will build relationships with counterpart regulators in import markets and we will enhance the Wine Australia Licensing and Approvals System (WALAS) to support the implementation of Label Directory for Australian wine labels exported from Australia that will be searchable by the public to allow them to verify whether a label has been legitimately exported from Australia. We will also support the Geographical Indications Committee that defines the wine grape producing regions of Australia.

In Strategy 3, our R&D investments will continue to enhance grape and wine excellence by identifying enhanced grapevine varieties and clones and breeding new varieties and rootstocks that suit our environment and consumer tastes. To maintain

the supply of genetically diverse and high-health planting material, we will continue to work towards the establishment of a national germplasm collection. To increase grape and wine production efficiency and sustainability, we will continue to develop, test and commercialise new technologies and demonstrate them through agricultural technology demonstration sites to encourage adoption.

In Strategy 4, our R&D investments will provide knowledge and tools to help growers and producers to be more environmentally sustainable, including information to manage the challenges of short-term climate cycles and long-term climate change. We will determine baseline levels of carbon emissions and waste production in a grape and wine production setting so that the sector can develop benchmarks as a first step towards its goal of zero net carbon emissions and zero waste production by 2050.

We will continue investing in research to allow more efficient and effective use of water in the vineyard, and focus on the value of soil remediation processes, lower chemical use in the vineyard, more sustainably managing endemic pests and diseases and being better prepared for exotic pests and diseases. We will actively support the sector's Sustainable Winegrowing Australia program to help the sector demonstrate its sustainability credentials.

In Strategy 5, our R&D adoption investments seek to accelerate the adoption of research outcomes and best practice. We will implement our Extension and Adoption Strategy to build capacity and drive behaviour and practice change, including through our Regional Program. We will continue developing the leaders of tomorrow – and building the skills of the leaders of today – through regional governance and leadership programs and by supporting postgraduate students and early-career researchers.

We also work closely with other research and development corporations (RDCs) in cross-sectoral collaborative research, including through Agricultural Innovation Investments Limited, to deliver RD&A benefits to the broader community.

In 2021–22, we will deliver the final elements of the Export and Regional Wine Support Package under the Ten-Year Enterprise Tax Plan – wine equalisation tax rebate integrity and wine tourism funding measure. The \$50 million program has focused on wine promotion both internationally and domestically. Initiatives will benefit regional wine producers and assist export-focused businesses to continue to grow. We also administer the Wine Tourism and Cellar Door Grant program that commenced in 2019–20.

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’ table in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Wine Australia – 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	4,994	8,217
Funds from Government		
Amounts received from related entities		
Amounts from portfolio department ^(a)	10,609	10,050
Total amounts received from related entities	10,609	10,050
Special appropriations^(b)		
Wine Australia Act 2013, s. 32 – payments to the Authority	30,732	32,232
Total special appropriations	30,732	32,232
Total funds from Government	41,341	42,282
Funds from industry sources		
Levies ^(c)	16,817	18,554
less amounts paid to the CRF	(16,817)	(18,554)
Total funds from industry sources	-	-
Funds from other sources		
Interest	46	24
Sale of goods and services	7,659	6,582
Other	121	3
Total funds from other sources	7,826	6,609
Total net resourcing for Wine Australia	54,161	57,108
	2020–21	2021–22
Average staffing level (number)	53	53

(a) Funding provided by the portfolio department that is not specified within the Annual Appropriation Bills as a payment to that corporate entity (for example, a grant awarded to a corporate entity from one of its portfolio department's administered programs).

(b) Wine Australia is not directly appropriated as it is a Corporate Commonwealth Entity (CCE) under the PGPA Act. Appropriations are made to the Department of Agriculture, Water and the Environment and then paid to Wine Australia and are considered departmental for all purposes.

(c) Levies comprise the Grape Research Levy and the Wine Grapes Levy, imposed by the *Primary Industries (Excise) Levies Act 1999* and *Primary Industries (Customs) Charges Act 1999*.

CRF – Consolidated Revenue Fund.

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

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

1.3 BUDGET MEASURES

Budget measures in Part 1 relating to the Wine Australia are detailed in *Budget Paper No. 2: Budget Measures 2021–22* and are summarised below.

