

Portfolio Budget Statements 2022–23
Budget Related Paper No. 1.1

**Agriculture, Water and the Environment
Portfolio**

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

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**THE HON DAVID LITTLEPROUD MP
MINISTER FOR AGRICULTURE AND
NORTHERN AUSTRALIA**

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

**THE HON KEITH PITT MP
MINISTER FOR RESOURCES AND WATER**

President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr President
Dear Mr Speaker

We hereby submit Portfolio Budget Statements in support of the 2022-23 Budget for the Agriculture, Water and the 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 stylized, handwritten signature in dark ink, appearing to read 'DL'.

DAVID LITTLEPROUD

Minister for Agriculture and
Northern Australia

A handwritten signature in dark ink, appearing to read 'Susan Ley'.

SUSSAN LEY

Minister for the
Environment

A handwritten signature in dark ink, appearing to read 'Keith Pitt'.

KEITH PITT

Minister for Resources
and Water

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nfp	not for publication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, 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 2022–23 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) 2022–23. 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.

Commonwealth Performance Framework

Key components of relevant publications

Portfolio Budget Statements (March) *Portfolio based*

Supports Annual Appropriations. Informs Senators and Members of Parliament of the proposed allocation of other resources to **government outcomes and programs**.

Provides links to **relevant programs** undertaken by other Commonwealth entities.

Provides high level performance information for current, ongoing programs, particularly a **forecast of performance for the current year**.

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

Corporate Plan (August) *Entity based*

Primary planning document of a Commonwealth entity.

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

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

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



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

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

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

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

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Portfolio overview

Agriculture, Water and the Environment

Portfolio overview

Ministers and portfolio responsibilities

The Agriculture, Water and the Environment portfolio is overseen by:

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

The three ministers are supported by:

- The Assistant Minister for Forestry and Fisheries, 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.

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 the Environment portfolio structure and outcomes

<p>Minister for Agriculture and Northern Australia The Hon. David Littleproud MP</p>
<p>Minister for the Environment The Hon. Sussan Ley MP</p>
<p>Minister for Resources and Water The Hon. Keith Pitt MP</p>
<p>Assistant Minister for Waste Reduction and Environmental Management The Hon. Trevor Evans MP</p>
<p>Assistant Minister for Forestry and Fisheries Senator the Hon. Jonathon Duniam</p>
<p>Department of Agriculture, Water and the Environment Secretary: Mr Andrew Metcalfe AO</p> <p>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.</p> <p>Outcome 2: Advance Australia’s strategic, scientific, environmental and economic interests in the Antarctic region by protecting, administering and researching the region.</p> <p>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.</p> <p>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.</p> <p>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.</p>

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

<p>AgriFutures Australia^(a) Managing Director: Mr John Harvey</p> <p>Outcome: Growth in the long-term prosperity of Australian rural industries by investing, through partnerships with industry, in research, development, extension, and commercialisation that fosters sustainable and profitable existing and emerging rural industries, and cross sector opportunities and challenges.</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, ocean and space weather services.</p>
<p>Cotton Research and Development Corporation^(a) Executive Director: Dr 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 the Environment portfolio structure and outcomes (continued)

<p style="text-align: center;">Director of National Parks^(a) 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 style="text-align: center;">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 style="text-align: center;">Grains Research and Development Corporation^(a) Managing Director and Chief Executive Officer: Ms Cathie Warburton (Interim)</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 style="text-align: center;">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 style="text-align: center;">Murray-Darling Basin Authority^(a) A/g Chief Executive Officer: Mr Andrew Reynolds</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 the Environment portfolio structure and outcomes (continued)

<p>Regional Investment Corporation^(a) A/g Chief Executive Officer: Mr Paul Dowler 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) Executive Director: Ms Janet Carding 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: Dr Martin Cole 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 and Northern Australia 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.

Separately, 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 is the Australian Government's first integrated natural living resources and heritage agency. We work to enhance Australia's agriculture, water resources and unique environment and heritage through regulation and partnership for the benefit of all Australians and the natural world. The department's diverse roles and functions include policy advice, world-class science and research, program administration, provision of client services, regulation, natural resource conservation, biosecurity capabilities and market access negotiation. Our work is central to the nation's identity and touches the lives of all Australians, particularly those living in regional and remote areas. We support economic prosperity while caring for our country and protecting the quality of life that Australians enjoy.

Our partnerships are crucial to providing stewardship of our land, water and iconic places so they can be enjoyed by future generations. They ensure we can achieve the best possible outcomes in agriculture, biosecurity, water and environmental and heritage policy and practice. We work directly with industry, governments, non-government organisations (NGOs), primary producers, research organisations, Traditional Owners and local communities to protect the environment and develop productive and enduring agricultural industries. A priority for our department is building on our engagement and partnerships with Aboriginal and Torres Strait Islander peoples across our shared interests.

As the Australian Government continues to focus on economic recovery in 2022–23, the department maintains its critical role in boosting the contribution of agriculture to Australia's economic growth and creating jobs through activities to protect our environment, water and natural resources.

Australia's farmers, fishers and foresters have faced devastating floods, bushfires, drought, the COVID-19 pandemic and global trade disruptions. Despite these challenges, our primary industries have continued to grow and are now forecast to be worth a record \$87.0 billion in 2021–22, which includes \$5.5 billion from fisheries and forestry. As we continue to face increasingly complex challenges and evolving threats, the Australian Government is supporting this growth and creating the settings for industry to reach its goal of \$100 billion in farm gate output by 2030. Achieving this goal will require a sustained, collaborative effort across industry, government and communities to make sure the foundations are strong and industry can capitalise on emerging opportunities.

The Agriculture 2030 objectives remain a key part of the Australian Government's strategy to revitalise our regions, create jobs and build a more resilient Australia. Significant initiatives to finalise a voluntary biodiversity stewardship market with new income streams for farmers, improve drought management through the Future Drought Fund, support the viability of Australia's forest products industry, maximise farm gate output through traceability and on-farm biosecurity and support agricultural shows and large agricultural events, are all important parts of this strategy and are funded in this Budget. These measures build on past successes to help drive industry growth and navigate future challenges.

Australia's world-class biosecurity system is critical to the integrity and sustainability of our agricultural sector and unique environment. Biosecurity is at the heart of how Australia prevents, responds to and recovers from pests and diseases that threaten human health, regional communities, agriculture, our environment and our economy. Changes in global trade continue to create new and complex biosecurity risk pathways, increasing pressure on Australia's biosecurity system. Preventing lumpy skin disease, recently detected in Indonesia, from entering Australia and impacting our \$15 billion cattle industry, is a key priority, as is supporting states and territories with the emergency response to the current Japanese encephalitis outbreak. We are also strengthening our biosecurity capabilities in northern Australia, which is a high-risk pathway into Australia's agricultural industries and communities. Continuing to improve diagnostics and implement emerging surveillance technologies is crucial, as is working closely with industry partners and the near regions.

The Australian Government is working to deliver improved environmental outcomes, support economic recovery and create jobs across Australia – including in regional communities – through more efficient environmental assessment processes. The department continues to deliver environmental reform initiatives to strengthen our national environmental protection system. These include maintaining on-time environmental approvals, streamlining the assessment and approvals process, and delivering an accelerated regional planning scheme. These initiatives will streamline development decisions and provide business certainty while delivering better environmental outcomes and encouraging investment in high-quality environment protection.

Protecting Australia's water, soil, native plants and animals and supporting their productive and sustainable use is a longstanding commitment of the Australian Government. The department works cooperatively with state and territory governments, Aboriginal and Torres Strait Islander peoples, organisations and private landholders to deliver initiatives that build on this commitment to care for our country. This includes delivering the Australian Government's initiatives to safeguard ongoing protection and recovery for threatened and migratory species and their habitat, protect Australia's coastal rivers and waterways, and deliver greening projects in our cities to ensure our environment is protected for future generations.

Aboriginal and Torres Strait Islander heritage is central to Australia's national story and how we manage our valuable natural and cultural resources. The department is working to reform and modernise Indigenous cultural heritage protections in partnership with the First Nations Heritage Protection Alliance, ensuring that Aboriginal and Torres Strait Islander peoples are at the centre of Indigenous heritage reform. The Australian Government is also investing additional funds to maintain timely assessments and determinations for Indigenous cultural heritage protection applications. The department, together with the Director of National Parks, continues to partner with Traditional Owners to manage Australia's Commonwealth national parks, gardens and marine parks. We are working together to design and implement employment initiatives for on-country jobs in our national parks, which will deliver improved employment outcomes as well as stronger environmental outcomes in our national parks.

We are supporting the Australian Government's \$1 billion transformation of the waste and recycling sector, including the 2022–23 initiative to boost the successful Recycling Modernisation Fund (RMF) to deliver state of the art advanced recycling solutions for hard to recycle plastics. The department is partnering with states, territories and industry to improve plastics recycling technology in Australia, targeting hard to recycle plastics, such as bread bags and chip packets and plastic e-waste, to allow these items to be fully recycled and remanufactured in Australia from domestically recycled material. The Plastics Technology Stream of the RMF will increase plastic recycling rates, help drive progress on the National Packaging Targets and help tackle plastic pollution. These initiatives, as well as other actions that will promote Australia's growing remanufacturing industries and deliver the world-first waste export ban, are futureproofing Australia's capabilities in developing, collecting, and recycling resources, which will reduce the impacts of waste on our environment, create jobs, and grow the economy.

The department works to improve the sustainable management of Australia's water resources for agriculture, the environment and communities. We lead water reform across the country, provide national leadership and work with relevant state and territory governments to implement the Australian Government's plan to deliver a healthy, sustainable and more certain future for Murray-Darling Basin communities and rivers. In 2022–23, the department continues to support community actions to improve river health and water security while building community confidence in the governance of water management systems and improving the economic, social and climate resilience of Basin communities.

Australia's Antarctic science program is one of our most iconic and enduring national endeavours. The Australian Government's investment over the next ten years will cement Australia's leadership in the conservation of Antarctica, strengthening our strategic and scientific capabilities in the region while boosting jobs and providing more opportunities for businesses across Australia that support this work. These investments will also enhance Tasmania's global reputation as the premier gateway into east Antarctica. The Australian Government is supporting our world-class scientists and expeditioners to build on their research in Antarctica and the Southern Ocean, explore new areas of east Antarctica's inland that no country has reached before, and is reinforcing Australia's commitment to the Antarctic Treaty system.

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 2022–23 as at Budget March 2022

	2021–22 ^(a) <i>Estimated actual</i> \$'000	2022–23 Estimate \$'000
<u>Departmental</u>		
Annual appropriations – ordinary annual services ^(b)		
Prior year appropriations available ^(c)	173,324	166,325
Departmental appropriation ^(d)	1,027,124	1,171,782
Section 74 external revenue ^(e)	39,598	34,655
Departmental capital budget ^(f)	67,723	72,263
Annual appropriations – other services – non-operating ^(g)		
Prior year appropriations available ^(c)	103,236	83,286
Equity injection	70,495	66,483
<i>Total departmental annual appropriations</i>	1,481,500	1,594,794
Special accounts ^(h)		
Opening balance	53,919	42,219
Appropriation receipts ⁽ⁱ⁾	120,671	104,881
Non-appropriation receipts	444,390	485,083
<i>Total special account receipts</i>	618,980	632,183
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	<i>(120,671)</i>	<i>(104,881)</i>
<i>Total departmental resourcing</i>	1,979,809	2,122,096

Continued on following pages

Table 1.1: Department of Agriculture, Water and the Environment – Resource Statement – Budget Estimates for 2022–23 as at Budget March 2022 (continued)

	2021–22 ^(a) Estimated actual \$'000	2022–23 Estimate \$'000
<u>Administered</u>		
Annual appropriations – ordinary annual services^(b)		
Outcome 1	372,918	412,033
Outcome 3	186,367	246,902
Outcome 4	33,111	57,902
Outcome 5	479,856	325,127
Prior year appropriations available ^(c)	-	654,505
Annual appropriations – other services – non-operating^(g)		
Prior year appropriations available ^(c)	509,167	1,015,474
Administered assets and liabilities	530,000	236,499
Total administered annual appropriations	2,111,419	2,948,442
Total administered special appropriations	1,069,073	1,031,000
Special accounts^(h)		
Opening balance	2,216,790	1,832,375
Appropriation receipts ⁽ⁱ⁾	208,460	219,948
Non-appropriation receipts	118,226	116,519
Adjustments ^(j)	105,000	60,000
Total special account receipts	2,648,476	2,228,842
<i>less administered appropriations drawn from annual appropriations and credited to special accounts</i>	<i>(208,460)</i>	<i>(219,948)</i>
<i>less payments to corporate entities from annual/special appropriations^(k)</i>	<i>(454,870)</i>	<i>(397,768)</i>
Total administered resourcing	5,165,638	5,590,568
Total resourcing for the Department of Agriculture, Water and the Environment	7,145,447	7,712,664
	2021–22	2022–23
Average staffing level (number)	6,306	6,376

Continued on following pages

Table 1.1: Department of Agriculture, Water and the Environment – Resource Statement – Budget Estimates for 2022–23 as at Budget March 2022 (continued)

- (a) Annual Appropriation amounts presented for 2021–22 do not include the Appropriation Bills (No. 3) and (No. 4), as they had not been enacted at the time of publication. For the department, \$198.338 million will be received through the 2021–22 Annual Appropriation Bill (No. 3) and \$6.901 million will be received through 2021–22 Annual Appropriation Bill (No. 4). The annual appropriations received from these bills will be recognised in a future portfolio budget statement but only after the Bills have received Royal Assent.
- (b) Appropriation Bill (No. 1) 2022–23.
- (c) Excludes \$447.639 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). The movement from the 2021–22 Portfolio Additional Estimates Statements is attributed to the repeal, quarantine or draw down of annual appropriations.
- (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) 2022–23.
- (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) Amounts are statutory credits provided to the special account(s). For further information on special accounts, please refer to *Budget Paper No. 4: Agency Resourcing*.
- (k) 'Corporate entities' are CCE and Commonwealth companies as defined under the PGPA Act.

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.

Continued on following pages

Table 1.1: Department of Agriculture, Water and the Environment – Resource Statement – Budget Estimates for 2022–23 as at Budget March 2022 (continued)

	2021–22 <i>Estimated actual</i> \$'000	2022–23 Estimate \$'000
Payments made by other entities on behalf of the Department of Agriculture, Water and the Environment	112,979	90,658
Payments made to other entities for the provision of services (disclosed above)	71,134	70,667
<u>Draw-downs made on behalf of corporate entities within the portfolio</u>		
Australian Pesticides and Veterinary Medicines Authority		
Administered Appropriation Bill (No. 1)	1,631	1,663
Australian Pesticides and Veterinary Medicines Authority – Relocation		
Administered Appropriation Bill (No. 1)	292	-
Director of National Parks ^(l)		
Administered Appropriation Bill (No. 1)	66,309	89,001
Administered Appropriation Bill (No. 2)	126,241	56,833
Murray-Darling Basin Authority		
Administered Appropriation Bill (No. 1)	80,770	49,604
Administered Appropriation Bill (No. 2)	12,189	11,616
Regional Investment Corporation		
Administered Appropriation Bill (No. 1)	26,317	22,965
Administered Appropriation Bill (No. 2)	337	-
Sydney Harbour Federation Trust		
Administered Appropriation Bill (No. 1)	2,465	1,048
Administered Appropriation Bill (No. 2)	2,310	5,666
Total draw-downs on behalf of corporate entities within the portfolio	318,861	238,396

(l) Annual Appropriation amounts presented for 2021–22 do not include the Appropriation Bills (No. 3) and (No. 4), as they had not been enacted at the time of publication. Please refer to Director of National Parks Entity Resource Statement (Table 1.1) for further information.

Continued on following page

Table 1.1: Department of Agriculture, Water and the Environment – Resource Statement – Budget Estimates for 2022–23 as at Budget March 2022 (continued)

	2021–22 <i>Estimated actual</i> \$'000	2022–23 Estimate \$'000
Payments made to corporate entities within the Portfolio		
AgriFutures Australia		
Administered Appropriation Bill (No. 1)	9,460	9,640
Special Appropriation	26,464	29,143
Australian Pesticides and Veterinary Medicines Authority		
Administered Appropriation Bill (No. 1)	136	138
Special Appropriation	40,612	38,418
Cotton R&D Corporation		
Special Appropriation	15,646	22,770
Fisheries R&D Corporation		
Administered Appropriation Bill (No. 1)	100	-
Special Appropriation	23,408	24,855
Grains R&D Corporation		
Special Appropriation	268,725	218,945
Murray-Darling Basin Authority		
Administered Appropriation Bill (No. 1)	25,569	23,288
Wine Australia		
Administered Appropriation Bill (No. 1)	10,000	-
Special Appropriation	34,750	30,571
Total payments made to corporate entities within the portfolio	454,870	397,768

1.3 Budget measures

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

**Table 1.2: Department of Agriculture, Water and the Environment – 2022–23
Budget measures – Measures announced since the 2021–22 Mid-Year Economic
and Fiscal Outlook (MYEFO)**

Program	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
Payment measures					
<u>Agriculture – continuing to deliver Agriculture 2030</u>					
Agricultural Shows and Field Days – Round 3					
Administered payment 3.10	-	-	-	-	-
Departmental payment	-	-	-	-	-
Total	-	-	-	-	-
Boosting Our Northern Biosecurity Frontline ^(a) 4.1, OC4					
Administered payment	-	7,078	9,273	8,628	6,963
Departmental payment	-	3,340	3,285	2,919	3,101
Total	-	10,418	12,558	11,547	10,064
Reprioritisation of activities of Department of Agriculture, Water and the Environment 3.3, 3.13					
Administered payment	(2,532)	(497)	(1)	(240)	(244)
Departmental payment	-	-	-	-	-
Total	(2,532)	(497)	(1)	(240)	(244)
Support Regional Agricultural Shows 3.10, OC3					
Administered payment	-	8,000	6,000	-	-
Departmental payment	-	817	549	-	-
Total	-	8,817	6,549	-	-
Supporting Farmers to Maximise Farm Gate Output through Traceability and On-farm Biosecurity ^(a) OC4					
Administered payment	-	-	-	-	-
Departmental payment	-	80	-	51	-
Total	-	80	-	51	-
Supporting Large Agricultural Trade events 3.10					
Administered payment	-	2,660	7,260	2,080	-
Departmental payment	-	-	-	-	-
Total	-	2,660	7,260	2,080	-

Continued on following pages

**Table 1.2: Department of Agriculture, Water and the Environment – 2022–23
Budget measures – Measures announced since the 2021–22 MYEFO**

	Program	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
Payment measures (continued)						
<u>Australian Export and Trade Support^(b)</u>						
Digital Services to Take Farmers To Markets ^(c)	OC4					
Administered payment		-	-	-	-	-
Departmental payment		-	-	34,098	35,788	4,329
Total		-	-	34,098	35,788	4,329
Tell Us Once Trade System	OC4					
Administered payment		-	-	-	-	-
Departmental payment		-	7,743	-	-	-
Total		-	7,743	-	-	-
Trade Information Stage 2: Providing a Centralised Information Source	OC4					
Administered payment		-	-	-	-	-
Departmental payment		-	2,702	-	-	-
Total		-	2,702	-	-	-
<u>Building Australia's Circular Waste Economy</u>						
Implementing a Remade in Australia Scheme	1.6					
Administered payment		-	2,000	3,000	1,500	1,500
Departmental payment		-	-	-	-	-
Total		-	2,000	3,000	1,500	1,500
Recycling Modernisation Fund – Plastic Technology Stream ^(a)	OC1					
Administered payment		-	-	-	-	-
Departmental payment		-	191	193	-	61
Total		-	191	193	-	61
Transitional Resourcing for Continued Delivery of the Waste Export Ban	OC1					
Administered payment		-	-	-	-	-
Departmental payment		-	2,811	1,621	-	-
Total		-	2,811	1,621	-	-

Continued on following pages

**Table 1.2: Department of Agriculture, Water and the Environment – 2022–23
Budget measures – Measures announced since the 2021–22 MYEFO**

	Program	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
Payment measures (continued)						
<u>Forestry and Fishing – supporting the forestry and fishery industry</u>						
Improve the Long-term Sustainability of the South East Trawl Fishery and Support Fishers	3.4, OC3					
Administered payment		-	20,000	-	-	-
Departmental payment		-	1,000	-	-	-
Total		-	21,000	-	-	-
Strengthen Australia's Illegal Logging Traceability and Timber Identification Systems	OC3					
Administered payment		-	-	-	-	-
Departmental payment		-	2,764	1,593	-	-
Total		-	2,764	1,593	-	-
Support the Establishment of New Plantations ^{(a)(d)}	OC3					
Administered payment		-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
<u>Future Proofing Australia's Unique Landscapes, Animals and Plants</u>						
Environment Restoration Fund – Extension	1.1, OC1					
Administered payment		-	37,398	36,999	17,505	-
Departmental payment		-	2,602	3,001	2,495	-
Total		-	40,000	40,000	20,000	-
<u>Streamlining Environmental Protections and Modernising Indigenous Cultural Heritage Protections</u>						
Enhance Environmental Compliance and Enforcement Capabilities under the EPBC Act	OC1					
Administered payment		-	-	-	-	-
Departmental payment		-	2,022	2,482	2,491	2,511
Total		-	2,022	2,482	2,491	2,511
Establish and Administer up to 10 Bioregional Plans under the EPBC Act at Priority Regional Locations	OC1					
Administered payment		-	-	-	-	-
Departmental payment		-	26,465	17,731	12,285	5,787
Total		-	26,465	17,731	12,285	5,787
Maintain Timely Environmental Assessments and Approvals	OC1					
Administered payment		-	-	-	-	-
Departmental payment		-	27,929	-	-	-
Total		-	27,929	-	-	-

Continued on following pages

**Table 1.2: Department of Agriculture, Water and the Environment – 2022–23
Budget measures – Measures announced since the 2021–22 MYEFO**

	Program	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
Payment measures (continued)						
<u>Streamlining Environmental Protections and Modernising Indigenous Cultural Heritage Protections</u>						
<u>(continued)</u>						
Modernise Indigenous Cultural Heritage Protections	OC1					
Administered payment		-	-	-	-	-
Departmental payment		-	5,402	5,622	-	-
Total		-	5,402	5,622	-	-
Modernise the EPBC Act Environmental Offsets Policy	OC1					
Administered payment		-	-	-	-	-
Departmental payment		-	8,626	2,373	967	-
Total		-	8,626	2,373	967	-
Progress Negotiations with the States and Territories on Bilateral Agreements for Single Touch Environmental Approvals and Remove Duplication	OC1					
Administered payment		-	-	-	-	-
Departmental payment		-	9,987	-	-	-
Total		-	9,987	-	-	-
Scope a New Advisory Committee to Provide Expert Industry and Technology Advice to Government	OC1					
Administered payment		-	-	-	-	-
Departmental payment		-	1,960	-	-	-
Total		-	1,960	-	-	-
Strengthen our Knowledge Base of Protected Plants and Animals	OC1					
Administered payment		-	-	-	-	-
Departmental payment		-	4,927	-	-	-
Total		-	4,927	-	-	-

Continued on following pages

**Table 1.2: Department of Agriculture, Water and the Environment – 2022–23
Budget measures – Measures announced since the 2021–22 MYEFO**

	Program	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
Payment measures (continued)						
<u>Water – supporting the Murray-Darling Basin^(e)</u>						
Building Community Confidence in Water Compliance	OC5					
Administered payment		-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Building Trust and Transparency in Murray-Darling Basin Water Markets	OC5					
Administered payment		-	-	-	-	-
Departmental payment		-	2,099	-	-	-
Total		-	2,099	-	-	-
Healthy Rivers and Healthy Communities	5.1, OC5					
Administered payment		-	40,000	50,000	-	-
Departmental payment		-	3,753	3,230	-	-
Total		-	43,753	53,230	-	-
Improving Murray Irrigation Limited Delivery Infrastructure ^(f)	5.1, OC5					
Administered payment		-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Reprioritisation of activities of the Department of Agriculture, Water and the Environment	5.1, OC5					
Administered payment		(5,591)	(58,742)	(37,373)	-	-
Departmental payment		-	1,131	1,493	-	-
Total		(5,591)	(57,611)	(35,880)	-	-
Other Payment measures						
Commonwealth's Deregulation Agenda – Digital Environmental Assessments Program, supported by a National Biodiversity Data Repository ^{(a)(g)(h)}	OC1					
Administered payment		-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Cost of Living Payment ⁽ⁱ⁾	3.12					
Administered payment		1,443	-	-	-	-
Departmental payment		-	-	-	-	-
Total		1,443	-	-	-	-

Continued on following pages

**Table 1.2: Department of Agriculture, Water and the Environment – 2022–23
Budget measures – Measures announced since the 2021–22 MYEFO**

	Program	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
Other Payment measures (continued)						
Energy and Emissions Reduction – Expanding the National Biodiversity Stewardship Trading Platform ⁽ⁱ⁾	3.2, OC3					
Administered payment		(12,550)	11,920	8,420	(800)	300
Departmental payment		-	8,817	6,476	2,949	-
Total		(12,550)	20,737	14,896	2,149	300
Future Drought Fund – Drought Response, Resilience and Preparedness Plan: improving readiness and resilience	3.11					
Administered payment		-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Koala Conservation and Protection ^(k)	1.1, OC1					
Administered payment		-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Planting Trees for the Queen's Jubilee ^(k)	1.1, OC1					
Administered payment		-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Strengthening Australia's Leadership in Antarctica ^(l)	OC2					
Administered payment		-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Strengthening the Great Barrier Reef through Stewardship and Leadership ^(k)	1.1, OC1					
Administered payment		-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-

Continued on following pages

**Table 1.2: Department of Agriculture, Water and the Environment – 2022–23
Budget measures – Measures announced since the 2021–22 MYEFO**

	Program	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
Director of National Parks [Pass-through]						
<u>Supporting the Management of Commonwealth National Parks</u>						
Boosting Indigenous Employment in the Conservation of the Commonwealth's Iconic National Parks ^{(c)(m)}	1.1					
Administered payment		-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Supporting the Management of Commonwealth National Parks	1.1					
Administered payment		-	16,203	-	-	-
Departmental payment		-	-	-	-	-
Total		-	16,203	-	-	-
Total payment measures						
Administered		(19,230)	86,020	83,578	28,673	8,519
Departmental		-	127,168	83,747	59,945	15,789
Total		(19,230)	213,188	167,325	88,618	24,308
	Program	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
Payment measures (Capital)						
<u>Australian Export and Trade Support^(b)</u>						
Digital Services to take farmers to markets ^(c)	OC4					
Administered capital		-	-	-	-	-
Departmental capital		-	-	30,398	22,753	-
Total		-	-	30,398	22,753	-
Director of National Parks [Pass-through]						
Supporting the Management of Commonwealth National Parks – Boosting Indigenous Employment in the Conservation of the Commonwealth's Iconic National Parks ^{(c)(m)}	1.1					
Administered capital		-	-	-	-	-
Departmental capital		-	-	-	-	-
Total		-	-	-	-	-
Total payment measures (Capital)						
Administered		-	-	-	-	-
Departmental		-	-	30,398	22,753	-
Total		-	-	30,398	22,753	-

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

(b) These items are part of the measure Australian Export and Trade Support. The measure description appears in *Budget Paper No. 2: Budget Measures 2022–23* under the Foreign Affairs and Trade portfolio.

(c) This measure can also be found in the capital and payment section of the 2022–23 Department of Agriculture, Water and the Environment PBS.

Continued on following page

**Table 1.2: Department of Agriculture, Water and the Environment – 2022–23
Budget measures – Measures announced since the 2021–22 MYEFO**

- (d) The measure Forestry and Fishing – supporting the forestry and fishery industry – Support the Establishment of New Plantations was a Decision Taken But Not Yet Announced (DTBNYA) in the 2021–22 Agriculture, Water and the Environment Portfolio Additional Estimates Statements (PAES), with the following departmental impacts: 2021–22 \$0.294 million; 2022–23 \$0.209 million; 2023–24 \$0.209 million; 2024–25 \$0.210 million and 2025–26 \$0.287 million. The measure description appears in *Budget Paper No. 2: Budget Measures 2022–23* under the Agriculture, Water and the Environment portfolio. This measure also provides funding to the National Partnership programs within the Department of the Treasury, with the following impact: 2022–23 \$10.000 million; 2023–24 \$25.000 million; 2024–25 \$30.000 million and 2025–26 \$20.000 million. Details appear in *Budget Paper No. 3: Federal Financial Relations*.
- (e) The cost of this measure 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 2022–23* under the Agriculture, Water and the Environment portfolio.
- (f) The measure Water – supporting the Murray-Darling Basin – Improving Murray Irrigation Limited Delivery Infrastructure was a DTBNYA in the 2021–22 PAES, with the following departmental impacts: 2021–22 \$0.446 million; 2022–23 \$0.936 million and 2023–24 \$0.852 million, with the following administered impacts: 2021–22 \$1.000 million; 2022–23 \$3.750 million; 2023–24 \$28.100 million; with the total of these lines reprioritised from administered funding in the same years. The measure description appears in *Budget Paper No. 2: Budget Measures 2022–23* under the Agriculture, Water and the Environment portfolio.
- (g) The measure Commonwealth's Deregulation Agenda – Digital Environmental Assessments Program, supported by a National Biodiversity Data Repository appears in *Budget Paper No. 2: Budget Measures 2022–23* under Cross Portfolio.
- (h) The measure Commonwealth's Deregulation Agenda – Digital Environmental Assessments Program, supported by a National Biodiversity Data Repository was a DTBNYA in the 2021–22 PAES, with the following departmental impacts: 2021–22 \$0.287 million; 2022–23 \$14.433 million; 2023–24 \$12.454 million; 2024–25 \$10.056 million and 2025–26 \$4.723 million, this is an ongoing program. This measure also provides funding to the National Partnership programs within the Department of the Treasury, with the following impact: 2022–23 \$4.000 million; 2023–24 \$4.700 million and 2024–25 \$1.800 million. Details appear in *Budget Paper No. 3: Federal Financial Relations*.
- (i) The lead entity for the measure Cost of Living Payment is the Department of Social Services. The measure description appears in *Budget Paper No. 2: Budget Measures 2022–23* under the Social Services portfolio.
- (j) The lead entity for the measure Energy and Emissions Reduction – Expanding the National Biodiversity Stewardship Trading Platform is the Department of Industry, Science, Energy and Resources. The measure description appears in *Budget Paper No. 2: Budget Measures 2022–23* under the Industry, Science, Energy and Resources portfolio.
- (k) These measures were published in the 2021–22 PAES, please refer to Table 1.2: Department of Agriculture, Water and the Environment (DAWE) – measures announced since the 2021–22 Budget. The measure description appears in *Budget Paper No. 2: Budget Measures 2022–23* under the Agriculture, Water and the Environment portfolio.
- (l) The measure Strengthening Australia's Leadership in Antarctica was a DTBNYA in the 2021–22 PAES, with the following departmental impacts: 2021–22 \$12.119 million; 2022–23 \$83.209 million; 2023–24 \$66.576 million; 2024–25 \$78.654 million; 2025–26 \$88.485 million. The measure description appears in *Budget Paper No. 2: Budget Measures 2022–23* under the Agriculture, Water and the Environment portfolio.
- (m) The measure Supporting the Management of Commonwealth National Parks – Boosting Indigenous Employment in the Conservation of the Commonwealth's Iconic National Parks was a DTBNYA in the 2021–22 PAES, with the following administered impacts, as this is a passthrough for the DAWE to Director of National Parks: 2021–22 \$0.667 million; 2022–23 \$2.139 million; 2023–24 \$1.831 million; 2024–25 \$2.651 million; 2025–26 \$3.223 million and with the following impact on capital appropriation: 2022–23 \$0.100 million; this is an ongoing program. The measure description appears in *Budget Paper No. 2: Budget Measures 2022–23* under the Agriculture, Water and the Environment portfolio.

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

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

Section 2: Outcomes and planned performance

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

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

Note:

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

Our most recent corporate plan can be found at awe.gov.au/about/reporting/corporate-plan.

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

2.1 Planned performance

The performance information in the Portfolio Budget Statements is aligned to the PBS outcomes and the department's purpose, objectives and priorities in the Corporate Plan. Table 2.1 shows the alignment between the department's objectives, priorities and PBS programs.

Table 2.1: Outcomes and objectives 2021–22

Corporate plan objective	Priorities	PBS programs
Environment and Heritage: Improve stewardship and sustainable management of Australia's environment and unique heritage.	Improve the status of threatened species and ecosystems. Deliver substantial actions to build climate adaptation and resilience in the economy, community and environment. Protect, conserve and enhance the value of Commonwealth marine and terrestrial parks and gardens for the use and wellbeing of all Australians.	Program 1.1: Sustainable Management of Natural Resources and the Environment Program 1.2: Environmental Information and Research
	Conserve and maintain Australia's unique heritage.	Program 1.4: Conservation of Australia's Heritage and Environment
	Administer and reform the <i>Environment Protection and Biodiversity Conservation Act 1999</i> to drive economic recovery post-COVID-19 and strong environment and heritage outcomes. Improve regulatory efficiency, effectiveness and maturity, including through deregulation.	Program 1.5: Environmental Regulation
	Provide national leadership to effectively manage Australia's waste.	Program 1.6: Management of Hazardous Wastes, Substances and Pollutants

Table 2.1: Outcomes and objectives 2021–22 (continued)

Corporate plan objective	Priorities	PBS programs
Antarctic: Advance Australia’s strategic, scientific and environmental interests in the Antarctic and the Southern Ocean.	Maintain Australian leadership in Antarctica and the Southern Ocean.	Program 2.1: Antarctica: Science, Policy and Presence
Agriculture: Assist industry to accelerate growth towards a \$100 billion agricultural sector by 2030.	Support economic recovery post-COVID-19 across industry. Deliver policies and programs to support profitable and resilient agribusinesses. Deliver substantial actions to build climate adaptation and resilience in the economy, community and environment.	Program 3.2: Sustainable Management – Natural Resources Program 3.3: Forestry Industry Program 3.4: Fishing Industry Program 3.5: Horticulture Industry Program 3.6: Wool Industry Program 3.7: Grains Industry
	Foster collaboration in research and development to drive uptake of innovative practices in the agricultural sector. Improve regulatory efficiency, effectiveness and maturity, including through deregulation.	Program 3.8: Dairy Industry Program 3.9: Meat and Livestock Industry Program 3.10: Agricultural Resources Program 3.11: Drought Programs Program 3.12: Rural Programs
	Improved market access and, with our partners, maximise opportunities for agricultural exports.	Program 3.13: International Market Access

Table 2.1: Outcomes and objectives 2021–22 (continued)

Corporate plan objective	Priorities	PBS programs
Biosecurity: Work with our partners to lower biosecurity risks to Australian agriculture, the environment and our way of life.	Maintain and strengthen our biosecurity system by working with our partners and through innovation and business transformation. Transform the export regulatory system. Improve regulatory efficiency, effectiveness and maturity, including through deregulation.	Program 4.1: Biosecurity and Export Services Program 4.2: Plant and Animal Health
Water resources: Improve the sustainable management of Australia's water resources for agriculture, the environment and communities.	Improve the status of threatened species and ecosystems. Conserve and maintain Australia's unique heritage. Partner with Murray–Darling Basin states to implement the Basin Plan and manage Basin water resources in the national interest.	Program 1.3: Commonwealth Environmental Water Program 5.1: Water Reform

Table 2.2: Performance measures for 2021–22 and beyond

Table 2.2 reports the expected results for the performance measures published in the Portfolio Budget Statements 2021–22. The table also shows the high-level performance measures for each objective and outcome in 2022–23 and forward years.

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.		
Objective	Environment and Heritage: Improve stewardship and sustainable management of Australia’s environment and unique heritage.	
Year	Performance measures	Expected Performance Results
Current year 2021–22	A reduction in nutrient, sediment and pesticide loads consistent with meeting targets in the Reef 2050 Water Quality Improvement Plan.	On track.
	Habitat condition and connectivity within major vegetation groups improves relative to baseline.	Unable to forecast ^(a)
	100% of World Heritage listed properties are managed under management plans that are consistent with the management principles in the Environment Protection and Biodiversity Conservation (EPBC) Regulations.	Not on track.
	Australian targets for Montreal Protocol.	On track.
	Mixed waste plastics that are not of a single resin/polymer type banned from export from 1 July 2021.	Achieved.
	Whole waste tyres banned from export from 1 December 2021.	Achieved.

(a) Data for the performance measure is generated annually using remote sensing. The result will be reported in the 2021–22 annual performance statements.

Continued on following pages

Table 2.2: Performance measures for 2021–22 and beyond (continued)

Outcome 1 (continued)		
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	Percentage improvement in 5 to 10-year rolling average of: <ul style="list-style-type: none"> habitat condition assessment scores across major vegetation groups, after any relevant offsets National Connectivity Index scores across major vegetation groups, after any relevant offsets remaining area of major vegetation groups as a percentage of pre-1750 levels, after any relevant offsets. 	Maintained or improved (≥0 per cent).
	Percentage of <i>Environmental Protection and Biodiversity Act 1999</i> referral, assessment, and approval decisions that meet statutory time frames.	100 per cent.
	Percentage of World Heritage listed properties with management plans that are consistent with the principles in the Environment Protection and Biodiversity Conservation Regulations.	100 per cent.
	Progress implementation of the National Strategy for Environmental-Economic Accounting.	Continual improvement of the National Land Account.
	Delivery of the National Soil Strategy.	Completion of the National Soil Monitoring and Incentives Pilot Program by 2023.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

Continued on following pages

Table 2.2: Performance measures for 2021–22 and beyond (continued)

Outcome 2: Advance Australia's strategic, scientific, environmental and economic interests in the Antarctic region by protecting, administering and researching the region.		
Objective	Antarctic: Advance Australia's strategic, scientific and environmental interests in the Antarctic and the Southern Ocean.	
Year	Performance measures	Expected Performance Results
Current year 2021–22	Measure progress against the 20 Year Action Plan.	On track.
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	Increased compliance with legislation protecting Australian Antarctic Territory and Territory of Heard Island and McDonald Islands. (Output).	100 per cent of Australian Antarctic Program Activities conducted in Antarctica are undertaken with prior environmental authorisation.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

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.		
Objective	Agriculture: Assist industry to accelerate growth towards a \$100 billion agricultural sector by 2030.	
Year	Performance measures	Planned Performance Results
Current year 2021–22	Growth in agricultural commodity exports in markets for which the department has negotiated improved market access exceeds average export growth.	On track.
	Average annual productivity growth for the past 10 years is equal to, or exceeds, average annual market sector productivity growth over the same period.	On track.

Continued on following pages

Table 2.2: Performance measures for 2021–22 and beyond (continued)

Outcome 3 (continued)		
Year	Performance measures	Planned Performance Results
Current year 2021–22 (continued)	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.	On track. On track.
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	Greater growth in average agriculture, forestry and fishing sector productivity for the past 10 years compared to average annual growth in Australian market sector productivity over the same period.	≥0 per cent difference over past 10 years.
	Equal or reduced cost of levy collection processes compared with levies disbursed.	Cost ≤1.2 per cent of levies disbursed.
	Value of potential trade achieved through new and improved market access arrangements.	Improvement in market value achieved (above zero).
	Decrease in the number of point-of-entry failures from agricultural exports.	<0 per cent difference in number of point-of-entry failures from baseline.
	Lead and report on the implementation of Australian, state and territory government obligations under the National Drought Agreement.	Annual report completed within 6 months of the end of each financial year.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

Continued on following pages

Table 2.2: Performance measures for 2021–22 and beyond (continued)

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.		
Objective	Biosecurity: Work with our partners to lower biosecurity risks to Australian agriculture, the environment and our way of life.	
Year	Performance measures	Expected Performance Results
Current year 2021–22	Performance measures are developed to assess the effectiveness of the national biosecurity system.	On track.
	Rates of compliance with regulations administered by the department are maintained or improved.	On track.
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	Reduction in risk from targeted priority pests and diseases due to biosecurity measures implemented by the department.	<p>African swine fever: Risk-based interventions in mail and traveller pathways including interception rates of pork products.</p> <p>Brown marmorated stink bug: Reduced proportion of live insects intercepted due to departmental measures.</p> <p>Hitchhiker pests including khapra beetle: A comprehensive risk-based intervention method including a reduced number of live insects intercepted at the border in high-risk commodities.</p>
	Reduced levels of non-compliance with regulations administered by the department.	<p>Reduced high-value cargo non-compliance rate.</p> <p>Reduced Approved Arrangements non-compliance rate.</p> <p>Reduced post-intervention non-compliance rate for international travellers.</p>
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

Continued on following page

Table 2.2: Performance measures for 2021–22 and beyond (continued)

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.		
Objective	Water Resources: Improve the sustainable management of Australia's water resources for agriculture, the environment and communities.	
Year	Performance measures	Expected Performance Results
Current year 2021–22	Number of Water Resource Plans (WRPs) accredited under Commonwealth law: 33 of 33 WRPs accredited.	Not on track.
	Water-dependent ecosystems are protected and restored.	On track.
Year	Performance measure	Planned Performance Results
Budget Year 2022–23	The application of environmental water delivers ecological benefit in accordance with the Murray–Darling Basin Plan.	The Commonwealth Environmental Water Office is assessed as delivering positive benefits.
	Increase in the volume of water recovered for environmental purposes in the Murray–Darling Basin to meet Basin Plan targets.	Bridging the Gap water recovery: +26 GL recovered. Progress towards the recovery of 450 GL of additional water.
	Delivery of the Murray–Darling Basin Communities Investment Package.	All 11 commitments ongoing or completed.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.
		2023–24: Bridging the Gap water recovery complete. 450 GL of additional water recovered by 30 June 2024.
		2023–24: All 11 commitments completed.