Table 1.2: Wine Australia – 2021–22 Budget measures – Measures announced since the 2020–21 Mid-Year Economic and Fiscal Outlook (MYEFO)

Wine Australia does not have any 2021–22 Budget measures.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance 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 Wine Australia can be found at:
https://www.wineaustralia.com/getmedia/83f33cf4-a1c6-42d7-85b4-08cb9415e44c/WA_StrategicPlan_2020-25_W_1.pdf.

The most recent annual performance statement for Wine Australia can be found at:
[https://www.wineaustralia.com/getmedia/62ee500d-32a6-4c68-96fe-7c9aca228261/WA_AnnualReport_2019-20_E-\(1\)_3.pdf](https://www.wineaustralia.com/getmedia/62ee500d-32a6-4c68-96fe-7c9aca228261/WA_AnnualReport_2019-20_E-(1)_3.pdf).

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Foster and enable a competitive Australian wine industry by investing in research and development, building markets, disseminating knowledge and ensuring compliance.

2.1.1: Linked programs

Department of Agriculture, Water and the Environment
Program 3.10: Agricultural Resources
<p>Contribution to Outcome 1 made by linked program:</p> <p>Wine Australia and the Department of Agriculture, Water and the Environment work together to ensure a sustainable, productive and profitable grape and wine sector.</p>
Department of the Treasury
Program 1.3: Support for markets and business
<p>Contribution to Outcome 1 made by linked program:</p> <p>In 2021–22, Wine Australia will deliver the final elements of the Export and Regional Wine Support Package under the Ten-Year Enterprise Tax Plan – wine equalisation tax rebate integrity and wine tourism funding measure. For the Package’s final year, the program focuses on promoting Australian wine to all international markets. Initiatives include the Australian Wine Connect virtual program and the Wine Export Grant program to benefit regional wine producers and assist export-focused businesses to continue to grow.</p> <p>Wine Australia will also administer the Wine Tourism and Cellar Door Grant program that commenced in 2021–22.</p>

2.1.2: Budgeted expenses for Outcome 1

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

Table 2.1: Budgeted expenses for Outcome 1

Outcome 1: Foster and enable a competitive Australian wine industry by investing in research and development, building markets, disseminating knowledge and ensuring compliance.

	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: Wine Australia					
<u>Revenue from Government</u>					
Payment from related entities	10,609	10,050	50	50	50
Special appropriations					
<i>Wine Australia Act 2013, s. 32 –</i> <i>payments to the Authority</i>	30,732	32,232	32,540	32,052	30,467
Revenues from other independent sources	7,814	6,593	4,053	4,145	4,133
Expenses not requiring appropriation in the Budget year ^(a)	5,000	2,000	-	-	-
Total expenses for program 1.1	54,155	50,875	36,643	36,247	34,650
Outcome 1 totals by resource type					
<u>Revenue from Government</u>					
Payment from related entities	10,609	10,050	50	50	50
Special appropriations	30,732	32,232	32,540	32,052	30,467
Revenues from other independent sources	7,814	6,593	4,053	4,145	4,133
Expenses not requiring appropriation in the Budget year ^(a)	5,000	2,000	-	-	-
Total expenses for Outcome 1	54,155	50,875	36,643	36,247	34,650
Average staffing level (number)					
	2020–21	2021–22			
	53	53			

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

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

Prepared on Australian Accounting Standards basis.

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.

As an entity established under the Wine Australia Act, Wine Australia does not produce a Corporate Plan under the PGPA Act and is therefore exempt from the requirement to map purposes to outcomes.

Outcome 1: Foster and enable a competitive Australian wine industry by investing in research and development, building markets, disseminating knowledge and ensuring compliance.	
Program 1.1: Wine Australia	
Objective	Invest in R&D, building markets, disseminating knowledge and ensuring compliance to foster and enable a competitive Australian wine sector.
Delivery	<p>We will invest in R&D in the five strategic areas outlined in our Strategic Plan 2020–2025 for the benefit of wine grape growers, winemakers, wine businesses and the wider community.</p> <p>We will invest in RD&A to build grape and wine excellence, build sustainable environments and build business sustainability, excellence and leadership.</p> <p>We will invest in marketing to promote Australian wine and grow international markets.</p> <p>We will invest in regulatory services to protect the reputation of Australian wine.</p> <p>We will support grape and wine businesses with market insights that allow them to make effective decisions.</p>

Continued on following pages

Contributions to Outcome 1 (continued)