2.2 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 DAWE and the Australian Fisheries Management Authority (AFMA) 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)

Australian Transaction Reports and Analysis Centre
Program 1.1: Australian Transaction Reports and Analysis Centre
Contribution to Outcome 1 made by linked programs Australian Transaction Reports and Analysis Centre (AUSTRAC) works with DAWE to identify and disrupt illegal wildlife trade.
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 Climate Systems 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 Climate Systems 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 Defence
<p>Program 2.5: Navy Capabilities</p> <p>Program 2.7: Air Force Capabilities</p> <p>Program 2.10: Security and Estate</p>
<p>Contribution to Outcome 1 made by linked programs</p> <p>Defence actively participates in forums and initiatives led by the DAWE to ensure alignment with national approaches for the effective and efficient management of environmental factors.</p>
Department of Foreign Affairs and Trade
<p>Program 1.1: Foreign Affairs and Trade Operations</p> <p>Program 1.2: Official Development Assistance</p>
<p>Contribution to Outcome 1 made by linked programs</p> <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 several 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. DFAT supports promotion internationally of Australia's work on nature-based solutions, including through Indigenous fire/land management knowledge sharing.</p>
Department of Health
<p>Program 1.8: Health Protection, Emergency Response and Regulation</p>
<p>Contribution to Outcome 1 made by linked programs</p> <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
<p>Program 3.4: Border Enforcement</p> <p>Program 3.2: Border Management</p>
<p>Contribution to Outcome 1 made by linked programs</p> <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>

Continued on following pages

2.2.1: Linked programs (continued)

Department of Industry, Science, Energy and Resources
Program 1.1: Investing in Science, Technology and Commercialisation Program 1.3: Supporting a Strong Resources Sector
<p>Contribution to Outcome 1 made by linked programs</p> <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> <p>DISER also works collaboratively with DAWE to support manufacturers in the food and beverage and recycling sectors through the Modern Manufacturing Strategy.</p> <p>Through the National Measurement Institute, DAWE accesses analytical laboratory services and expertise to support the National Residue Survey and Imported Food Inspection Scheme, and environmental services.</p>
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, Perth, Hobart and South East Queensland City Deals; strategic assessments under the <i>Environment Protection and Biodiversity Conservation Act 1999</i> (EPBC Act); streamlining of environmental approvals processes to reduce assessment timeframes; establishment of recycling infrastructure to support the development of a recyclables market; and national approaches to managing waste and hazardous substances and air quality in cities.</p>

Continued on following pages

2.2.1: Linked programs (continued)

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 through the Federation Funding Agreement framework on behalf of DAWE, for the following funding agreements:</p> <ul style="list-style-type: none"> • Environmental Assessment Systems Upgrade (SPP813) • Environment Restoration Fund (SPP845) • Kamay 250th Anniversary Project (SPP767) • Raine Island Recovery Project (SPP866) • Regional Fund for Wildlife and Habitat Bushfire Recovery (SPP854) • Transforming Digital Environmental Assessments (SPP893) • World Heritage Sites (SPP752) • Yellow Crazy Ant Control (SPP790) <p><u>Recycling Modernisation Fund</u></p> <ul style="list-style-type: none"> • Plastics Technology Stream (SPP903) • Recycling Infrastructure and Soils Package (SPP827)
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>
Geoscience Australia
Program 1.1: Geoscientific and Spatial Information Services
<p>Contribution to Outcome 1 made by linked programs</p> <p>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.</p>

Continued on following page

2.2.1: Linked programs (continued)

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.
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 2.3: 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.

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 1.1: Sustainable Management of Natural Resources and the Environment					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill (No. 1))</u>					
Australian Marine Parks	5,199	2,009	-	-	-
Biodiversity Recovery Package – Koala Conservation and Protection	-	16,900	14,550	11,550	2,500
Bushfire Recovery for Species and Landscapes	55,469	9,384	-	-	-
Environment Restoration Fund	33,197	59,578	36,999	17,505	-
Environment Restoration Fund – Bushfire Wildlife Recovery Program	2,394	-	-	-	-
Environmental Stewardship Program	9,545	9,266	7,365	5,674	1,102
<u>National Landcare Program:</u>					
Natural Heritage Trust (NHT) ^(a)	147,602	149,723	186,320	186,154	185,985
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	-
<i>Less special account</i>	(148,602)	(151,723)	(188,320)	(187,154)	(185,985)

Continued on following pages

Table 2.3: Budgeted expenses for Outcome 1 (continued)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 1.1: Sustainable Management of Natural Resources and the Environment					
Administered expenses (continued)					
<u>Ordinary annual services (Appropriation Bill (No. 1))</u>					
<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	-
Ocean Accounting and On-the-Ground Restoration Activities to Restore Blue Carbon Ecosystems	2,050	9,550	7,350	6,400	-
Planting Trees for the Queen's Jubilee	15,100	-	-	-	-
Reef 2050 Plan	15,000	15,000	-	-	-
Less special account	(15,000)	(15,000)	-	-	-
Strengthening the Great Barrier Reef through Stewardship and Leadership	-	6,800	33,430	109,307	109,425
Less special account	-	(6,800)	(33,430)	(109,307)	(109,425)
Administered total	133,016	120,669	74,253	45,186	3,602
<u>Payments to corporate entities (Draw-down)^(b)</u>					
Director of National Parks	104,725	89,001	66,605	62,610	55,613
Payments to corporate entities total	104,725	89,001	66,605	62,610	55,613
<u>Special accounts</u>					
Natural Heritage Trust of Australia Account	175,057	156,897	188,320	187,154	185,985
Reef Trust Special Account	43,087	43,160	36,364	109,307	109,425
SOETM Special Account	260	266	272	278	-
Special account total	218,404	200,323	224,956	296,739	295,410
Total Program expenses	456,145	409,993	365,814	404,535	354,625

Continued on following pages

Table 2.3: Budgeted expenses for Outcome 1 (continued)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 1.2: 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	-	-	-
Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining	1,435	1,035	1,035	1,035	1,035
National Centre for Coasts, Environment and Climate	8,000	8,000	-	-	-
National Environmental Science Program	24,352	24,802	24,867	25,087	25,338
Administered total	43,817	43,867	27,932	28,152	28,403
Total Program expenses	43,817	43,867	27,932	28,152	28,403
Program 1.3: Commonwealth Environmental Water					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill (No. 1))</u>					
Commonwealth Environmental Water Office	44,127	45,322	46,548	47,808	49,102
Less special account	(44,127)	(45,322)	(46,548)	(47,808)	(49,102)
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	54,127	45,322	46,548	47,808	49,102
Special account total	54,127	45,322	46,548	47,808	49,102
Total Program expenses	56,627	47,822	49,048	50,308	51,602

Continued on following pages

Table 2.3: Budgeted expenses for Outcome 1 (continued)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 1.4: Conservation of Australia's Heritage and Environment					
Administered expenses					
Ordinary annual services (Appropriation Bill (No. 1))					
Australian Heritage Grants Program	5,799	5,347	5,347	5,347	5,347
Administered total	5,799	5,347	5,347	5,347	5,347
Payments to corporate entities (Draw-down)^(b)					
Sydney Harbour Federation Trust	2,465	1,048	540	-	-
Payments to corporate entities total	2,465	1,048	540	-	-
Total Program expenses	8,264	6,395	5,887	5,347	5,347
Program 1.5: Environmental Regulation					
Administered expenses					
Ordinary annual services (Appropriation Bill (No. 1))					
<i>Environment Protection and Biodiversity Conservation Act 1999</i>					
– Water Resources Amendment	777	259	259	259	259
Administered total	777	259	259	259	259
Total Program expenses	777	259	259	259	259

Continued on following pages

Table 2.3: Budgeted expenses for Outcome 1 (continued)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 1.6: 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	-
Building Australia's Circular Waste Economy – Implementing a Remade in Australia Scheme	-	2,000	3,000	1,500	1,500
Expanding Australia's Recycling Sector – National Recycling Campaign	19,622	-	-	-	-
Incentivising Recycling Behaviours – supporting small business to adopt the Australasian recycling label	2,000	1,500	1,000	-	-
National Environment Protection Council	440	429	429	429	429
<i>Less special account</i>	(440)	(429)	(429)	(429)	(429)
Per-and-Poly-Fluorinated Alkyl Substances Research Grant	496	429	-	-	-
Product Stewardship Investment Fund	10,753	8,847	1,000	-	-
Securing the Future of Jabiru Township	9,902	7,001	455	-	7,000
Administered total	43,523	20,117	5,795	1,840	8,500
<u>Special accounts</u>					
Ozone Protection and Synthetic Greenhouse Gas Account	12,803	13,034	13,295	12,635	12,635
National Environment Protection Council Special Account	691	680	680	429	429
SOETM Special Account	140	135	-	-	-
Special account total	13,634	13,849	13,975	13,064	13,064
Total Program expenses	57,157	33,966	19,770	14,904	21,564

Continued on following pages

Table 2.3: Budgeted expenses for Outcome 1 (continued)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
<u>Administered expenses</u>					
Administered appropriation	622,787	542,302	468,710	503,505	461,800
<i>Administered total</i>	622,787	542,302	468,710	503,505	461,800
<u>Departmental expenses</u>					
Departmental appropriation ^(c)	291,755	353,783	269,883	228,064	205,618
Expenses not requiring appropriation in the budget year ^(d)	32,890	25,787	26,398	26,648	26,651
<i>Departmental total</i>	324,645	379,570	296,281	254,712	232,269
Total expenses for Outcome 1	947,432	921,872	764,991	758,217	694,069

Outcome 1 Totals by appropriation type

<u>Administered expenses</u>					
Ordinary annual services (Appropriation Bill (No. 1))	437,601	412,033	384,813	427,982	393,552
Special accounts	286,165	259,494	285,479	357,611	357,576
Payments to corporate entities	107,190	90,049	67,145	62,610	55,613
Less amounts transferred within the department	(208,169)	(219,274)	(268,727)	(344,698)	(344,941)
<i>Administered total</i>	622,787	542,302	468,710	503,505	461,800
<u>Departmental expenses</u>					
Departmental appropriation ^(c)	291,755	353,783	269,883	228,064	205,618
Expenses not requiring appropriation in the budget year ^(d)	32,890	25,787	26,398	26,648	26,651
<i>Departmental total</i>	324,645	379,570	296,281	254,712	232,269
Total expenses for Outcome 1	947,432	921,872	764,991	758,217	694,069

	2021–22	2022–23
Average staffing level (number)	1,117	1,184

- (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 are 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.

Continued on following page

Table 2.3: Budgeted expenses for Outcome 1 (continued)

Movements of administered funds between years^(e)	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
<u>Movements of Funds:</u>					
Environment Restoration Fund – Bushfire Wildlife Recovery Program	(9,384)	9,384	-	-	-
<u>Reclassification:</u>					
From: Environment Restoration Fund (ERF) Administered Bill (No.1)					
To: SPP845 ERF	(90)	(1,660)	-	-	-
Total of funds moved	(9,474)	7,724	-	-	-
The Treasury					
<u>Measures:</u>					
[SPP893] Commonwealth's Deregulation Agenda – Digital Environmental Assessments Program, supported by a National Biodiversity Data Repository	-	4,000	4,700	1,800	-
[SPP903] Recycling Modernisation Fund – Plastic Technology Stream	-	5,750	20,750	20,750	12,750
<u>Movements of Funds:</u>					
[SPP827] Recycling Infrastructure	(3,000)	2,000	1,000	-	-
[SPP854] Regional Fund for Wildlife and Habitat Bushfire Recovery	(8,311)	8,311	-	-	-
<u>Reclassification:</u>					
[OC1] From: ERF Administered Bill (No.1) To: SPP845 ERF	90	1,660	-	-	-
<u>Other:</u>					
[SPP827] Recycling Infrastructure	-	(1,580)	-	-	-
Total of SPP funds moved	(11,221)	20,141	26,450	22,550	12,750

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

2.3 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 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 2.4: 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.					
	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 2.1: Antarctica: Science, Policy and Presence					
<u>Administered expenses</u>					
<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)	220,420	226,197	204,902	216,536	228,785
Expenses not requiring appropriation in the Budget year ^(a)	103,124	64,702	64,365	66,387	66,387
<i>Departmental total</i>	323,544	290,899	269,267	282,923	295,172
Total Program expenses	323,556	290,911	269,279	282,935	295,184
	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
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)	220,420	226,197	204,902	216,536	228,785
Expenses not requiring appropriation in the budget year ^(a)	103,124	64,702	64,365	66,387	66,387
<i>Departmental total</i>	323,544	290,899	269,267	282,923	295,172
Total expenses for Outcome 2	323,556	290,911	269,279	282,935	295,184
	2021–22	2022–23			
Average staffing level (number)	503	599			

Continued on following page

Table 2.4: Budgeted expenses for Outcome 2 (continued)

- (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 are 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)	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
Departmental Equity Injection:					
Reappropriation of 2019–20 equity injection	-	19,000	10,000	-	-
Total of funds moved	-	19,000	10,000	-	-

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

2.4 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
Program 1.1: Promotion of Australia’s export and other international economic interests Program 1.2: Programs to promote Australia’s export and other international economic interests
Contribution to Outcome 3 made by linked program 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. The agencies also work cooperatively to deliver whole-of-government programs such as the Agri-Business Expansion Initiative and the Non-Tariff Barrier Action Plan.
Bureau of Meteorology
Program 1.1: Bureau of Meteorology
Contribution to Outcome 3 made by linked program BOM provides weather, climate and water modelling and information to DAWE.
Department of Industry, Science, Energy and Resources
Program 1.1: Investing in Science, Technology and Commercialisation
Contribution to Outcome 3 made by linked program: DAWE and DISER are working collaboratively on the National Carp Control Plan, which is being delivered by the Fisheries Research and Development Corporation.

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 through the Federation Funding Agreement framework on behalf of DAWE, for the following funding agreements:</p> <ul style="list-style-type: none"> • Construction Softwood Transport Assistance (SPP880) • Fishing and Camping Facilities Program (SPP815) • Horticultural Netting (SPP829) • Management of Established Pest and Weeds (SPP693) • National Forestry Industry Plan (SPP763) • Support Plantation Establishment (SPP895) <p><u>Future Drought Fund</u></p> <ul style="list-style-type: none"> • Farm Business Resilience (SPP840) • Regional Drought Resilience Planning (SPP838)
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
<p>Program 1.1: Strategy and Corporate Enabling</p> <p>Program 1.2: Customer Service Delivery</p> <p>Program 1.3: Technology and Transformation</p>
<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 2.5: 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.

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 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	12,570	9,070	1,850	3,900
Agriculture Stewardship Package	3,638	11,786	4,000	2,000	-
National Carp Control Plan	100	-	-	-	-
Pest Animal and Weeds Management	4,899	7,240	1,000	-	-
<i>Administered total</i>	64,697	95,828	25,470	13,200	3,900
Total Program expenses	64,697	95,828	25,470	13,200	3,900

Continued on following pages

Table 2.5: Budgeted expenses for Outcome 3 (continued)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 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	20,000	10,000	-	-	-
National Forestry Industry Plan	3,410	-	-	-	-
National Institute for Forest Products Innovation	1,200	1,500	-	-	-
<i>Administered total</i>	25,508	14,750	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>	11,069	13,051	14,653	16,259	16,459
<i>Special Appropriation total</i>	11,069	13,051	14,653	16,259	16,459
<u>Expenses not requiring appropriation in the budget year^(a)</u>					
Agriculture 2030 – Forestry and Fisheries – Plantation Development Concessional Loans	13,668	-	-	-	-
<i>Total</i>	13,668	-	-	-	-
Total Program expenses	50,245	27,801	17,653	19,259	16,459

Continued on following pages

Table 2.5: Budgeted expenses for Outcome 3 (continued)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 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	-	-	-
Fisheries Habitat Restoration	5,420	2,447	-	-	-
Fisheries Resources Research Fund	626	2,473	2,512	2,560	2,603
Forestry and Fishing – supporting the forestry and fishery industry – Improve the Long-term Sustainability of the South East Trawl Fishery and Support Fishers	-	20,000	-	-	-
<i>Administered total</i>	6,546	25,220	2,712	2,560	2,603
<u>Special appropriations</u>					
<i>Primary Industries Research and Development Act 1989, s. 30A(3) & s. 30B(9) – Fisheries R&D Corporation</i>	23,408	24,855	25,533	26,142	26,664
<i>Special Appropriation total</i>	23,408	24,855	25,533	26,142	26,664
Total Program expenses	29,954	50,075	28,245	28,702	29,267

Continued on following pages

Table 2.5: Budgeted expenses for Outcome 3 (continued)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 3.5: Horticulture Industry					
Administered expenses					
<u>Special appropriation</u>					
<i>Horticulture Marketing and Research and Development Services Act 2000, s. 16(9) – payments to industry services body</i>	114,548	117,202	119,088	122,489	124,198
<i>Special Appropriation total</i>	114,548	117,202	119,088	122,489	124,198
Total Program expenses	114,548	117,202	119,088	122,489	124,198
Program 3.6: Wool Industry					
Administered expenses					
<u>Special appropriation</u>					
<i>Wool Services Privatisation Act 2000, s. 31(4) – funding contract with research body</i>	68,000	66,500	71,500	74,000	76,500
<i>Special Appropriation total</i>	68,000	66,500	71,500	74,000	76,500
Total Program expenses	68,000	66,500	71,500	74,000	76,500
Program 3.7: Grains Industry					
Administered expenses					
<u>Special appropriations</u>					
<i>Primary Industries Research and Development Act 1989, s. 30(3) – Grains R&D Corporation – Other Grains</i>	140,790	111,216	109,192	104,144	105,356
<i>Primary Industries Research and Development Act 1989, s. 30(3) – Grains R&D Corporation – Wheat</i>	127,935	107,729	103,345	96,099	96,868
<i>Special Appropriation total</i>	268,725	218,945	212,537	200,243	202,224
Total Program expenses	268,725	218,945	212,537	200,243	202,224
Program 3.8: Dairy Industry					
Administered expenses					
<u>Special appropriation</u>					
<i>Dairy Produce Act 1986, s. 6(1) – payments under funding contract</i>	54,253	54,615	55,408	56,405	57,419
<i>Special Appropriation total</i>	54,253	54,615	55,408	56,405	57,419
Total Program expenses	54,253	54,615	55,408	56,405	57,419

Continued on following pages

Table 2.5 Budgeted expenses for Outcome 3 (continued)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 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>	82,318	87,290	89,457	90,458	90,318
<i>Australian Meat and Live-stock Industry Act 1997, s. 64(2) – payments to research body</i>	28,025	29,628	30,618	31,148	31,136
<i>Australian Meat and Live-stock Industry Act 1997, s. 64A(2) – payments to marketing body</i>	2,526	4,381	4,819	4,337	4,771
<i>Australian Meat and Live-stock Industry Act 1997, s. 64B(2) – payments to research body</i>	505	876	964	868	954
<i>Australian Meat and Live-stock Industry Act 1997, s. 64C(2) – payments to marketing body</i>	6,981	7,312	7,562	7,712	7,788
<i>Australian Meat and Live-stock Industry Act 1997, s. 64D(2) – payments to research body</i>	10,471	10,967	11,344	11,569	11,682
<i>Australian Meat and Live-stock Industry Act 1997, s. 66(1) – Commonwealth contribution to research body</i>	97,912	94,061	91,141	83,780	82,166
<i>Pig Industry Act 2001, s. 10(1) – payments under funding contract</i>	24,706	23,588	23,800	24,013	24,225
<i>Special Appropriation total</i>	253,444	258,103	259,705	253,885	253,040
Total Program expenses	253,444	258,103	259,705	253,885	253,040

Continued on following pages

Table 2.5: Budgeted expenses for Outcome 3 (continued)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 3.10: Agricultural Resources					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill (No. 1))</u>					
A Competitive Agriculture Sector: Boosting farm profits through rural research and development	12,727	5,595	-	-	-
Agricultural and Veterinary Chemicals Minor Use Program	136	138	141	143	145
Agriculture – continuing to deliver Agriculture 2030 – Supporting Large Agricultural Trade Events	-	2,660	7,260	2,080	-
<u>Agriculture 2030 – Improving employment opportunities:</u>					
Extend the Fair Farms program	700	1,027	782	690	-
Pilot AgCAREERSTART program	2,000	3,081	-	-	-
Pilot AgUP program	1,500	1,565	2,124	2,174	-
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	-

Continued on following pages

Table 2.5: Budgeted expenses for Outcome 3 (continued)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 3.10: Agricultural Resources					
Administered expenses (continued)					
Ordinary annual services (Appropriation Bill (No. 1))					
AgriFutures Australia	9,460	9,640	9,795	9,969	10,139
Beef Week and Beef Australia	400	-	-	-	-
Changes to the Seasonal Worker Program	400	-	-	-	-
Educating Kids about Agriculture	2,750	2,250	-	-	-
National Agricultural Workforce Strategy	309	308	-	-	-
National Farm Safety Education Fund	1,500	1,000	-	-	-
Regional Agricultural Show Development Program	-	8,000	6,000	-	-
Supporting Agricultural Industries and Communities – Innovation – extend support for Agricultural Shows and Field Days	18,200	2,800	-	-	-
Supporting Agricultural Industries and Communities – Innovation – scaling up Agricultural Innovation Hubs	4,000	16,000	-	-	-
Supporting Agricultural Showmen and Women	8,279	-	-	-	-
Wine Tourism and Cellar Door Grant	10,000	10,000	10,000	10,000	10,000
Administered total	77,391	68,234	40,252	28,106	20,284

Continued on following pages

Table 2.5: Budgeted expenses for Outcome 3 (continued)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 3.10: Agricultural Resources					
Administered expenses (continued)					
<u>Payments to corporate entities (Draw-down)^(b)</u>					
Australian Pesticides and Veterinary Medicines Authority	1,631	1,663	1,673	1,686	1,697
Relocation of the Australian Pesticides and Veterinary Medicines Authority	292	-	-	-	-
<i>Payments to corporate entities total</i>	1,923	1,663	1,673	1,686	1,697
<u>Special appropriations</u>					
<i>Agricultural and Veterinary Chemicals (Administration) Act 1992, s. 58(6) – amounts payable to the APVMA</i>	40,612	38,418	38,727	39,042	39,365
<i>Egg Industry Service Provision Act 2002, s. 8(1) – payments under funding contract</i>	10,840	11,100	11,366	11,639	12,205
<i>Primary Industries Research and Development Act 1989, s. 30(3) – Cotton R&D Corporation</i>	15,646	22,770	24,795	21,646	18,720
<i>Primary Industries Research and Development Act 1989, s. 30(3) – Rural Industries R&D Corporation</i>	26,464	29,143	27,427	27,447	27,469
<i>Sugar Research and Development Services Act 2013, s. 7 – payment to industry services body</i>	27,279	27,200	27,200	27,200	27,200
<i>Wine Australia Act 2013, s. 32 – payments to the Authority</i>	34,750	30,570	30,825	30,967	31,041
<i>Special Appropriations total</i>	155,591	159,201	160,340	157,941	156,000
Total Program expenses	234,905	229,098	202,265	187,733	177,981

Continued on following pages

Table 2.5: Budgeted expenses for Outcome 3 (continued)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 3.11: Drought Programs					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill (No. 1))</u>					
Future Drought Fund – Administration Costs	57	179	203	203	203
<i>Administered total</i>	57	179	203	203	203
<u>Payments to corporate entities (Draw-down)^(b)</u>					
Regional Investment Corporation	16,807	19,182	15,360	15,507	16,197
Regional Investment Corporation – Drought Loans	9,219	3,489	6,649	6,675	6,721
Regional Investment Corporation – Agristarter Loans	291	294	298	299	301
<i>Payments to corporate entities total</i>	26,317	22,965	22,307	22,481	23,219
<u>Special account</u>					
Agriculture Future Drought Resilience Special Account	134,941	100,000	100,000	100,000	100,000
<i>Special account total</i>	134,941	100,000	100,000	100,000	100,000
<u>Expenses not requiring appropriation in the budget year^(a)</u>					
Drought Recovery Concessional Loans Scheme – state administration	234	234	234	234	-
Farm Business Concessional Loans Scheme – discount expenses	80,548	46,609	18,633	18,633	18,633
Farm Business Concessional Loans Scheme – state administration	980	980	980	980	980
<i>Total</i>	81,762	47,823	19,847	19,847	19,613
Total Program expenses	243,077	170,967	142,357	142,531	143,035

Continued on following pages

Table 2.5: Budgeted expenses for Outcome 3 (continued)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 3.12: Rural Programs					
<u>Special appropriations</u>					
<i>Farm Household Support Act 2014, s. 105 – payments for Farm</i>					
Household Allowance	112,979	90,658	55,358	95,879	148,359
<i>Special Appropriations total</i>	112,979	90,658	55,358	95,879	148,359
<u>Expenses not requiring appropriation in the budget year^(a)</u>					
<i>Farm Household Support Act 2014, s. 105 – payments for Farm</i>					
Household Allowance	18,523	31,515	18,009	5,706	5,706
<i>Total</i>	18,523	31,515	18,009	5,706	5,706
Total Program expenses	131,502	122,173	73,367	101,585	154,065

Continued on following pages

Table 2.5: Budgeted expenses for Outcome 3 (continued)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 3.13: International Market Access					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill (No. 1))</u>					
Agriculture Trade and Market Access Cooperation Program	1,500	1,500	-	-	-
Expansion of the Agricultural Trade and Market Access program – support improved market diversification	12,000	6,000	-	-	-
Food and Agriculture Organization of the United Nations	16,502	17,665	19,921	19,921	19,922
Indonesia-Australia Red Meat and Cattle Partnership	500	500	-	-	-
International Agricultural Cooperation	496	-	-	1	1
International Organisations Contributions	1,987	2,026	2,057	2,095	2,130
<i>Administered total</i>	32,985	27,691	21,978	22,017	22,053
Total Program expenses	32,985	27,691	21,978	22,017	22,053
Administered expenses					
Administered appropriation	1,432,382	1,374,660	1,226,717	1,231,496	1,259,822
Expenses not requiring appropriation in the budget year ^(a)	113,953	79,338	37,856	25,553	25,319
<i>Administered total</i>	1,546,335	1,453,998	1,264,573	1,257,049	1,285,141
Departmental expenses					
Departmental appropriation ^(c)	170,606	171,065	141,772	137,157	125,880
Expenses not requiring appropriation in the budget year ^(a)	10,691	5,207	5,381	5,565	5,565
<i>Departmental total</i>	181,297	176,272	147,153	142,722	131,445
Total expenses for Outcome 3	1,727,632	1,630,270	1,411,726	1,399,771	1,416,586

Continued on following pages

Table 2.5: Budgeted expenses for Outcome 3 (continued)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Outcome 3 Totals by appropriation type					
<u>Administered expenses</u>					
Ordinary annual services (Appropriation Bill (No. 1))	207,184	246,902	128,615	104,086	74,043
Special appropriations	1,062,017	1,003,130	974,122	1,003,243	1,060,863
Special accounts	134,941	100,000	100,000	100,000	100,000
Payments to corporate entities (Draw-down)	28,240	24,628	23,980	24,167	24,916
Expenses not requiring appropriation in the budget year ^(a)	113,953	79,338	37,856	25,553	25,319
Administered total	1,546,335	1,453,998	1,264,573	1,257,049	1,285,141
<u>Departmental expenses</u>					
Departmental appropriation ^(c)	170,606	171,065	141,772	137,157	125,880
Expenses not requiring appropriation in the budget year ^(a)	10,691	5,207	5,381	5,565	5,565
Departmental total	181,297	176,272	147,153	142,722	131,445
Total expenses for Outcome 3	1,727,632	1,630,270	1,411,726	1,399,771	1,416,586
	2021–22	2022–23			
Average staffing level (number)	647	614			

(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 CCEs under the PGPA Act and do not receive direct appropriations. Instead, this funding passes through the department to these entities.

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

Continued on following page

Table 2.5: Budgeted expenses for Outcome 3 (continued)

Movements of administered funds between years^(d)	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
<u>Movements of Funds:</u>					
Supporting Agricultural Industries and Communities – Innovation – extend support for Agricultural Shows and Field Days	(2,800)	2,800	-	-	-
Total of funds moved	(2,800)	2,800	-	-	-
The Treasury					
<u>Measure:</u>					
[SPP895] Forestry and Fishing – supporting the forestry and fishery industry – Support the Establishment of New Plantations	-	10,000	25,000	30,000	20,000
<u>Reallocation:</u>					
[SPP838] From: Future Drought Fund – Regional Drought Resilience Planning To: Special Account – AFDR – Regional Drought Resilience Plan	(533)	(533)	(534)	-	-
Total of SPP funds moved	(533)	9,467	24,466	30,000	20,000

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

2.5 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 pages

2.5.1: Linked programs (continued)

Department of Home Affairs
<p>Program 3.4: Border Enforcement</p> <p>Program 3.2: Border Management</p>
<p>Contribution to Outcome 4 made by linked programs:</p> <p>DAWE and the Department of Home Affairs work collaboratively to undertake screening and surveillance for all people and goods entering Australia.</p>
Department of Industry, Science, Energy and Resources
<p>Program 1.1: Investing in Science, Technology and Commercialisation</p> <p>Program 1.3: Supporting a Strong Resources Sector</p>
<p>Contribution to Outcome 4 made by linked programs:</p> <p>DAWE works collaboratively with the Department of Industry, Science, Energy and Resources (DISER) through the National Measurement Institute. DAWE access analytical laboratory services and expertise to support the National Residue Survey and Imported Food Inspection Scheme, and environmental services.</p>
Department of the Treasury
<p>Program 1.9: National Partnership Payments to the States</p>
<p>Contribution to Outcome 4 made by linked program:</p> <p>The Department of the Treasury contributes to Outcome 4 by making payments through the Federation Funding Agreement framework on behalf of DAWE, for the following funding agreements:</p> <ul style="list-style-type: none"> • Building Resilience to Manage Fruit Fly (SPP993) • Ehrlichia Canis Pilot Program (SPP876) • Horse Traceability (SPP875) • Boosting Our Northern Biosecurity Frontline (SPP900) • National Plant Health Surveillance Program (SPP857) • Pest and Disease Preparedness and Response Programs (SPP188) • Reducing Regulatory Burden and Streamlining Audit Arrangements in the Dairy Sector (SPP859) • Supporting Farmers to Maximise Farm Gate Output through Traceability and On-farm Biosecurity (SPP913) • Supporting Plantation Establishment (SPP895)

Continued on following page

2.5.1: Linked programs (continued)

Food Standards Australia New Zealand
Program 1.1: Food Regulatory Activity and Services to the Minister and Parliament
<p>Contribution to Outcome 4 made by linked program:</p> <p>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.</p>
National Indigenous Australians Agency
Program 2.1: Indigenous Advancement – Jobs, Land and Economy
<p>Contribution to Outcome 4 made by linked programs:</p> <p>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.</p>

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 2.6: 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.					
	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 4.1: Biosecurity and Export Services					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill (No. 1))</u>					
Agriculture – continuing to deliver					
Agriculture 2030 – Boosting Our					
Northern Biosecurity Frontline	-	7,078	9,273	8,628	6,963
<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>					
Foot-and-mouth Vaccine	-	-	-	1,680	-
Surveillance Animal	1,220	1,070	870	870	-
Surveillance Plant	200	500	200	500	-
Australian Trade System Support –					
Cultivating Australia's Traceability –					
Promoting and Protecting Australian					
Premium Agriculture	2,556	22,512	14,814	116	-
Centre of Excellence for Biosecurity Risk					
Analysis and Research	1,854	1,890	1,920	1,954	1,987
Enhancing Australia's Biosecurity					
System – Priority Pest and Disease					
Planning and Response	2,834	2,834	2,934	3,534	4,534
Modernising Agricultural Trade –					
Protecting Australia's Clean, Green					
Brand	2,012	2,000	2,000	2,000	2,000
Package Assisting Small Exporters	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	4,144	1,300	1,300	1,300	-
Administered total	17,670	40,507	34,136	21,407	16,309
Total Program expenses	17,670	40,507	34,136	21,407	16,309

Continued on following pages

Table 2.6: Budgeted expenses for Outcome 4 (continued)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 4.2: Plant and Animal Health					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill (No. 1))</u>					
Agriculture 2030 – Biosecurity – continue to protect Australia from the biosecurity risk posed by African swine fever	188	234	207	189	-
Animal Biosecurity and Response Reform	855	1,024	1,040	1,059	1,076
Commonwealth Membership of Animal Health Australia and Plant Health Australia	2,740	2,784	2,831	2,883	2,933
International Organisations Contribution – World Organisation for Animal Health	349	258	262	267	272
Other Exotic Disease Preparedness Program	602	616	704	716	727
Payment to CSIRO – contribution to the operating costs of the Australian Centre for Disease Preparedness	8,619	8,783	8,922	9,083	9,237
Plant Biosecurity and Response Reform	1,416	1,444	1,467	1,494	1,520
Smart Fruit Fly Management – Collaborative National Approach	1,200	-	-	-	-
Stronger Farmers, Stronger Economy – strengthening research, skills and management of natural resources – immediate assistance fund	2,984	2,252	2,099	3,737	3,800
<i>Administered total</i>	18,953	17,395	17,532	19,428	19,565

Continued on following pages

Table 2.6: Budgeted expenses for Outcome 4 (continued)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 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>	7,596	8,252	8,495	8,690	8,718
<i>Plant Health Australia (Plant Industries) Funding Act 2002, s. 6 – appropriation</i>	6,033	5,950	5,943	5,942	5,952
<i>Plant Health Australia (Plant Industries) Funding Act 2002, s. 10B – payments to PHA from EPPR levies and charges</i>	3,772	3,652	3,688	3,695	3,708
<i>Special Appropriation total</i>	17,401	17,854	18,126	18,327	18,378
Total Program expenses	36,354	35,249	35,658	37,755	37,943
<u>Administered expenses</u>					
Administered appropriation	54,024	75,756	69,794	59,162	54,255
<i>Administered total</i>	54,024	75,756	69,794	59,162	54,255
<u>Departmental expenses</u>					
Departmental appropriation ^(b)	433,139	403,358	339,796	326,094	248,154
Expenses not requiring appropriation in the budget year ^(a)	40,221	30,766	25,255	25,625	25,625
<i>Departmental total</i>	473,360	434,124	365,051	351,719	273,779
<u>Special accounts</u>					
Biosecurity, Imported Food and Export Certification Special Account 2020 ^(c)	428,871	457,865	468,375	470,842	470,842
National Residue Survey Account – s. 80, PGPA Act [s. 6(1), <i>National Residue Survey Administration Act 1992</i>]	11,219	11,218	11,393	11,505	11,513
<i>Special Account total</i>	440,090	469,083	479,768	482,347	482,355
Total expenses for Outcome 4	967,474	978,963	914,613	893,228	810,389

Continued on following pages

Table 2.6: Budgeted expenses for Outcome 4 (continued)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Outcome 4 Totals by appropriation type					
<u>Administered expenses</u>					
Ordinary annual services (Appropriation Bill (No. 1))	36,623	57,902	51,668	40,835	35,877
Special appropriations	17,401	17,854	18,126	18,327	18,378
Administered total	54,024	75,756	69,794	59,162	54,255
<u>Departmental expenses</u>					
Departmental appropriation ^(b)	433,139	403,358	339,796	326,094	248,154
Special accounts	440,090	469,083	479,768	482,347	482,355
Expenses not requiring appropriation in the budget year ^(a)	40,221	30,766	25,255	25,625	25,625
Departmental total	913,450	903,207	844,819	834,066	756,134
Total expenses for Outcome 4	967,474	978,963	914,613	893,228	810,389
Average staffing level (number)					
	3,914	3,857			

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

(b) Departmental appropriation allocations are notional and reflect the current structure of the department. Expenses are funded from both 'Ordinary annual services (Appropriation Bill (No. 1))' and 'External Revenue' under section 74 of the PGPA Act.

(c) 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 page

Table 2.6: Budgeted expenses for Outcome 4 (continued)

Movements of administered funds between years^(d)	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
The Treasury					
<u>Measures:</u>					
[SPP913] Agriculture – continuing to deliver Agriculture 2030 – Supporting Farmers to Maximise Farm Gate Output through Traceability and On-farm Biosecurity	-	6,000	8,000	6,000	-
[SPP900] Agriculture – continuing to deliver Agriculture 2030 – Boosting Our Northern Biosecurity Frontline	-	-	6,000	5,700	5,300
[SPP188] Pest and Disease Preparedness and Response Programs – Japanese Encephalitis Virus – National Plan	5,000	5,000	-	-	-
<u>Other Variation:</u>					
[SPP188] Pest and Disease Preparedness and Response Programs	-	100	98	111	113
Total of SPP funds moved	5,000	11,100	14,098	11,811	5,413

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

2.6 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
<p>Contribution to Outcome 5 made by linked program:</p> <p>DAWE and MDBA work collaboratively to implement the Murray-Darling Basin Plan and the Intergovernmental Agreement on Murray-Darling Basin Reform.</p>
Bureau of Meteorology
Program 1.1: Bureau of Meteorology
<p>Contribution to Outcome 5 made by linked program:</p> <p>BOM's water information services inform Commonwealth water planning and decision making in relation to water resource availability.</p>
Department of the Treasury
Program 1.9: National Partnership Payments to the States
<p>Contribution to Outcome 5 made by linked program:</p> <p>The Department of the Treasury contributes to Outcome 5 by making payments through the Federation Funding Agreement framework on behalf of DAWE, for the following funding agreements:</p> <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) <p><u>Water for the Environment Special Account (WESA)</u></p> <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 2.7: 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.

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 5.1: Water Reform					
Administered expenses					
<u>Ordinary annual services (Appropriation Bill (No. 1))</u>					
Commonwealth Contribution under the Murray-Darling Basin Agreement	13,641	19,466	19,828	15,922	16,969
Sustainable Rural Water Use and Infrastructure Program	223,961	304,661	336,775	-	-
Water Research Goyder Institute	8,000	-	-	-	-
<i>Administered total</i>	245,602	324,127	356,603	15,922	16,969
<u>Payments to corporate entities (Draw-down)^(a)</u>					
Murray-Darling Basin Authority	38,363	36,926	33,847	33,375	33,361
Murray-Darling Basin Authority – Murray-Darling Communities Investment Package	42,407	12,678	10,966	7,008	4,343
<i>Payments to corporate entities total</i>	80,770	49,604	44,813	40,383	37,704

Continued on following pages

Table 2.7: Budgeted expenses for Outcome 5 (continued)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 5.1: Water Reform					
Administered expenses					
<u>Special accounts</u>					
Water Efficiency Labelling Scheme Account	3,516	2,201	2,289	2,381	2,476
Water for the Environment Special Account	389,765	945,521	370,033	-	-
Water Resources Special Account	2,114	970	970	970	970
Special account total	395,395	948,692	373,292	3,351	3,446
<u>Expenses not requiring appropriation in the budget year^(b)</u>					
Expenses not requiring appropriation in the budget year	7,759	7,759	7,759	7,759	7,759
Total	7,759	7,759	7,759	7,759	7,759
Total Program expenses	729,526	1,330,182	782,467	67,415	65,878
<u>Administered expenses</u>					
Administered appropriation	721,767	1,322,423	774,708	59,656	58,119
Expenses not requiring appropriation in the budget year ^(b)	7,759	7,759	7,759	7,759	7,759
Administered total	729,526	1,330,182	782,467	67,415	65,878
<u>Departmental expenses</u>					
Departmental appropriation ^(c)	44,325	39,394	35,653	23,145	23,304
Expenses not requiring appropriation in the budget year ^(b)	6,390	338	340	340	309
Departmental total	50,715	39,732	35,993	23,485	23,613
Total expenses for Outcome 5	780,241	1,369,914	818,460	90,900	89,491

Continued on following pages

Table 2.7: Budgeted expenses for Outcome 5 (continued)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Outcome 5 Totals by appropriation type					
<u>Administered expenses</u>					
Ordinary annual services (Appropriation Bill (No. 1))	245,602	324,127	356,603	15,922	16,969
Special accounts	395,395	948,692	373,292	3,351	3,446
Payments to corporate entities (Draw-down)	80,770	49,604	44,813	40,383	37,704
Expenses not requiring appropriation in the budget year ^(b)	7,759	7,759	7,759	7,759	7,759
Administered total	729,526	1,330,182	782,467	67,415	65,878
<u>Departmental expenses</u>					
Departmental appropriation ^(c)	44,325	39,394	35,653	23,145	23,304
Expenses not requiring appropriation in the budget year ^(b)	6,390	338	340	340	309
Departmental total	50,715	39,732	35,993	23,485	23,613
Total expenses for Outcome 5	780,241	1,369,914	818,460	90,900	89,491
	2021–22	2022–23			
Average staffing level (number)	125	122			

(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 and balance sheet adjustments.

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

Continued on following page

Table 2.7: Budgeted expenses for Outcome 5 (continued)

Movements of administered funds between years^(d)	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
<u>Movement of Funds:</u>					
Sustainable Rural Water Use and Infrastructure Program – Murray Darling Economic Development	(1,339)	1,339	-	-	-
Total of funds moved	(1,339)	1,339	-	-	-
The Treasury					
<u>Measure:</u>					
[SPP776] Flood Package – On-Farm Emergency Water Infrastructure Rebate – Extension	-	-	-	-	-
<u>Movements of Funds:</u>					
[SPP127] Great Artesian Basin Sustainability Initiative	(2,962)	2,962	-	-	-
<u>Other Variation:</u>					
[SPP776] On-Farm Emergency Water Infrastructure Rebate	(16,048)	16,048	-	-	-
Total of SPP funds moved	(19,010)	19,010	-	-	-

(d) 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 2022–23, including the impact of 2022–23 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 2021–22 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 figures are used as comparators in the analysis.

3.1.2: Budgeted comprehensive departmental income statement

Since PAES, estimated revenue from government in 2022–23 has increased by \$230.7 million. The increase is mainly due to 2022–23 Budget measures listed in Table 1.2.