Performance information		
Year	Performance criteria	Actual Achievement/Targets
2020–21	Wine Australia	
	We improve our stakeholder net promoter score from 2019 baseline.	Above +12.
	RD&A	
	Research contracts are actively managed through regular and ongoing monitoring of the research.	100 per cent.
	Market Insights customers are satisfied or very satisfied with the services they receive.	> 90 per cent.
	Levy payers who participate in Wine Australia-supported extension and adoption programs consider them a good or very good use of levy funds.	80 per cent.
	Marketing	
	Tier A influencers actively engage with Wine Australia.	81 per cent.
	The perception of Australian wine increases in Canada, China, the UK and the USA.	Increase above 2020 baseline.
	Wineries and distributors who participate in Wine Australia events report that they are satisfied or very satisfied.	> 90 per cent.
	Regulatory services	
	Achieve the six key performance indicators in our Regulator Performance Framework.	Achieved.
	Through our Label Integrity Program, we inspect producers' records, focusing on those relating to wine regions and varieties in particular demand.	300 Inspections of records kept under the Label Integrity Program.
2021–22	As per 2020–21.	As per 2020–21.
2022–23 and beyond	As per 2020–21.	As per 2020–21.

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1: Differences between entity resourcing and financial statements

There are no differences between the resource information presented in the Budget Papers and Portfolio Budget Statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The Budget incorporates the contracted and committed research, development and extension activities, the anticipated marketing programs and statutory duties.

Wine Australia receives levies on the tonnage of fruit grown (Grape Research Levy); grape products used in the manufacture of wine (Wine Grapes Levy); and on the value of wine exported (Wine Export Charge). Revenue from these levies is expected to be approximately \$18.5 million for the 2021–22 year, based on an expected 2021 vintage of 1.75 million tonnes.

Research, development and extension expenditure attracts Commonwealth matching funding, which is calculated in accordance with the provisions of the *Primary Industries Research and Development Act 1989* (PIRD Act).

Other major sources of revenue are export licence and associated fees and promotional user-pays events.

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	10,424	8,330	7,907	8,036	8,189
Suppliers	8,266	8,283	8,062	7,241	7,270
Grants	33,502	32,638	19,318	19,569	17,948
Depreciation and amortisation	1,942	1,599	1,337	1,388	1,232
Write-down and impairment of assets	6	2	2	2	2
Finance costs	15	23	17	11	9
Total expenses	54,155	50,875	36,643	36,247	34,650
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	7,647	6,566	4,026	4,118	4,106
Interest	46	24	24	24	24
Rental income	121	3	3	3	3
Total own-source revenue	7,814	6,593	4,053	4,145	4,133
Total own-source income	7,814	6,593	4,053	4,145	4,133
Net cost of (contribution by) services	46,341	44,282	32,590	32,102	30,517
Revenue from Government ^(a)	41,341	42,282	32,590	32,102	30,517
Total revenue from Government	41,341	42,282	32,590	32,102	30,517
Surplus/(deficit) attributable to the Australian Government	(5,000)	(2,000)	-	-	-
Total comprehensive income/(loss) attributable to the Australian	(5,000)	(2,000)	-	-	-
Note: Impact of net cash appropriation arrangements					
	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	(5,000)	(2,000)	-	-	-
less depreciation/amortisation expenses for ROU ^(b)	625	295	275	275	275
add principal repayments on leased assets ^(b)	625	295	275	275	275
Total comprehensive income/(loss) – as per the Statement of comprehensive income	(5,000)	(2,000)	-	-	-

(a) Revenue from Government includes a Commonwealth contribution under the PIRD Act and levies collected from industry by the Department of Agriculture, Water and the Environment for research and development and marketing activities.

(b) Applies to leases under AASB 16 Leases. Right of Use (ROU).

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	8,217	7,017	7,855	8,816	9,549
Trade and other receivables	2,361	2,343	2,325	2,307	2,289
Other investments	3,000	3,000	3,000	3,000	3,000
Total financial assets	13,578	12,360	13,180	14,123	14,838
Non-financial assets					
Land and buildings	1,206	911	636	361	86
Property, plant and equipment	85	345	231	117	80
Intangibles	3,477	2,435	1,729	972	294
Other	2,009	2,009	2,009	1,937	1,937
Total non-financial assets	6,777	5,700	4,605	3,387	2,397
Total assets	20,355	18,060	17,785	17,510	17,235
LIABILITIES					
Payables					
Suppliers	551	551	551	551	551
Grants	624	624	624	624	624
Other	440	440	440	440	440
Total payables	1,615	1,615	1,615	1,615	1,615
Provisions					
Employee provisions	1,520	1,520	1,520	1,520	1,520
Other provisions	103	103	103	103	103
Total provisions	1,623	1,623	1,623	1,623	1,623
Interest bearing liabilities					
Leases	1,141	846	571	296	21
Total interest bearing liabilities	1,141	846	571	296	21
Total liabilities	4,379	4,084	3,809	3,534	3,259
Net assets	15,976	13,976	13,976	13,976	13,976
EQUITY*					
Parent entity interest					
Retained surplus (accumulated deficit)	15,976	13,976	13,976	13,976	13,976
Total parent entity interest	15,976	13,976	13,976	13,976	13,976
Total Equity	15,976	13,976	13,976	13,976	13,976