The own source revenue estimate in 2022–23 has increased by \$4.8 million since PAES, mainly due to higher than anticipated external revenue receipts.

The department is budgeting for a \$31.2 million operating loss in 2022–23 before unfunded depreciation is accounted for. The budgeted operating loss has increased from PAES due to delays in program delivery. The increased loss is funded through unspent funds and does not impact the department's sustainability.

3.1.3: Budgeted departmental balance sheet

The value of departmental net assets as at 30 June 2023 is anticipated to be \$74.7 million lower than the estimate published in PAES. The reduced estimate is mainly a result of the department using unspent funds to ensure program delivery. These impacts are also affected when there is a difference between the financial year when appropriation is received and the financial year when expenses are incurred.

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

It is estimated the department will receive non-appropriation revenue on behalf of government of \$816.5 million in 2022–23, an increase of \$26.4 million since PAES. The increase is largely due to higher levy revenue estimates and interest revenue estimates relating to loans activities.

Administered expenses are estimated to be \$3,402.3 million in 2022–23, an increase of \$228.3 million since PAES. The increase largely relates to 2022–23 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 2023 is anticipated to be \$240.6 million higher than the estimate published in PAES. The increase in net assets is mainly due to a movement of special account expenditure that has improved the cash position at 30 June 2023 by \$206.0 million. This cash will be used to fund expenditure in 2023–24. Further details are in the Budgeted Expenses table for Outcome 5.

3.2 Budgeted financial statements tables

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
EXPENSES					
Employee benefits	757,604	781,622	763,852	762,832	739,628
Suppliers	844,954	814,401	633,963	577,310	501,262
Grants	6,915	7,474	7,481	7,488	7,495
Depreciation and amortisation	161,022	162,883	164,803	166,778	166,750
Finance costs	21,977	22,121	22,267	22,417	22,415
Write-down and impairment of assets	919	919	919	919	919
Other expenses	260	260	228	164	164
Total expenses	1,793,651	1,789,680	1,593,513	1,537,908	1,438,633
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	439,669	475,665	484,313	483,880	482,583
Interest	54	54	54	54	54
Other revenue	32,760	31,969	21,225	20,363	20,312
Total own-source revenue	472,483	507,688	505,592	504,297	502,949
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	474,101	509,306	507,210	505,915	504,567
Net cost of (contribution by) services	1,319,550	1,280,374	1,086,303	1,031,993	934,066
Revenue from Government	1,130,734	1,158,249	969,013	913,428	815,617
Surplus (Deficit) attributable to the Australian Government	(188,816)	(122,125)	(117,290)	(118,565)	(118,449)
Total comprehensive income/(loss)	(188,816)	(122,125)	(117,290)	(118,565)	(118,449)
Total comprehensive income (loss) attributable to the Australian Government	(188,816)	(122,125)	(117,290)	(118,565)	(118,449)

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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**

	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	(98,058)	(31,158)	(25,200)	(17,100)	(17,100)
less depreciation/amortisation expenses previously funded through revenue appropriations ^(a)	74,085	74,085	74,085	72,203	72,203
less depreciation/amortisation expenses for ROU ^(b)	73,455	75,316	77,236	79,211	79,095
add principal repayments on leased assets ^(b)	56,782	58,434	59,231	49,949	49,949
Total comprehensive income (loss) – as per the statement of comprehensive income	(188,816)	(122,125)	(117,290)	(118,565)	(118,449)

(a) From 2010–11, the Government introduced net cash appropriation arrangements where Appropriation 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 Appropriation 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)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	42,378	49,535	49,335	49,335	49,335
Trade and other receivables	393,523	341,541	322,374	311,107	300,260
Other investments	15,500	15,000	15,000	15,000	15,000
Total financial assets	451,401	406,076	386,709	375,442	364,595
Non-financial assets					
Land and buildings	609,930	578,706	521,256	462,234	403,172
Property, plant and equipment	719,372	759,581	787,380	804,188	820,799
Heritage and cultural assets	72,500	72,500	72,500	72,500	72,500
Intangibles & computer software	253,108	328,111	392,489	438,952	463,503
Inventories	9,837	9,837	9,837	9,837	9,837
Prepayments	7,021	7,021	7,021	7,021	7,021
Total non-financial assets	1,671,768	1,755,756	1,790,483	1,794,732	1,776,832
Total assets	2,123,169	2,161,832	2,177,192	2,170,174	2,141,427
LIABILITIES					
Payables					
Suppliers	75,424	76,923	78,423	78,041	78,041
Grants	38	38	38	38	38
Other payables	37,969	37,969	37,969	37,969	37,969
Total payables	113,431	114,930	116,430	116,048	116,048
Interest bearing liabilities					
Leases	351,589	336,923	318,816	310,698	302,580
Total interest bearing liabilities	351,589	336,923	318,816	310,698	302,580
Provisions					
Employee provisions	252,193	252,193	252,193	252,193	252,193
Other provisions	667,438	684,538	701,638	718,738	735,838
Total provisions	919,631	936,731	953,831	970,931	988,031
Total liabilities	1,384,651	1,388,584	1,389,077	1,397,677	1,406,659
Net assets	738,518	773,248	788,115	772,497	734,768
EQUITY*					
Parent entity interest					
Contributed equity	1,479,736	1,636,591	1,768,748	1,871,695	1,952,415
Reserves	606,848	606,848	606,848	606,848	606,848
Retained surplus (accumulated deficit)	(1,348,066)	(1,470,191)	(1,587,481)	(1,706,046)	(1,824,495)
Total parent entity interest	738,518	773,248	788,115	772,497	734,768
Total equity	738,518	773,248	788,115	772,497	734,768

*'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 2022–23)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2022					
Balance carried forward from previous period	(1,348,066)	542,744	64,104	1,479,736	738,518
Adjusted opening balance	(1,348,066)	542,744	64,104	1,479,736	738,518
Comprehensive income					
Surplus (deficit) for the period	(122,125)	-	-	-	(122,125)
Total comprehensive income	(122,125)	-	-	-	(122,125)
of which:					
Attributable to the Australian Government	(122,125)	-	-	-	(122,125)
Transactions with owners					
Contributions by owners					
Equity Injection – Appropriation	-	-	-	84,542	84,542
Departmental Capital Budget (DCB)	-	-	-	72,313	72,313
Sub-total transactions with owners	-	-	-	156,855	156,855
Estimated closing balance as at 30 June 2023	(1,470,191)	542,744	64,104	1,636,591	773,248
Closing balance attributable to the Australian Government	(1,470,191)	542,744	64,104	1,636,591	773,248

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	1,177,209	1,190,481	987,511	924,745	825,545
Sale of goods and rendering of services	438,005	474,546	484,113	482,961	482,583
Interest	54	54	54	54	54
Net GST received	43,461	42,916	42,916	42,916	42,916
Other	29,929	29,138	18,394	17,863	17,812
Total cash received	1,688,658	1,737,135	1,532,988	1,468,539	1,368,910
Cash used					
Employees	755,674	781,622	763,852	762,832	739,628
Suppliers	882,855	851,628	671,158	616,654	540,224
Grants	6,915	7,474	7,481	7,488	7,495
Borrowing costs	4,877	5,021	5,167	5,317	5,315
Total cash used	1,650,321	1,645,745	1,447,658	1,392,291	1,292,662
Net cash from (used by) operating activities	38,337	91,390	85,330	76,248	76,248
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of financial instruments	15,500	15,000	14,500	14,500	14,500
Total cash received	15,500	15,000	14,500	14,500	14,500
Cash used					
Purchase of property, plant and equipment	290,025	203,104	158,406	129,196	107,019
Purchase of financial instruments	15,000	14,500	14,500	14,500	14,500
Total cash used	305,025	217,604	172,906	143,696	121,519
Net cash from (used by) investing activities	(289,525)	(202,604)	(158,406)	(129,196)	(107,019)

Continued on following page

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
FINANCING ACTIVITIES					
Cash received					
Contributed equity	199,423	104,542	54,450	24,490	1,633
Departmental Capital Budget (DCB)	93,161	72,263	77,657	78,407	79,087
Total cash received	292,584	176,805	132,107	102,897	80,720
Cash used					
Lease liability – principal payments	56,782	58,434	59,231	49,949	49,949
Total cash used	56,782	58,434	59,231	49,949	49,949
Net cash from (used by) financing activities	235,802	118,371	72,876	52,948	30,771
Net increase (decrease) in cash held	(15,386)	7,157	(200)	-	-
Cash and cash equivalents at the beginning of the reporting period	57,764	42,378	49,535	49,335	49,335
Cash and cash equivalents at the end of the reporting period	42,378	49,535	49,335	49,335	49,335

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget – Bill (No. 1) (DCB)	67,673	72,263	77,657	78,407	79,087
Equity injections – Bill (No. 2)	77,396	66,483	54,450	24,490	1,633
Total new capital appropriations	145,069	138,746	132,107	102,897	80,720
Provided for:					
Purchase of non-financial assets	145,069	138,746	132,107	102,897	80,720
Total items	145,069	138,746	132,107	102,897	80,720
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	171,862	104,542	54,450	24,490	1,633
Funded by capital appropriation – DCB ^(b)	93,161	72,263	77,657	78,407	79,087
Funded internally from departmental resources ^(c)	25,002	26,299	26,299	26,299	26,299
TOTAL	290,025	203,104	158,406	129,196	107,019
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	290,025	203,104	158,406	129,196	107,019
Total cash used to acquire assets	290,025	203,104	158,406	129,196	107,019

(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 2022–23)

	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 2022						
Gross book value	2,146	335,592	742,117	72,500	429,924	1,582,279
Gross book value – ROU ^(a)	-	496,319	53,129	-	-	549,448
Accumulated depreciation/amortisation	-	(40,910)	(41,944)	-	(176,816)	(259,670)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	-	(183,217)	(33,930)	-	-	(217,147)
Opening net book balance	2,146	607,784	719,372	72,500	253,108	1,654,910
CAPITAL ASSET ADDITIONS						
Estimated expenditure on new or replacement assets						
By purchase – appropriation equity ^(b)	-	23,006	28,728	-	52,808	104,542
By purchase – appropriation ordinary annual services ^(c)	-	3,365	44,048	-	24,850	72,263
By purchase – Other	-	3,287	3,287	-	19,725	26,299
By purchase – appropriation ordinary annual services – ROU ^(a)	-	42,101	1,666	-	-	43,767
Total additions	-	71,759	77,729	-	97,383	246,871
Other movements						
Depreciation/amortisation expense	-	(37,708)	(27,479)	-	(22,380)	(87,567)
Accumulated depreciation/amortisation – ROU – (excluding other intangibles) ^(a)	-	(65,275)	(10,041)	-	-	(75,316)
Total other movements	-	(102,983)	(37,520)	-	(22,380)	(162,883)
As at 30 June 2023						
Gross book value	2,146	365,250	818,180	72,500	527,307	1,785,383
Gross book value – ROU ^(a)	-	538,420	54,795	-	-	593,215
Accumulated depreciation/amortisation and impairment	-	(78,618)	(69,423)	-	(199,196)	(347,237)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	-	(248,492)	(43,971)	-	-	(292,463)
Closing net book balance	2,146	576,560	759,581	72,500	328,111	1,738,898

(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)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Suppliers	384,429	376,353	250,250	259,329	256,732
Personal benefits	112,979	90,658	55,358	95,879	148,359
Grants	1,192,739	1,793,155	1,201,434	486,016	420,135
Levy disbursements and Commonwealth contributions	925,827	891,908	898,163	886,649	891,517
Depreciation	7,771	7,771	7,771	7,771	7,771
Borrowing costs	89,112	44,190	18,633	18,633	18,633
Write down and impairment of assets	23,627	33,934	18,009	5,706	5,706
Payments to corporate entities	216,200	164,281	135,938	127,160	118,233
Total expenses administered on behalf of Government	2,952,684	3,402,250	2,585,556	1,887,143	1,867,086
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Taxation revenue					
Other taxes	599,574	559,798	572,372	578,352	588,751
Total taxation revenue	599,574	559,798	572,372	578,352	588,751
Non-taxation revenue					
Sales of goods and rendering of services	13,340	12,766	18,018	14,633	14,880
Interest	77,988	92,629	138,289	158,881	164,789
Other revenue	140,204	151,283	139,111	127,723	128,304
Total non-taxation revenue	231,532	256,678	295,418	301,237	307,973
Total own-source revenues administered on behalf of Government	831,106	816,476	867,790	879,589	896,724
Net cost of (contribution by) services	2,121,578	2,585,774	1,717,766	1,007,554	970,362
Surplus (Deficit) after income tax	(2,121,578)	(2,585,774)	(1,717,766)	(1,007,554)	(970,362)
Total comprehensive income (loss) attributable to the Australian Government	(2,121,578)	(2,585,774)	(1,717,766)	(1,007,554)	(970,362)

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,834,909	923,456	581,294	581,294	581,294
Trade and other receivables	3,167,983	3,432,794	3,564,682	3,686,639	3,770,297
Investments accounted for using the equity method	1,470,217	1,544,332	1,554,443	1,555,890	1,557,496
Other financial assets	61,991	61,991	61,991	61,991	61,991
Total financial assets	6,535,100	5,962,573	5,762,410	5,885,814	5,971,078
Non-financial assets					
Land and buildings	618	618	618	618	618
Property, plant and equipment	532,204	524,445	516,686	508,927	501,168
Heritage and cultural	984	972	960	948	936
Water assets and intangibles	4,023,880	4,023,880	4,023,880	4,023,880	4,023,880
Inventories	10,990	10,990	10,990	10,990	10,990
Other non-financial assets	6,497	5,283	4,069	2,855	1,875
Total non-financial assets	4,575,173	4,566,188	4,557,203	4,548,218	4,539,467
Total assets administered on behalf of Government	11,110,273	10,528,761	10,319,613	10,434,032	10,510,545
LIABILITIES					
Payables					
Suppliers	76,725	76,725	76,725	76,725	76,725
Grants	181,628	174,693	163,282	155,926	160,211
Personal benefits	2,716	2,716	2,716	2,716	2,716
Total payables	261,069	254,134	242,723	235,367	239,652
Provisions					
Remediation provision	37,447	37,447	37,447	37,447	37,447
Total provisions	37,447	37,447	37,447	37,447	37,447
Total liabilities administered on behalf of Government	298,516	291,581	280,170	272,814	277,099
Net assets/(liabilities)	10,811,757	10,237,180	10,039,443	10,161,218	10,233,446

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	13,370	12,796	18,048	14,663	14,910
Taxes	599,574	559,798	572,372	578,352	588,751
Net GST received	141,221	151,994	151,994	151,994	151,994
Other	119,805	117,892	126,808	127,723	128,304
Total cash received	873,970	842,480	869,222	872,732	883,959
Cash used					
Grants	2,238,799	2,834,019	2,251,832	1,520,845	1,448,191
Personal benefits	112,979	90,658	62,940	103,461	155,941
Suppliers	394,415	385,142	260,236	269,315	266,952
Payments to corporate entities	216,200	164,281	135,938	127,160	118,233
Total cash used	2,962,393	3,474,100	2,710,946	2,020,781	1,989,317
Net cash from (used by) operating activities	(2,088,423)	(2,631,620)	(1,841,724)	(1,148,049)	(1,105,358)
INVESTING ACTIVITIES					
Cash received					
Interest received from advances and loans	11,682	36,354	77,369	93,003	93,906
Repayments of advances and loans	162,509	13,731	24,433	39,322	82,625
Total cash received	174,191	50,085	101,802	132,325	176,531
Cash used					
Advances and loans made	2,112,400	266,000	112,158	112,158	112,157
Corporate entity investments	141,077	74,115	10,111	1,447	1,606
Total cash used	2,253,477	340,115	122,269	113,605	113,763
Net cash from (used by) investing activities	(2,079,286)	(290,030)	(20,467)	18,720	62,768
Net increase (decrease) in cash held	(4,167,709)	(2,921,650)	(1,862,191)	(1,129,329)	(1,042,590)

Continued on following page

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Cash and cash equivalents at beginning of reporting period	2,223,061	1,834,909	923,456	581,294	581,294
Cash from Official Public Account for:					
– Appropriations	4,345,848	2,402,110	1,932,596	1,503,274	1,468,879
– Special Accounts	224,912	234,250	284,050	358,323	358,585
Total cash from Official Public Account	4,570,760	2,636,360	2,216,646	1,861,597	1,827,464
Cash to Official Public Account for:					
– Appropriations	(791,203)	(626,163)	(696,617)	(732,268)	(784,874)
<i>Total cash to Official Public Account</i>	<i>(791,203)</i>	<i>(626,163)</i>	<i>(696,617)</i>	<i>(732,268)</i>	<i>(784,874)</i>
Cash and cash equivalents at end of reporting period	1,834,909	923,456	581,294	581,294	581,294

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Administered Assets and Liabilities – Bill (No. 2)	454,000	236,499	112,158	112,158	112,157
Total new capital appropriations	454,000	236,499	112,158	112,158	112,157
<i>Provided for:</i>					
Other Items	454,000	236,499	112,158	112,158	112,157
Total Items	454,000	236,499	112,158	112,158	112,157

Prepared on Australian Accounting Standards basis.

Table 3.11: Statement of administered asset movements (Budget year 2022–23)

	Land \$'000	Other property, plant and equipment \$'000	Heritage and cultural \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2022					
Gross book value	618	918,138	998	4,063,743	4,983,497
Accumulated depreciation/amortisation	-	(385,934)	(14)	(39,863)	(425,811)
Opening net book balance	618	532,204	984	4,023,880	4,557,686
CAPITAL ASSET ADDITIONS					
Other movements					
Depreciation/amortisation expense	-	(7,759)	(12)	-	(7,771)
Total other movements	-	(7,759)	(12)	-	(7,771)
As at 30 June 2023					
Gross book value	618	918,138	998	4,063,743	4,983,497
Accumulated depreciation/amortisation and impairment	-	(393,693)	(26)	(39,863)	(433,582)
Closing net book balance	618	524,445	972	4,023,880	4,549,915

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 the 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, through 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 does this by listening and collaborating with the emerging leaders in agriculture, industries bodies, other RDCs and government.

As outlined in AgriFutures Australia Research and Innovation Strategic Plan 2022–2027 due to be published on 1 July 2022, AgriFutures has designed the “AgriFutures’ 16:5:5 Roadmap” – a simple, decisive set of priorities, centred around two important audiences – our levied industries and Australian rural industries. The plan sets out sixteen priorities within five focus areas over five years (2022–2027).

AgriFutures’ 16:5:5 Roadmap:

Focus Area: Our Industries:

In partnership with each of our industries, create value by:

1. Maximising the return on investment for R&D levies.
2. Listening to, engaging, collaborating, and consulting with our industries.
3. Delivering research and innovation that addresses the specific needs of each of our industries.
4. Supporting our industries to prepare for and thrive into the future.
5. Road testing new technologies, practices, and innovations with the potential for our industries to uptake and adopt.
6. Assisting our industries to enhance their industry stewardship to build community and consumer confidence.

Focus Area: Emerging Industries:

Grow the value and diversity of Australia’s rural economy by:

7. Driving the growth of emerging, high-potential rural industries.
8. Driving the growth of new enterprises that generate additional revenue streams for primary producers.

Focus Area: Workforce and Leadership:

Assist in the development of the agricultural workforce by:

9. Understanding and responding to the future workforce needs of Australia’s rural industries.
10. Attracting and retaining a workforce that will ensure Australia’s rural industries are future ready.
11. Supporting people in Australia’s rural industries to build their motivation and skills to lead change.

12. Responding to the specific workforce and leadership needs of our levied and emerging industries.

Focus Area: National Challenges and Opportunities

Future proof Australian rural industries by:

13. Identifying, understanding, and responding to national challenges and opportunities impacting on Australian rural industries.
14. Facilitating collaboration across sectors.
15. Fostering responsible industry stewardship and building community trust.

Focus Area: Global Agrifood Innovation

Engage with the global agrifood innovation system by:

16. Ensuring Australia is a leader in accessing and adopting, as well as, developing and exporting agrifood technologies and innovation.

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 2022–23 as at Budget March 2022

	2021–22 <i>Estimated actual</i> \$'000	2022–23 Estimate \$'000
Opening balance/cash reserves at 1 July	55,751	52,562
Funds from Government		
Special appropriations^(a)		
<i>Primary Industries Research and Development Act 1989, s. 30(3) – Rural Industries R&D Corporation</i>	32,396	32,703
Total special appropriations	32,396	32,703
Amounts received from related entities		
Amounts from portfolio department ^(b)	9,460	9,640
Total amounts received from related entities	9,460	9,640
Total funds from Government	41,856	42,343
Funds from industry sources		
Levies ^(c)	5,965	7,293
<i>less amounts paid to the CRF</i>	(5,965)	(7,293)
Total funds from industry sources	-	-
Funds from other sources		
Interest	151	281
Royalties	315	315
Grants	3,162	4,115
Other	524	1,293
Total funds from other sources	4,152	6,004
Total net resourcing for AgriFutures	101,759	100,909
	2021–22	2022–23
Average staffing level (number)	25	25

(a) AgriFutures' special appropriation is not directly appropriated as it is a corporate Commonwealth entity (CCE) under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Appropriations are made to Department of Agriculture, Water and the Environment (DAWE) and are then paid to AgriFutures 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 CCE (for example, a grant awarded to a CCE from one of its portfolio department's administered programs).