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

Prepared on Australian Accounting Standards basis.

**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 2021		
Balance carried forward from previous period	15,976	15,976
Adjusted opening balance	15,976	15,976
Comprehensive income		
Surplus (deficit) for the period	(2,000)	(2,000)
Total comprehensive income	(2,000)	(2,000)
of which:		
Attributable to the Australian Government	(2,000)	(2,000)
Estimated closing balance as at 30 June 2022	13,976	13,976
Closing balance attributable to the Australian Government	13,976	13,976

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	41,341	42,282	32,590	32,102	30,517
Sale of goods and rendering of services	6,922	6,567	4,027	4,119	4,107
Interest	46	24	24	24	24
Net GST received	2,698	2,603	2,000	2,000	2,000
Other	858	18	18	18	18
Total cash received	51,865	51,494	38,659	38,263	36,666
Cash used					
Employees	10,424	8,330	7,907	8,036	8,189
Suppliers	8,609	8,783	8,562	7,669	7,770
Grant payments	35,722	34,741	20,818	21,069	19,448
Borrowing costs	15	23	17	11	9
Total cash used	54,770	51,877	37,304	36,785	35,416
Net cash from (used by) operating activities	(2,905)	(383)	1,355	1,478	1,250
INVESTING ACTIVITIES					
Cash received					
Investments	10,000	10,000	10,000	10,000	10,000
Total cash received	10,000	10,000	10,000	10,000	10,000
Cash used					
Purchase of property, plant and equipment	275	522	242	242	242
Investments	2,972	10,000	10,000	10,000	10,000
Total cash used	3,247	10,522	10,242	10,242	10,242
Net cash from (used by) investing activities	6,753	(522)	(242)	(242)	(242)
FINANCING ACTIVITIES					
Cash used					
Lease liability – principal payments	625	295	275	275	275
Total cash used	625	295	275	275	275
Net cash from/(used by) financing activities	(625)	(295)	(275)	(275)	(275)
Net increase (decrease) in cash held	3,223	(1,200)	838	961	733
Cash and cash equivalents at the beginning of the reporting period	4,994	8,217	7,017	7,855	8,816
Cash and cash equivalents at the end of the reporting period	8,217	7,017	7,855	8,816	9,549

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
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources ^(a)	275	522	242	242	242
TOTAL	275	522	242	242	242
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	275	522	242	242	242
Total cash used to acquire assets	275	522	242	242	242

(a) Includes the following source of funding:
– internally developed assets.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

Prepared on Australian Accounting Standards basis.

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

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2021				
Gross book value	1,014	1,160	5,912	8,086
Gross book value – ROU ^(a)	2,769	-	-	2,769
Accumulated depreciation/amortisation and impairment	(962)	(1,075)	(2,435)	(4,472)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(1,615)	-	-	(1,615)
Opening net book balance	1,206	85	3,477	4,768
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase – other ^(b)	-	390	132	522
Total additions	-	390	132	522
Other movements				
Depreciation/amortisation expense	-	(130)	(1,174)	(1,304)
Depreciation/amortisation expense – ROU ^(a)	(295)	-	-	(295)
Total other movements	(295)	(130)	(1,174)	(1,599)
As at 30 June 2022				
Gross book value	1,014	1,550	6,044	8,608
Gross book value – ROU ^(a)	2,769	-	-	2,769
Accumulated depreciation/amortisation and impairment	(962)	(1,205)	(3,609)	(5,776)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(1,910)	-	-	(1,910)
Closing net book balance	911	345	2,435	3,691

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) 'By purchase – other' refers to funding provided through other internal funding sources.

Prepared on Australian Accounting Standards basis.