(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 transferred to the Consolidated Revenue Fund (CRF). These amounts are then drawn down by the department as a special appropriation and paid to AgriFutures under the *Primary Industries Research and Development Act 1989* (PIRD Act) s. 30(3) – Rural Industries R&D Corporation.

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 AgriFutures Australia are detailed in *Budget Paper No. 2: Budget Measures 2022–23* and are summarised below.

Table 1.2: AgriFutures Australia – 2022–23 Budget measures – Measures announced since the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO)

AgriFutures does not have any 2022–23 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 can be found at:

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

2.1 Changes to the outcome and program structures

Table 2.1: Outcome changes

New Outcome 1	<i>Growth in the long-term prosperity of Australian rural industries by investing, through partnerships with industry, in research, development, extension, and commercialisation that fosters sustainable and profitable existing and emerging rural industries, and cross sector opportunities and challenges.</i>
---------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Description of change:
New outcome, created for Budget 2022–23, supersedes the old Outcome 1.

Old Statement:
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.

2.2 Budgeted expenses and performance for Outcome 1

Outcome 1: Growth in the long-term prosperity of Australian rural industries by investing, through partnerships with industry, in research, development, extension, and commercialisation that fosters sustainable and profitable existing and emerging rural industries, and cross sector opportunities and challenges.

2.2.1: 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 DAWE to ensure sustainable, productive and profitable rural industries.

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: Growth in the long-term prosperity of Australian rural industries by investing, through partnerships with industry, in research, development, extension, and commercialisation that fosters sustainable and profitable existing and emerging rural industries, and cross sector opportunities and challenges.

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 1.1: Rural Industries Research and Development Corporation					
<u>Revenue from Government</u>					
Payment from related entities	9,460	9,640	9,795	9,969	10,139
Special appropriations					
<i>Primary Industries Research and Development Act 1989, s. 30(3) – Rural Industries R&D Corporation</i>	29,996	32,703	31,084	30,910	30,741
Revenues from industry sources	3,552	4,115	4,000	4,000	4,000
Revenues from other independent sources	765	1,889	1,930	1,930	1,930
Expenses not requiring appropriation in the Budget year ^(a)	6,600	6,000	6,000	6,000	6,000
Total expenses for program 1.1	50,373	54,347	52,809	52,809	52,810
Outcome 1 totals by resource type					
<u>Revenue from Government</u>					
Payment from related entities	9,460	9,640	9,795	9,969	10,139
Special appropriations	29,996	32,703	31,084	30,910	30,741
Revenues from industry sources	3,552	4,115	4,000	4,000	4,000
Revenues from other independent sources	765	1,889	1,930	1,930	1,930
Expenses not requiring appropriation in the Budget year ^(a)	6,600	6,000	6,000	6,000	6,000
Total expenses for Outcome 1	50,373	54,347	52,809	52,809	52,810
	2021–22	2022–23			
Average staffing level (number)	25	25			

(a) 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.

2.2.3: Performance criteria for Outcome 1

Table 2.1.3 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

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: Growth in the long-term prosperity of Australian rural industries by investing, through partnerships with industry, in research, development, extension, and commercialisation that fosters sustainable and profitable existing and emerging rural industries, and cross sector opportunities and challenges.	
Program 1.1: Rural Industries Research and Development Corporation	
Objective	Through research and development create thriving rural industries and vibrant regional communities.
Key Activities	Focus Area: Our Industries: In partnership with each of our industries, create value by: <ol style="list-style-type: none">1. Maximising the return on investment for your R&D levy.2. Listening to, engaging, collaborating, and consulting with our industries.3. Delivering research and innovation that addresses the specific needs of each of our industries.4. Supporting our industries to prepare for and thrive into the future.5. Road testing new technologies, practices, and innovations with the potential for our industries to uptake and adopt.6. Assisting our industries to enhance their industry stewardship to build community and consumer confidence.
	Focus Area: Emerging Industries: Grow the value and diversity of Australia’s rural economy by: <ol style="list-style-type: none">7. Driving the growth of emerging, high-potential rural industries.8. Driving the growth of new enterprises that generate additional revenue streams for primary producers.

Continued on following pages

2.1.3: Performance criteria for Outcome 1 (continued)

Key Activities (continued)	Focus Area: Workforce and Leadership: Assist in the development of the agricultural workforce by: 9. Understanding and responding to the future workforce needs of Australia’s rural industries. 10. Attracting and retaining a workforce that will ensure Australia’s rural industries are future ready. 11. Supporting people in Australia’s rural industries to build their motivation and skills to lead change. 12. Responding to the specific workforce and leadership needs of our levied and emerging industries.	
	Focus Area: National Challenges and Opportunities Future proof Australian rural industries by: 13. Identifying, understanding, and responding to national challenges and opportunities impacting on Australian rural industries. 14. Facilitating collaboration across sectors. 15. Fostering responsible industry stewardship and building community trust.	
	Focus Area: Global Agrifood Innovation Engage with the global agrifood innovation system by: 16. Ensuring Australia is a leader in accessing and adopting, as well as, developing and exporting agrifood technologies and innovation.	
Year	Performance measures	Expected Performance Results
Current year 2021–22	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.
	Percentage of participants who feel their confidence as a leader has increased significantly or very significantly as a result of participation in an AgriFutures sponsored activity.	80 per cent of surveyed participants.
	Impact of AgriFutures sponsored studies on debates of national significance to rural industries.	Ten.

Continued on following pages

2.1.3: Performance criteria for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results
Current year 2021–22 (continued)	New technologies adapted for use in Australian rural industries.	Three.
	Evidence of collaboration between RDCs in cross sector investment initiatives.	Two.
	Percentage of growers comfortable or very comfortable paying the R&D levy.	80 per cent of surveyed participants.
	Degree to which the objectives of the industry-based R&D plans are being achieved.	85 per cent.
	Stakeholders rate the value of AgriFutures' information products and services as high or very high.	75 per cent of surveyed participants.
	Number of new rural industries reaching or exceeding \$10 million per annum threshold.	One.
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	As per AgriFutures Research and Innovation Strategic Plan 2022–2027 to be published 1 July 2022.	As per AgriFutures Research and Innovation Strategic Plan 2022–2027 to be published 1 July 2022.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for 2022–23, including the impact of 2022–23 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 \$6.0 million in 2022–23.

AgriFutures’ balance sheet remains strong with estimated total assets of \$52.5 million in 2022–23. Of the total assets, approximately \$46.5 million is represented by cash and investments.

Total liabilities of \$7.7 million are mostly represented by payables to R&D providers and suppliers of \$3.1 million and employee entitlements of \$0.8 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)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
EXPENSES					
Employee benefits	4,340	4,600	4,600	4,600	4,600
Suppliers	11,896	16,557	14,930	14,930	14,934
Grants	33,852	32,908	33,000	33,000	33,000
Depreciation and amortisation	270	270	270	273	273
Finance costs	15	12	9	6	3
Total expenses	50,373	54,347	52,809	52,809	52,810
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	167	281	280	280	280
Other Grants	3,552	4,115	4,000	4,000	4,000
Royalties	315	315	350	350	350
Other	283	1,293	1,300	1,300	1,300
Total own-source revenue	4,317	6,004	5,930	5,930	5,930
Total own-source income	4,317	6,004	5,930	5,930	5,930
Net cost of (contribution by) services	46,056	48,343	46,879	46,879	46,880
Revenue from Government ^(a)					
Commonwealth contribution	33,491	35,050	35,379	35,379	35,380
Industry contributions	5,965	7,293	5,500	5,500	5,500
Total revenue from Government	39,456	42,343	40,879	40,879	40,880
Surplus/(deficit) attributable to the Australian Government	(6,600)	(6,000)	(6,000)	(6,000)	(6,000)
Total comprehensive income/(loss) attributable to the Australian Government	(6,600)	(6,000)	(6,000)	(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

	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	(6,596)	(5,999)	(6,003)	(6,000)	(6,000)
less depreciation/amortisation expenses for ROU ^(b)	170	170	170	173	173
add principal repayments on leased assets ^(b)	166	169	173	173	173
Total comprehensive income/(loss) – as per the Statement of comprehensive income	(6,600)	(6,000)	(6,000)	(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).

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	6,000	6,000	6,000	6,000	6,000
Trade and other receivables	4,800	4,800	4,800	4,800	4,800
Investments – Deposits	46,562	40,548	34,515	28,500	22,450
Total financial assets	57,362	51,348	45,315	39,300	33,250
Non-financial assets					
Land and buildings	724	554	384	211	38
Property, plant and equipment	188	238	288	338	388
Other non-financial assets	400	400	400	400	400
Total non-financial assets	1,312	1,192	1,072	949	826
Total assets	58,674	52,540	46,387	40,249	34,076
LIABILITIES					
Payables					
Suppliers	600	600	600	600	600
Grants	2,500	2,500	2,500	2,500	2,500
Other payables	3,000	3,000	3,000	3,000	3,000
Total payables	6,100	6,100	6,100	6,100	6,100
Interest bearing liabilities					
Leases	743	574	401	228	55
Total interest bearing-liabilities	743	574	401	228	55
Provisions					
Employee provisions	750	750	750	750	750
Other provisions	212	247	267	302	302
Total provisions	962	997	1,017	1,052	1,052
Total liabilities	7,805	7,671	7,518	7,380	7,207
Net assets	50,869	44,869	38,869	32,869	26,869
EQUITY*					
Parent entity interest					
Retained surplus/(accumulated deficit)	50,869	44,869	38,869	32,869	26,869
Total parent entity interest	50,869	44,869	38,869	32,869	26,869
Total Equity	50,869	44,869	38,869	32,869	26,869

*'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 2022–23)

	Retained earnings	Total equity
	\$'000	\$'000
Opening balance as at 1 July 2022		
Balance carried forward from previous period	50,869	50,869
Adjusted opening balance	50,869	50,869
Comprehensive income		
Surplus/(deficit) for the period	(6,000)	(6,000)
Total comprehensive income	(6,000)	(6,000)
of which:		
Attributable to the Australian Government	(6,000)	(6,000)
Estimated closing balance as at 30 June 2023	44,869	44,869
Closing balance attributable to the Australian Government	44,869	44,869

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Revenue from Government	41,856	42,343	40,879	40,879	40,880
Interest	151	281	280	280	280
Net GST received	371	-	-	-	-
Other	4,001	5,723	5,650	5,650	5,650
Total cash received	46,379	48,347	46,809	46,809	46,810
Cash used					
Employees	4,384	4,600	4,600	4,600	4,600
Suppliers	11,701	16,522	14,910	14,895	14,934
Grants	33,177	32,908	33,000	33,000	33,000
Interest payments on lease liability	15	12	9	6	3
Total cash used	49,277	54,042	52,519	52,501	52,537
Net cash from (used by) operating activities	(2,898)	(5,695)	(5,710)	(5,692)	(5,727)
INVESTING ACTIVITIES					
Cash received					
Investments	4,838	6,014	6,033	6,015	6,050
Total cash received	4,838	6,014	6,033	6,015	6,050
Cash used					
Purchase of property, plant and equipment and intangibles	125	150	150	150	150
Total cash used	125	150	150	150	150
Net cash from (used by) investing activities	4,713	5,864	5,883	5,865	5,900
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	166	169	173	173	173
Total cash used	166	169	173	173	173
Net cash from (used by) financing activities	(166)	(169)	(173)	(173)	(173)
Net increase (decrease) in cash held	1,649	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	4,351	6,000	6,000	6,000	6,000
Cash and cash equivalents at the end of the reporting period	6,000	6,000	6,000	6,000	6,000

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources ^(a)	125	150	150	150	150
TOTAL	125	150	150	150	150
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	125	150	150	150	150
Total cash used to acquire assets	125	150	150	150	150

- (a) Includes the following s74 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 2022–23)

	Buildings	Other property, plant and equipment	Total
	\$'000	\$'000	\$'000
As at 1 July 2022			
Gross book value	-	572	572
Gross book value – ROU ^(a)	918	-	918
Accumulated depreciation/amortisation and impairment	-	(384)	(384)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(194)	-	(194)
Opening net book balance	724	188	912
CAPITAL ASSET ADDITIONS			
Estimated expenditure on new or replacement assets			
By purchase – other ^(b)	-	150	150
Total additions	-	150	150
Other movements			
Depreciation/amortisation expense	-	(100)	(100)
Depreciation/amortisation expense – ROU ^(a)	(170)	-	(170)
Total other movements	(170)	(100)	(270)
As at 30 June 2023			
Gross book value	-	722	722
Gross book value – ROU ^(a)	918	-	918
Accumulated depreciation/amortisation and impairment	-	(484)	(484)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(364)	-	(364)
Closing net book balance	554	238	792

(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 ecologically 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 managed 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 within and beyond the Australian Fishing Zone. Our 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 stakeholders, including commercial fishing operators, prescribed peak industry bodies, 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 commercial fishing industry operating in Commonwealth fisheries pay for activities directly attributed to it, while the Commonwealth 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 help minimise costs and improve efficiency in the delivery of our regulatory services to the Commonwealth managed 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*.

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 2022–23 as at Budget March 2022

	2021–22 Estimated actual \$'000	2022–23 Estimate \$'000
<u>Departmental</u>		
Annual appropriations – ordinary annual services^(a)		
Departmental appropriation	25,453	27,331
Prior year appropriations available ^(b)	12,066	12,066
Total departmental annual appropriations	37,519	39,397
Special accounts^(c)		
Appropriation receipts ^(d)	25,453	27,331
Non-appropriation receipts	18,466	18,960
Total special account receipts	43,919	46,291
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	<i>(25,453)</i>	<i>(27,331)</i>
Total departmental resourcing	55,985	58,357
<u>Administered</u>		
Annual appropriations – ordinary annual services^(a)		
Outcome 1	5,792	5,839
Total administered annual appropriations	5,792	5,839
Total administered resourcing	5,792	5,839
Total resourcing for AFMA	61,777	64,196
	2021–22	2022–23
Average staffing level (number)	154	177

(a) Appropriation Bill (No. 1) 2022–23.

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

(c) For further information on special appropriations and special accounts, please refer to *Budget Paper No. 4: Agency Resourcing 2022–23*. 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 the Authority's annual and special appropriations.

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 Fisheries Management Authority are detailed in *Budget Paper No. 2: Budget Measures 2022–23* and are summarised below.

Table 1.2: Australian Fisheries Management Authority – 2022–23 Budget measures – Measures announced since the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
Receipt measures						
Forestry and Fishing – supporting the forestry and fishery industry – Improve the long term sustainability of the South East Trawl Fishery and Support Fishers ^(a)	1.1					
Administered receipt		-	-	-	-	-
Departmental receipt		-	(1,000)	(1,006)	(1,014)	-
Total		-	(1,000)	(1,006)	(1,014)	-
Total receipt measures						
Administered		-	-	-	-	-
Departmental		-	(1,000)	(1,006)	(1,014)	-
Total		-	(1,000)	(1,006)	(1,014)	-

(a) The lead entity for this measure is the Department of Agriculture, Water and the Environment (DAWE). The measure description appears in *Budget Paper No. 2: Budget Measures 2022–23* under the Agriculture, Water and the Environment portfolio.

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

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the 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_2021-24_final_03082021.pdf

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

https://www.afma.gov.au/sites/default/files/afma_annual_report_2020-21_fa-tagged.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 AFMA and DAWE 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.

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 1.1: Australian Fisheries Management Authority					
<u>Administered expenses</u>					
Ordinary annual services (Appropriation Bill (No. 1))					
Illegal Foreign Fishing Vessel Caretaking and Disposal	5,792	5,839	5,880	5,985	6,085
<u>Departmental expenses</u>					
Departmental appropriation ^(a)	23,347	25,317	25,834	25,906	24,937
<u>Special account</u>					
AFMA Special Account	14,812	14,845	14,988	15,131	16,598
Expenses not requiring appropriation in the Budget year ^(b)	2,929	3,471	3,984	4,447	5,026
Total expenses for program 1.1	46,880	49,472	50,686	51,469	52,646
Outcome 1 Totals by appropriation type					
<u>Administered expenses</u>					
Ordinary annual services (Appropriation Bill (No. 1))	5,792	5,839	5,880	5,985	6,085
<u>Departmental expenses</u>					
Departmental appropriation ^(a)	23,347	25,317	25,834	25,906	24,937
<u>Special account</u>					
Expenses not requiring appropriation in the Budget year ^(b)	2,929	3,471	3,984	4,447	5,026
Total expenses for Outcome 1	46,880	49,472	50,686	51,469	52,646
Average staffing level (number)					
	2021–22	2022–23			
	154	177			

(a) Expenses funded from both 'ordinary annual services' Appropriation Bills (No. 1) and (No. 3) and 'revenue from independent sources' (receipts retained under section 74 of the PGPA Act).

(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 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

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 1	Management of Commonwealth fisheries consistent with principles of ecological sustainable development.
Key Activities^(a)	<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 Ecological Risk Management Framework; Recover overfished stocks and prevent overfishing; and Ensure commercial, recreational and Indigenous fishing information is used to the extent possible in decision making. Investing in and applying monitoring, 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.
Objective 2	Maximise net economic returns to the Australian community from the management of Commonwealth fisheries.
Key Activities^(a)	<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

2.1.3: Performance criteria for Outcome 1 (continued)

Objective 3	Compliance with Commonwealth fisheries laws and policies and relevant international fishing obligations and standards.
Key Activities^(a)	<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 providing technical input to support key regional and international fishing bodies.
Objective 4	Deliver effective, cost efficient and accountable management of Commonwealth fisheries resources.
Key Activities^(a)	<ul style="list-style-type: none"> Pursuing 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 Implementing a digital first service delivery policy that provides electronic service delivery for all relevant programs (E-logs, Electronic Catch Disposal Records, licencing, data requests, etc.).^(a) 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

2.1.3: Performance criteria for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results
Current year 2021–22	1. The number of stocks for which management measures are based on species-appropriate scientific assessment.	Performance results of no change or an increase are on track.
	2. The percentage of species assessed as “residual High Risk” under Ecological Risk Assessment.	Performance results of no change or an increase are on track.
	3. The number of AFMA-only stocks assessed as “subject to overfishing” in the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES), Fishery Status Report.	Zero target is not on track.
	4. 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.	Qualitative assessment is on track.
	5. Status of Wildlife Trade Operations under the <i>Environmental Protection and Biodiversity Conservation Act 1999</i> .	All WTOs are maintained on track.
	6. The number of stocks with target reference points based on Maximum Economic Yield, an agreed proxy thereof or a multi-stock harvest strategy.	Performance results of no change or an increase are on track.
	7. Net Economic Return, as assessed in the ABARES Status of Fish Stocks Report.	Positive trend over 3 year window is on track.
	8. Treatment of identified domestic compliance risks as outlined in the National Compliance and Enforcement Program (NCEP).	>90 per cent of NCEP performance targets met is on track.
	9. Incidence level of illegal foreign fishing vessels operating in the Australian Fishing Zone.	Lower than the previous 10 year average is not on track to be met.

Continued on following pages

2.1.3: Performance criteria for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results
Current year 2021–22 (continued)	10. Compliance rate with international obligations as assessed in Regional Fisheries Management Organisation (implemented by AFMA).	>90 per cent is on track.
	11. Cost recover budget.	At or below 2005–06 once adjusted for CPI is on track.
	12. Corporate overheads compared to total budget.	<20 per cent is not on track.
	13. Engagement with legislated peak body.	Commonwealth Fisheries Association is satisfied that meaningful opportunity is given to contribute to planning, delivery and reporting is on track.
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	1. As per 2021–22.	No change or an increase.
	2. As per 2021–22.	No change or a decrease.
	3. As per 2021–22.	Zero.
	4. As per 2021–22.	Qualitative assessment.
	5. As per 2021–22.	All WTOs are maintained.
	6. As per 2021–22.	No change or an increase.
	7. As per 2021–22.	Positive trend over rolling 3-year average.
	8. As per 2021–22.	>90 percent of NCEP performance targets met.
	9. As per 2021–22.	Lower than the previous 3-year average.
	10. As per 2021–22.	>90 per cent.
	11. As per 2021–22.	At or below 2005–06 once adjusted for CPI.
	12. As per 2021–22.	<25 per cent.

Continued on following page

2.1.3: Performance criteria for Outcome 1 (continued)

Year	Performance measures	Planned Performance Results
Budget Year 2022–23 (continued)	13. As per 2021–22.	Commonwealth Fisheries Association is satisfied that meaningful opportunity is given to contribute to planning, delivery, and reporting.
	14. Number of services offered digitally. ^(b)	Increased trend in the number of empirical data collection services offered electronically.
Forward Estimates 2023–26	15. As per 2022–23.	As per 2022–23.

(a) Refers to updated key activities that will be reflected in the 2022–23 Corporate Plan.

(b) New performance measures that reflect new or materially changed programs are shown in italics.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for 2022–23, including the impact of 2022–23 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)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
EXPENSES					
Employee benefits	21,043	22,693	23,147	23,610	24,082
Suppliers	17,029	17,393	17,599	17,351	17,377
Finance costs	87	76	76	76	76
Depreciation and amortisation	2,929	3,471	3,984	4,447	5,026
Total expenses	41,088	43,633	44,806	45,484	46,561
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	3,519	3,980	4,027	4,051	4,075
Rental income	135	135	135	136	137
Levies and licence fees provided via crediting right to special account	14,812	14,845	14,988	15,131	16,598
Total own-source revenue	18,466	18,960	19,150	19,318	20,810
Gains					
Other	45	45	45	45	45
Total gains	45	45	45	45	45
Total own-source income	18,511	19,005	19,195	19,363	20,855
Net cost of (contribution by) services	22,577	24,628	25,611	26,121	25,706
Revenue from Government	21,035	22,583	22,962	23,100	22,237
Surplus (deficit) attributable to the Australian Government	(1,542)	(2,045)	(2,649)	(3,021)	(3,469)
Total comprehensive income (loss) attributable to the Australian Government	(1,542)	(2,045)	(2,649)	(3,021)	(3,469)

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

	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'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)	1,511	2,050	2,494	3,060	3,560
less: depreciation/amortisation expenses for ROU assets ^(b)	1,418	1,421	1,490	1,387	1,466
add: Principal repayments on leased assets ^(b)	1,387	1,426	1,335	1,426	1,557
Total comprehensive income (loss) – as per the statement of comprehensive income	(1,542)	(2,045)	(2,649)	(3,021)	(3,469)

(a) From 2010–11, the Government introduced net cash appropriation arrangements where Appropriation 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 Appropriation 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)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	12,066	11,684	11,384	11,084	10,784
Trade and other receivables	1,111	1,111	1,111	1,111	1,111
Total financial assets	13,177	12,795	12,495	12,195	11,895
Non-financial assets					
Land and buildings	13,104	11,297	9,257	7,320	5,304
Property, plant and equipment	1,343	1,780	2,064	2,159	1,964
Intangibles	4,359	7,588	10,119	12,147	10,103
Other	473	473	473	473	473
Total non-financial assets	19,279	21,138	21,913	22,099	17,844
Total assets	32,456	33,933	34,408	34,294	29,739
LIABILITIES					
Payables					
Supplier payables	2,107	2,107	2,107	2,107	2,107
Other payables	1,058	1,058	1,058	1,058	1,058
Total payables	3,165	3,165	3,165	3,165	3,165
Provisions					
Employee provisions	6,143	6,143	6,143	6,143	6,143
Other provisions	183	183	183	183	183
Total provisions	6,326	6,326	6,326	6,326	6,326
Interest bearing liabilities					
Leases	7,178	5,952	4,617	3,191	1,634
Total interest bearing liabilities	7,178	5,952	4,617	3,191	1,634
Total liabilities	16,669	15,443	14,108	12,682	11,125
Net assets	15,787	18,490	20,300	21,612	18,614
EQUITY*					
Parent entity interest					
Contributed equity	18,139	22,887	27,346	31,679	32,150
Reserves	3,581	3,581	3,581	3,581	3,581
Retained surplus/(accumulated deficit)	(5,933)	(7,978)	(10,627)	(13,648)	(17,117)
Total parent entity interest	15,787	18,490	20,300	21,612	18,614
Total Equity	15,787	18,490	20,300	21,612	18,614

*'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 2022–23)**

	Retained earnings \$'000	Revaluation Asset Reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2022				
Balance carried forward from previous period	(5,933)	3,581	18,139	15,787
Adjusted opening balance	(5,933)	3,581	18,139	15,787
Comprehensive income				
Surplus (deficit) for the period	(2,045)	-	-	(2,045)
Total comprehensive income	(2,045)	-	-	(2,045)
of which:				
Attributable to the Australian Government	(2,045)	-	-	(2,045)
Transactions with owners				
Contributions by owners				
Departmental Capital Budget (DCBs)	-	-	4,748	4,748
Sub-total transactions with owners	-	-	4,748	4,748
Estimated closing balance as at 30 June 2023	(7,978)	3,581	22,887	18,490
Closing balance attributable to the Australian Government	(7,978)	3,581	22,887	18,490

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sale of goods and rendering of services	3,654	4,115	4,162	4,187	4,212
Appropriations	21,035	22,583	22,962	23,100	22,237
Other	14,812	14,845	14,988	15,131	16,598
Total cash received	39,501	41,543	42,112	42,418	43,047
Cash used					
Employees	21,043	22,693	23,147	23,610	24,082
Suppliers	16,602	17,348	17,554	17,306	17,332
Borrowing costs	87	76	76	76	76
Total cash used	37,732	40,117	40,777	40,992	41,490
Net cash from (used by) operating activities	1,769	1,426	1,335	1,426	1,557
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant, equipment and intangibles	4,800	5,130	4,759	4,633	771
Total cash used	4,800	5,130	4,759	4,633	771
Net cash from (used by) investing activities	(4,800)	(5,130)	(4,759)	(4,633)	(771)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	4,418	4,748	4,459	4,333	471
Total cash received	4,418	4,748	4,459	4,333	471
Cash used					
Lease liability – principal payments	1,387	1,426	1,335	1,426	1,557
Total cash used	1,387	1,426	1,335	1,426	1,557
Net cash from (used by) financing activities	3,031	3,322	3,124	2,907	(1,086)
Net increase (decrease) in cash held	-	(382)	(300)	(300)	(300)
Cash and cash equivalents at the beginning of the reporting period	12,066	12,066	11,684	11,384	11,084
Cash and cash equivalents at the end of the reporting period	12,066	11,684	11,384	11,084	10,784

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
CAPITAL APPROPRIATIONS					
Capital budget – Bill (No. 1) (DCB)	4,418	4,748	4,459	4,333	471
Total capital appropriations represented by:	4,418	4,748	4,459	4,333	471
Total new capital appropriations represented by:					
Purchase of non-financial assets	4,418	4,748	4,459	4,333	471
Total items	4,418	4,748	4,459	4,333	471
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation – DCB ^(a)	4,418	4,748	4,459	4,333	471
Funded internally from departmental resources ^(b)	382	382	300	300	300
TOTAL	4,800	5,130	4,759	4,633	771
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	4,800	5,130	4,759	4,633	771
Total cash used to acquire assets	4,800	5,130	4,759	4,633	771

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

(b) Includes the following s74 external revenue:

- current Bill (No. 1) and prior year Act/Bill (No. 1/3/5) appropriations (excluding amounts from the DCBs);
- sponsorship, subsidy, gifts or similar contribution;
- internally developed assets;
- proceeds from the sale of assets; and
- the AFMA Special Account under s 94B of the *Fisheries Administration Act 1991*.

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 2022–23)

	Land	Buildings	Other property, plant and equipment	Intangibles	L&B, IP&E held for sale	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022						
Gross book value	1,775	5,630	2,145	10,979	2	20,531
Gross book value – ROU ^(a)	-	10,518	-	-	-	10,518
Accumulated depreciation/amortisation and impairment	-	(1,167)	(802)	(6,620)	(2)	(8,591)
Accumulated depreciation/ amortisation and impairment – ROU ^(a)	-	(3,652)	-	-	-	(3,652)
Opening net book balance	1,775	11,329	1,343	4,359	-	18,806
CAPITAL ASSET ADDITIONS						
Estimated expenditure on new or replacement assets						
By purchase – appropriation equity ^(b)	-	-	884	4,246	-	5,130
By purchase – other – ROU assets ^(a)	-	200	-	-	-	200
Total additions	-	200	884	4,246	-	5,330
Other movements						
Depreciation/ amortisation expense	-	(586)	(447)	(1,017)	-	(2,050)
Depreciation/ amortisation expense – ROU ^(a)	-	(1,421)	-	-	-	(1,421)
Total other movements	-	(2,007)	(447)	(1,017)	-	(3,471)
As at 30 June 2023						
Gross book value	1,775	5,630	3,029	15,225	2	25,661
Gross book value – ROU ^(a)	-	10,718	-	-	-	10,718
Accumulated depreciation/amortisation and impairment	-	(1,753)	(1,249)	(7,637)	(2)	(10,641)
Accumulated depreciation/ amortisation and impairment – ROU ^(a)	-	(5,073)	-	-	-	(5,073)
Closing net book balance	1,775	9,522	1,780	7,588	-	20,665

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

(b) 'By purchase – Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022–23, 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)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
EXPENSES					
Suppliers	5,792	5,839	5,880	5,985	6,085
Total expenses administered on behalf of Government	5,792	5,839	5,880	5,985	6,085
Net Cost of (contribution by) services	5,792	5,839	5,880	5,985	6,085
Surplus (Deficit)	(5,792)	(5,839)	(5,880)	(5,985)	(6,085)
Total comprehensive income (loss)	(5,792)	(5,839)	(5,880)	(5,985)	(6,085)

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
ASSETS					
Financial assets					
Receivables	21	21	21	21	21
Total financial assets	21	21	21	21	21
Total assets administered on behalf of Government	21	21	21	21	21
LIABILITIES					
Payables					
Suppliers	5	5	5	5	5
Total payables	5	5	5	5	5
Total liabilities administered on behalf of Government	5	5	5	5	5
Net assets/(liabilities)	16	16	16	16	16

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash used					
Suppliers	5,792	5,839	5,880	5,985	6,085
Total cash used	5,792	5,839	5,880	5,985	6,085
Net cash from (used by) operating activities	(5,792)	(5,839)	(5,880)	(5,985)	(6,085)
Net increase (decrease) in cash held	(5,792)	(5,839)	(5,880)	(5,985)	(6,085)
Cash from Official Public Account for:					
– Appropriations	5,792	5,839	5,880	5,985	6,085
Total cash from Official Public Account	5,792	5,839	5,880	5,985	6,085
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 2022–23)

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 2022–23 as at Budget March 2022

	2021–22 <i>Estimated actual</i> \$'000	2022–23 Estimate \$'000
Opening balance/cash reserves at 1 July	1,117	1,166
Funds from Government		
Annual appropriations – ordinary annual services^(a)		
Outcome 1	1,923	1,663
Total annual appropriations	1,923	1,663
Special appropriations^(b)		
<i>Agricultural and Veterinary Chemicals (Administration) Act 1992 , s. 58 (6)</i>	37,462	38,713
Total special appropriations	37,462	38,713
Amounts received from related entities		
Amounts from portfolio department ^(c)	136	138
Total amounts received from related entities	136	138
Total funds from Government	39,521	40,514
Funds from industry sources		
Levies, fees and charges ^(d)	37,462	38,713
<i>less amounts paid to the CRF</i>	(37,462)	(38,713)
Total funds from industry sources	-	-
Funds from other sources		
Other	2	3
Total funds from other sources	2	3
Total net resourcing for APVMA	40,640	41,683
	2021–22	2022–23
Average staffing level (number)	178	180

(a) Appropriation Bill (No. 1) 2022–23. 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 APVMA and is considered departmental for all purposes.

(b) APVMA's special appropriation is not directly appropriated as it is a corporate Commonwealth entity (CCE) under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Appropriations are made to DAWE and are then paid to APVMA and are considered departmental for all purposes.

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

(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.

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 2022–23* and are summarised below.

Table 1.2: Australian Pesticides and Veterinary Medicines Authority – 2022–23 Budget measures – Measures announced after the Mid-Year Economic and Fiscal Outlook (MYEFO)

APVMA does not have any 2022–23 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/87421>

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

<https://apvma.gov.au/node/92371> 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
Contribution to Outcome 1 made by linked programs: The APVMA and DAWE work together to ensure the protection of the health and safety of humans, animals and the environment.

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.					
	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 1.1: Australian Pesticides and Veterinary Medicines Authority					
<u>Revenue from Government</u>					
Ordinary annual services					
(Appropriation Bill (No. 1)) ^(a)	1,923	1,663	1,673	1,686	1,697
Payment from related entities	136	138	141	143	145
Special appropriations					
<i>Agricultural and Veterinary Chemicals</i>					
<i>(Administration) Act 1992, s. 58 (6) –</i>					
amount payable to the APVMA	40,612	38,418	38,727	39,042	39,365
Revenues from other independent sources	56	58	59	60	61
Expenses not requiring appropriation in the					
Budget year ^(b)	(2,416)	193	136	91	66
Total expenses for program 1.1	40,311	40,470	40,736	41,022	41,334
<u>Outcome 1 totals by resource type</u>					
<u>Revenue from Government</u>					
Ordinary annual services					
(Appropriation Bill (No. 1)) ^(a)	1,923	1,663	1,673	1,686	1,697
Payment from related entities	136	138	141	143	145
Special appropriations	40,612	38,418	38,727	39,042	39,365
Revenues from other independent sources	56	58	59	60	61
Expenses not requiring appropriation in the					
Budget year ^(b)	(2,416)	193	136	91	66
Total expenses for Outcome 1	40,311	40,470	40,736	41,022	41,334
	2021–22	2022–23			
Average staffing level (number)	178	180			

(a) Appropriation Bill (No. 1) 2022–23. The APVMA is 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 APVMA and is considered departmental for all purposes.

(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 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

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 to manage the risks of pests and diseases for the Australian community and to protect Australia’s trade and the health and safety of people, animals and the environment.	
Key Activities	Regulation of agricultural and veterinary chemicals is delivered through four mechanisms: <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.	
Year	Performance measures	Expected Performance Results
Current year 2021–22	Percentage of applications finalised within statutory timeframes.	100 per cent.
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	As per 2021–22.	As per 2021–22.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for 2022–23, including the impact of 2022–23 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 was approved by the Minister for Agriculture, Drought and Emergency Management in April 2020, and came into effect on 1 July 2020.

The APVMA has experienced an increase in sales declarations for levy revenue greater than historical averages would indicate. Future sales of agvet products are difficult to predict and the forward estimates have been based on a 3-year average.

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 has not been drawn down and the receivable is planned to be reversed against equity 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)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
EXPENSES					
Employee benefits	25,559	26,186	26,685	27,220	27,755
Suppliers	11,812	11,282	11,033	10,861	10,619
Depreciation and amortisation	2,752	2,827	2,858	2,797	2,828
Finance costs	188	175	160	144	132
Total expenses	40,311	40,470	40,736	41,022	41,334
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other	56	58	59	60	61
Total own-source revenue	56	58	59	60	61
Total own-source income	56	58	59	60	61
Net cost of (contribution by) services	40,255	40,412	40,677	40,962	41,273
Revenue from Government					
Commonwealth contribution	1,923	1,663	1,673	1,686	1,697
Industry contributions	40,612	38,418	38,727	39,042	39,365
Payment from related entities	136	138	141	143	145
Total revenue from Government	42,671	40,219	40,541	40,871	41,207
Surplus/(deficit) attributable to the Australian Government	2,416	(193)	(136)	(91)	(66)
Total comprehensive income/(loss) attributable to the Australian Government	2,416	(193)	(136)	(91)	(66)
Note: Impact of net cash appropriation arrangements					
	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	3,743	-	-	-	-
less depreciation/amortisation expenses for ROU ^(a)	2,380	1,301	1,301	1,209	987
add principal repayments on leased assets ^(a)	1,053	1,108	1,165	1,118	921
Total comprehensive income/(loss) – as per the Statement of comprehensive income	2,416	(193)	(136)	(91)	(66)

(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)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,166	973	1,263	1,683	1,683
Trade and other receivables	25,613	25,318	25,525	26,633	28,414
Total financial assets	26,779	26,291	26,788	28,316	30,097
Non-financial assets					
Land and buildings	15,205	13,594	11,976	10,444	8,906
Property, plant and equipment	1,277	1,042	801	554	301
Intangibles	1,386	2,465	2,526	1,568	591
Other non-financial assets	624	624	624	624	624
Total non-financial assets	18,492	17,725	15,927	13,190	10,422
Total assets	45,271	44,016	42,715	41,506	40,519
LIABILITIES					
Payables					
Suppliers	544	592	592	592	592
Other payables	746	716	716	716	716
Total payables	1,290	1,308	1,308	1,308	1,308
Interest bearing liabilities					
Leases	13,236	12,128	10,963	9,845	8,924
Total interest bearing liabilities	13,236	12,128	10,963	9,845	8,924
Provisions					
Employee provisions	5,718	5,746	5,746	5,746	5,746
Total provisions	5,718	5,746	5,746	5,746	5,746
Total liabilities	20,244	19,182	18,017	16,899	15,978
Net assets	25,027	24,834	24,698	24,607	24,541
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)	18,071	17,878	17,742	17,651	17,585
Total parent entity interest	25,027	24,834	24,698	24,607	24,541
Total Equity	25,027	24,834	24,698	24,607	24,541

*'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 2022–23)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2022				
Balance carried forward from previous period	18,071	281	6,675	25,027
Adjusted opening balance	18,071	281	6,675	25,027
Comprehensive income				
Surplus/(deficit) for the period	(193)	-	-	(193)
Total comprehensive income	(193)	-	-	(193)
of which:				
Attributable to the Australian Government	(193)	-	-	(193)
Estimated closing balance as at 30 June 2023	17,878	281	6,675	24,834
Closing balance attributable to the Australian Government	17,878	281	6,675	24,834

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Revenue from Government	39,541	40,514	40,334	39,763	39,426
Net GST received	1,354	1,414	1,365	1,082	1,056
Other	2	3	3	3	3
Total cash received	40,897	41,931	41,702	40,848	40,485
Cash used					
Employees	25,559	26,158	26,685	27,220	27,755
Suppliers	13,173	12,623	12,342	11,886	11,617
Interest payments on lease liability	188	175	160	144	132
Total cash used	38,920	38,956	39,187	39,250	39,504
Net cash from (used by) operating activities	1,977	2,975	2,515	1,598	981
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	875	2,060	1,060	60	60
Total cash used	875	2,060	1,060	60	60
Net cash from (used by) investing activities	(875)	(2,060)	(1,060)	(60)	(60)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	1,053	1,108	1,165	1,118	921
Total cash used	1,053	1,108	1,165	1,118	921
Net cash from (used by) financing activities	(1,053)	(1,108)	(1,165)	(1,118)	(921)
Net increase (decrease) in cash held	49	(193)	290	420	-
Cash and cash equivalents at the beginning of the reporting period	1,117	1,166	973	1,263	1,683
Cash and cash equivalents at the end of the reporting period	1,166	973	1,263	1,683	1,683

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources ^(a)	875	2,060	1,060	60	60
TOTAL	875	2,060	1,060	60	60
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	875	2,060	1,060	60	60
Total cash used to acquire assets	875	2,060	1,060	60	60

(a) Includes the following s74 external revenue:

- 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 2022–23)

	Building	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022				
Gross book value	3,293	1,981	9,441	14,715
Gross book value – ROU ^(a)	16,077	-	-	16,077
Accumulated depreciation/amortisation and impairment	(2,864)	(704)	(8,055)	(11,623)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(1,301)	-	-	(1,301)
Opening net book balance	15,205	1,277	1,386	17,868
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase – other ^(b)	-	60	2,000	2,060
Total additions	-	60	2,000	2,060
Other movements				
Depreciation/amortisation expense	(310)	(295)	(921)	(1,526)
Depreciation/amortisation expense – ROU ^(a)	(1,301)	-	-	(1,301)
Total other movements	(1,611)	(295)	(921)	(2,827)
As at 30 June 2023				
Gross book value	3,293	2,041	11,441	16,775
Gross book value – ROU ^(a)	16,077	-	-	16,077
Accumulated depreciation/amortisation and impairment	(3,174)	(999)	(8,976)	(13,149)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(2,602)	-	-	(2,602)
Closing net book balance	13,594	1,042	2,465	17,101

(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 will commence delivery of its next five-year Strategy from 2022–23, continuing to focus on the following four whole-of-enterprise pillars of success:

- Impact and Value.
- Operational Excellence.
- Insight and Innovation.
- The Bureau Way.

In 2022–23 the Bureau will undertake critical maintenance on the national Flood Warning Observations Network, to ensure flood forecasts and warnings are timely, accurate and reliable in Australia's highest risk areas.

The Bureau will continue to improve the security and resilience of its Information Communications Technology systems and business processes under the 2020–21 measure *Bureau of Meteorology – Improved Security and Resilience for ICT Systems – Tranche Three*.

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*. These measures ensure the Bureau can continue to provide reliable, ongoing access to weather, climate, water and oceans information, with improved response times. They 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.

In collaboration with key partner agencies, the Bureau will continue to lead coordination of the Australian Climate Service which provides critical climate and natural disaster risk information to Emergency Management Australia and the National Recovery and Resilience Agency to ensure the safety, security and prosperity of all Australians.

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 2022–23 as at Budget March 2022

	2021–22 ^(a) Estimated actual \$'000	2022–23 Estimate \$'000
Departmental		
Annual appropriations – ordinary annual services^(b)		
Prior year appropriations available	88,330	89,215
Departmental appropriation ^(c)	310,386	328,363
Section 74 external revenue ^(d)	79,380	86,666
Departmental capital budget ^(e)	46,014	59,579
Annual appropriations – other services – non-operating^(f)		
Prior year appropriations available	59,906	34,838
Equity Injection	202,591	140,537
Total departmental appropriations	786,607	739,198
Total resourcing for Bureau of Meteorology	786,607	739,198
	2021–22	2022–23
Average staffing level (number)	1,599	1,627
Third Party Payments from and on behalf of other entities		
	2021–22 ^(a) Estimated actual \$'000	2022–23 Estimate \$'000
Payments made to other entities for the provision of services (disclosed above)	12,192	11,555
Receipts received from other entities for the provision of services (disclosed above in section 74 external revenue section above)	19,400	19,400

(a) Annual Appropriation amounts presented for 2021–22 do not include the Appropriation Bills (No. 3) and (No. 4), as they had not been enacted at the time of publication. The Bureau will receive \$1.906 million through the 2021–22 Annual Appropriation Bill (No. 3) and \$1.168 million through the 2021–22 Annual Appropriation Bill (No. 4). The annual appropriations received from these bills will be recognised in a future portfolio budget statement but only after the Bills have received Royal Assent.

(b) Appropriation Bill (No. 1) 2022–23.

(c) Excludes departmental capital budget (DCB).

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

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

(f) Appropriation Bill (No. 2) 2022–23.

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 Bureau are detailed in *Budget Paper No. 2: Budget Measures 2022–23* and are summarised below.

Table 1.2: Bureau of Meteorology – 2022–23 Budget measures – Measures announced since the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
Payment measures						
Flood Package – Flood Warning						
Observation Network ^(a)	1.1					
Administered payment		-	-	-	-	-
Departmental payment		-	2,998	-	-	-
Total		-	2,998	-	-	-
Support for the Australian Space Industry ^(b)	1.1					
Administered payment		nfp	nfp	nfp	nfp	nfp
Departmental payment		nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
Total payment measures						
Administered		nfp	nfp	nfp	nfp	nfp
Departmental		nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp

(a) The measure description appears in *Budget Paper No. 2: Budget Measures 2022–23* under Cross Portfolio.

(b) Elements of this measure were Decisions Taken But Not Yet Announced (DTBNYA) in the 2021–22 Portfolio Additional Estimates Statements (PAES), with the departmental impact nfp. The lead entity for this measure is the Department of Industry, Science, Energy and Resources (DISER). The measure description appears in *Budget Paper No. 2: Budget Measures 2022–23* under the Industry, Science, Energy and Resources portfolio.

Not for publication (nfp).

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

Section 2: Outcomes and planned performance

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

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

Note:

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

The most recent corporate plan for the Bureau of Meteorology can be found at: http://www.bom.gov.au/inside/Corporate_Plan_2021-22_Accessible_Verison.pdf.

The most recent annual performance statement can be found at: <https://www.transparency.gov.au/annual-reports/bureau-meteorology/reporting-year/2020-21>.

2.1 Changes to the outcome and program structures

Table 2.1: Outcome changes

New Outcome 1	<i>Enabling a safe, prosperous, secure and healthy Australia through the provision of weather, water, climate, ocean and space weather services.</i>
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Description of change:

New outcome, created for Budget 2022–23, supersedes the old Outcome 1.

Old Statement:

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

2.2 Budgeted expenses and performance for Outcome 1

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

2.1.1: Linked programs

Australian Bureau of Statistics
Program 1.1: Australian Bureau of Statistics
Contribution to Outcome 1 made by linked programs The Bureau partners with the Australian Bureau of Statistics to deliver world-leading climate and natural disaster science, information and expertise through the Australian Climate Service.
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.
Climate Change Authority
Program 1.1: Reviewing climate change policies
Contribution to Outcome 1 made by linked programs The Bureau has a strategic relationship agreement for the provision of climate research and advice to support the Climate Change Authority.
Commonwealth Scientific and Industrial Research Organisation
Program 1: Scientific and Industrial Research and Infrastructure
Contribution to Outcome 1 made by linked programs The Bureau works with CSIRO to undertake research as part of the Climate Systems Hub through the National Environmental Science Program. The Bureau partners with the CSIRO to deliver world-leading climate and natural disaster science, information and expertise through the Australian Climate Service.

Continued on following pages

Linked programs (continued)

<p>Department of Agriculture, Water and the Environment</p> <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 Climate Systems Hub in the National Environmental Science Program.</p> <p>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>
<p>Department of Defence</p> <p>Program 2.10: Security and Estate</p> <p>Program 2.14: Defence Intelligence</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>
<p>Department of Foreign Affairs and Trade</p> <p>Program 1.2: Official Development Assistance</p>
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Bureau delivers several 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 • support for restoring Papua New Guinea's (PNG) meteorological observation network and enhancing technical and governance capacity within the PNG National Weather Service.

Continued on following page

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 1.2: Growing innovative and competitive businesses, industries and regions Program 2.1: Reducing Australia's Greenhouse Gas Emissions Program 3.1: Supporting reliable, secure and affordable energy
Contribution to Outcome 1 made by linked programs The Bureau provides weather and climate information to the DISER to inform priority climate science investment areas and research needs and the reliable and secure operation of energy markets. The Bureau works with the department (through the Australian Space Agency) to provide expertise in space weather and earth observations to achieve outcomes across the National Priority Areas as outlined in Advancing Space: Australian Civil Space Strategy 2019–28.
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 and to deliver world-leading climate and natural disaster science, information and expertise through the Australian Climate Service.
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, ocean and space weather services.					
	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 1.1: Bureau of Meteorology					
<u>Departmental expenses</u>					
Departmental appropriation	317,140	325,097	290,281	288,317	288,620
Section 74 external revenue ^(a)	77,701	84,842	87,666	87,666	87,666
Expenses not requiring appropriation in the budget year ^(b)	123,194	122,667	132,703	143,295	143,295
Total expenses for program 1.1	518,035	532,606	510,650	519,278	519,581
Outcome 1 totals by resource type					
<u>Departmental expenses</u>					
Departmental appropriation	317,140	325,097	290,281	288,317	288,620
Section 74 external revenue ^(a)	77,701	84,842	87,666	87,666	87,666
Expenses not requiring appropriation in the budget year ^(b)	123,194	122,667	132,703	143,295	143,295
Total expenses for Outcome 1	518,035	532,606	510,650	519,278	519,581
	2021–22	2022–23			
Average staffing level (number)	1,599	1,627			

(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 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 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1: Enabling a safe, prosperous, secure and healthy Australia through the provision of weather, water, climate, ocean and space weather services.	
Program 1.1: Bureau of Meteorology	
Objective	<p>The Bureau's purpose is: To provides trusted, reliable, and responsive services for Australia – all day, every day. To achieve its purpose – across the domains of weather, water, climate, oceans and space weather – the Bureau:</p> <ul style="list-style-type: none"> • monitors and reports on current conditions; • provides forecasts, warnings and long-term outlooks; • analyses and explains trends; • fosters greater public understanding and use of the information it provides; and • continues to extend its understanding of, and ability to forecast, Australian conditions.
Key Activities	<p>To support the delivery of Program 1.1, and to achieve the Bureau's purpose and Outcome, the Bureau is structured into six Groups, each with defined accountabilities and responsibilities:</p> <ul style="list-style-type: none"> • Community Services; • Business Solutions; • Data and Digital; • Science and Innovation; • Enterprise Services; and • the Australian Climate Service. <p>For 2022–23, and the outlook period (2023–24 to 2025–26), these are regarded as the organisation's key activities.</p>

Continued on following page

2.1.3: Performance criteria for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results
Current year 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. 	<p>The Bureau is on track to meet the 2021–22 performance measures.</p> <p>Evidence of achievement will be described in the Bureau's Annual Performance Statement 2021–22 in line with the targets described in the Corporate Plan 2021–22.</p>
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	<ul style="list-style-type: none"> Economic value added to Australian industry including within the agriculture, aviation, water, energy, and resource sectors. Community, industry, and government customers are satisfied with the services provided by the Bureau. 	<p>More than \$250 million in economic value added to Australian industry.</p> <p>Various.</p>
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for 2022–23, including the impact of 2022–23 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 2022–23 Budget, is provided below:

Total revised revenue to the Bureau in 2022–23 is estimated to be \$410.4 million, an increase of \$16.5 million from the 2021–22 estimated Budget amount. The movement in funding is the result of factors including government decisions, movements in indexation rates and adjustments related to other Budget items. The overall appropriated revenue includes specific funding related to:

- 2016–17 MYEFO measure – Essential Commonwealth Water Functions;
- 2017–18, 2018–19 and 2020–21 Budgets measures – Improved security and resilience;
- 2019–20 Budget measure – Bureau of Meteorology – Additional Radars and Gauges;
- 2019–20 Budget measure – Barkley Regional Deal;
- 2020–21 Budget measure – Long-Term Financial Sustainability;
- 2020–21 Budget measure – Savings through Additional Revenue; and
- 2021–22 Budget measure – Building Australia's Resilience.

Total expenses are estimated to be \$532.6 million, an increase of \$14.6 million from 2021–22 estimated budget expenditure. The increase chiefly reflects increased expenditure associated with new Budget measure activities. Whilst the Bureau is no longer funded for Depreciation through Appropriation Bill (No. 1) the expenditure is still recognised on 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)**

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
EXPENSES					
Employee benefits	188,364	189,861	191,817	189,944	187,842
Supplier	181,787	196,696	163,750	163,656	166,077
Depreciation and amortisation	145,104	143,297	152,536	163,128	163,128
Finance costs	862	759	656	656	656
Write-down and impairment of assets	1	1	1	1	1
Other expenses	1,917	1,992	1,890	1,893	1,877
Total expenses	518,035	532,606	510,650	519,278	519,581
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sales of goods and rendering of services	78,156	85,442	88,266	88,266	88,266
Total own-source revenue	78,156	85,442	88,266	88,266	88,266
Total own-source income	78,156	85,442	88,266	88,266	88,266
Net cost of (contribution by) services	439,879	447,164	422,384	431,012	431,315
Revenue from Government	315,733	324,922	290,696	288,732	289,035
Total revenue from Government	315,733	324,922	290,696	288,732	289,035
Surplus/(deficit) attributable to the Australian Government	(124,146)	(122,242)	(131,688)	(142,280)	(142,280)
Total comprehensive income/(loss) attributable to the Australian Government	(124,146)	(122,242)	(131,688)	(142,280)	(142,280)

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					
	2021–22	2022–23	2023–24	2024–25	2025–26
	\$'000	\$'000	\$'000	\$'000	\$'000
Total comprehensive income (loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriation, depreciation on ROU, principal repayments on leased assets	455	600	600	600	600
less depreciation/amortisation expenses previously funded through revenue appropriations ^(a)	123,194	122,667	132,703	143,295	143,295
less depreciation/amortisation expenses for ROU ^(b)	16,232	15,669	14,872	14,872	14,872
add principal repayments on leased assets ^(b)	14,825	15,494	15,287	15,287	15,287
Total comprehensive income (loss) – as per the statement of comprehensive income	(124,146)	(122,242)	(131,688)	(142,280)	(142,280)

(a) From 2010–11, the Government introduced net cash appropriation arrangements where Appropriation 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 Appropriation 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)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	421	421	421	421	421
Trade and other receivables	135,729	108,082	111,832	115,582	119,332
Other financial assets	9,685	6,244	6,244	6,244	6,244
Total financial assets	145,835	114,747	118,497	122,247	125,997
Non-financial assets					
Land and buildings	161,829	157,471	156,758	155,063	153,368
Property, plant and equipment	511,841	542,558	517,718	485,313	452,470
Intangibles	306,388	390,770	423,523	451,041	474,974
Inventories	4,438	4,438	4,438	4,438	4,438
Other non-financial assets	7,311	7,311	7,311	7,311	7,311
Total non-financial assets	991,807	1,102,548	1,109,748	1,103,166	1,092,561
Assets held for sale	640	640	640	640	640
Total assets	1,138,282	1,217,935	1,228,885	1,226,053	1,219,198
LIABILITIES					
Payables					
Suppliers	37,660	37,660	37,660	37,660	37,660
Other payables	57,285	58,035	58,785	59,535	60,285
Total payables	94,945	95,695	96,445	97,195	97,945
Interest bearing liabilities					
Leases	91,053	92,082	93,318	94,554	95,790
Total interest bearing liabilities	91,053	92,082	93,318	94,554	95,790
Provisions					
Employee provisions	64,875	64,875	64,875	64,875	64,875
Other provisions	25,232	25,232	25,232	25,232	25,232
Total provisions	90,107	90,107	90,107	90,107	90,107
Total liabilities	276,105	277,884	279,870	281,856	283,842
Net assets	862,177	940,051	949,015	944,197	935,356
EQUITY*					
Parent entity interest					
Contributed equity	1,499,867	1,699,983	1,840,635	1,978,097	2,111,536
Reserves	334,049	334,049	334,049	334,049	334,049
Retained surplus (accumulated deficit)	(971,739)	(1,093,981)	(1,225,669)	(1,367,949)	(1,510,229)
Total parent entity interest	862,177	940,051	949,015	944,197	935,356
Total Equity	862,177	940,051	949,015	944,197	935,356

*'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 2022–23)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contribution equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2022				
Balance carried forward from previous period	(971,739)	334,049	1,499,867	862,177
Adjusted opening balance	(971,739)	334,049	1,499,867	862,177
Comprehensive income				
Surplus (deficit) for the period	(122,242)	-	-	(122,242)
Total comprehensive income	(122,242)	-	-	(122,242)
of which:				
Attributable to the Australian Government	(122,242)	-	-	(122,242)
Transactions with owners				
Contributions by owners				
Equity Injection – Appropriation	-	-	140,537	140,537
Departmental Capital Budget (DCB)	-	-	59,579	59,579
Sub-total transactions with owners	-	-	200,116	200,116
Estimated closing balance as at 30 June 2023	(1,093,981)	334,049	1,699,983	940,051
Closing balance attributable to the Australian Government	(1,093,981)	334,049	1,699,983	940,051

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	411,036	406,614	375,212	373,248	373,551
Sales of goods and rendering of services	78,155	85,441	88,265	88,265	88,265
Total cash received	489,191	492,055	463,477	461,513	461,816
Cash used					
Employees	193,898	189,111	191,067	189,194	187,092
Suppliers	181,787	196,696	163,750	163,656	166,077
Lease liability – interest payments	862	759	656	656	656
Section 74 external revenue transferred to the OPA	78,156	85,442	88,266	88,266	88,266
Other	1,917	1,992	1,890	1,893	1,877
Total cash used	456,620	474,000	445,629	443,665	443,968
Net cash from (used by) operating activities	32,571	18,055	17,848	17,848	17,848
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	1,225	1,225	1,225	1,225	1,225
Total cash received	1,225	1,225	1,225	1,225	1,225
Cash used					
Purchase of property, plant and equipment and intangibles	268,744	238,740	144,438	141,248	137,225
Total cash used	268,744	238,740	144,438	141,248	137,225
Net cash from (used by) investing activities	(267,519)	(237,515)	(143,213)	(140,023)	(136,000)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	249,773	234,954	140,652	137,462	133,439
Total cash received	249,773	234,954	140,652	137,462	133,439
Cash used					
Lease liability – principal payments	14,825	15,494	15,287	15,287	15,287
Total cash used	14,825	15,494	15,287	15,287	15,287
Net cash from (used by) financing activities	234,948	219,460	125,365	122,175	118,152
Net increase (decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	421	421	421	421	421
Cash and cash equivalents at the end of the reporting period	421	421	421	421	421

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget – Bill (No. 1) (DCB)	46,014	59,579	121,845	123,079	123,968
Equity injections – Bill (No. 2)	203,759	140,537	18,807	14,383	9,471
Total new capital appropriations	249,773	200,116	140,652	137,462	133,439
<i>Provided for:</i>					
Purchase of non-financial assets	249,773	200,116	140,652	137,462	133,439
Total items	249,773	200,116	140,652	137,462	133,439
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	216,033	175,375	18,807	14,383	9,471
Funded by capital appropriation – DCB ^(b)	46,014	59,579	121,845	123,079	123,968
Funded internally from departmental resources ^(c)	6,697	3,786	3,786	3,786	3,786
TOTAL	268,744	238,740	144,438	141,248	137,225
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	268,744	238,740	144,438	141,248	137,225
Total cash used to acquire assets	268,744	238,740	144,438	141,248	137,225

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

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

(c) Includes the following s74 external revenue:

- current Bill (No. 1) and prior year Act/Bill (No. 1/3/5) appropriations (excluding amounts from the DCBs);
- sponsorship, subsidy, gifts or similar contribution;
- 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 2022–23)

	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 2022						
Gross book value	10,790	85,007	801,485	548,902	640	1,446,824
Gross book value – ROU ^(a)	3,335	123,912	1,872	-	-	129,119
Accumulated depreciation/ amortisation and impairment	-	(16,397)	(290,117)	(242,514)	-	(549,028)
Accumulated depreciation/ amortisation and impairment – ROU ^(a)	(960)	(43,858)	(1,399)	-	-	(46,217)
Opening net book balance	13,165	148,664	511,841	306,388	640	980,698
CAPITAL ASSET ADDITIONS						
Estimated expenditure on new or replacement assets						
By purchase – appropriation equity ^(b)	-	-	74,060	101,315	-	175,375
By purchase – appropriation equity – ROU ^{(a)(b)}	571	15,623	329	-	-	16,523
By purchase – appropriation ordinary annual services ^(c)	-	91	46,640	12,848	-	59,579
By purchase – other ^(d)	-	1,200	2,586	-	-	3,786
Total additions	571	16,914	123,615	114,163	-	255,263
Other movements						
Depreciation/ amortisation expense	-	(5,266)	(92,581)	(29,781)	-	(127,628)
Depreciation/ amortisation expense – ROU ^(a)	(240)	(15,137)	(292)	-	-	(15,669)
Disposals ^(e)	-	-	-	-	-	-
From disposal of entities or operations	-	(1,200)	(25)	-	-	(1,225)
Total other movements	(240)	(21,603)	(92,898)	(29,781)	-	(144,522)

Continued on following page

Table 3.6: Statement of asset movements (Budget year 2022–23) (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 2023						
Gross book value	10,790	85,098	924,746	663,065	640	1,684,339
Gross book value – ROU ^(a)	3,906	139,535	2,201	-	-	145,642
Accumulated depreciation/ amortisation and impairment	-	(21,663)	(382,698)	(272,295)	-	(676,656)
Accumulated depreciation/ amortisation and impairment – ROU ^(a)	(1,200)	(58,995)	(1,691)	-	-	(61,886)
Closing net book balance	13,496	143,975	542,558	390,770	640	1,091,439

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

(b) 'By purchase – Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022–23, including Collection Development Acquisition Budgets.

(c) 'By purchase – Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2022–23 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 Official Public Account.

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 Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June) does not apply to the Bureau.

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.

Cotton Research and Development Corporation

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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 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 2022-23 being the fifth year under CRDC's 2018-23 Strategic Plan. The strategic plan provides an ambitious roadmap for CRDC's investments.

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, Australia cotton growers and the Australia Government will co-invest \$18.6 million into cotton RD&E during 2022–23, 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 2022–23 as at Budget March 2022

	2021–22 Estimated actual \$'000	2022–23 Estimate \$'000
Opening balance/cash reserves at 1 July	22,130	19,203
Funds from Government		
Special appropriations^(a)		
<i>Primary Industries Research and Development Act 1989, s.30(3) – Cotton R&D Corporation</i>	12,016	24,233
Total special appropriations	12,016	24,233
Amounts received from related entities		
Amounts from portfolio department ^(b)	2,151	713
Total amounts received from related entities	2,151	713
Total funds from Government	14,167	24,946
Funds from industry sources		
Levies ^(c)	7,822	11,385
<i>less amounts paid to the CRF</i>	(7,822)	(11,385)
Total funds from industry sources	-	-
Funds from other sources		
Interest	47	75
Royalties	39	30
Other	1,781	435
Total funds from other sources	1,867	540
Total net resourcing for CRDC	38,164	44,689
	2021–22	2022–23
Average staffing level (number)	15	15

(a) CRDC's special appropriation is not directly appropriated as it is a corporate Commonwealth entity (CCE) under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Appropriations are made to Department of Agriculture, Water and the Environment (DAWE) and are then paid to CRDC 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 CCE (for example, a grant awarded to a CCE from one of its portfolio department's administered programs).

(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 transferred to the Consolidated Revenue Fund (CRF). These amounts are then drawn down by the department as a special appropriation and paid to CRDC under the *Primary Industries Research and Development Act 1989* (PIRD Act), s. 30(3) – Cotton R&D Corporation.

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 Cotton Research and Development Corporation are detailed in *Budget Paper No. 2: Budget Measures 2022–23* and are summarised below.

Table 1.2: Cotton Research and Development Corporation – 2022–23 Budget measures – Measures announced since the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO)

CRDC does not have any 2022–23 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 CRDC works together with the DAWE 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.					
	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 1.1: Cotton Research and Development Corporation					
<u>Revenue from Government</u>					
Special appropriations					
<i>Primary Industries Research and Development Act 1989, s. 30(3) –</i>					
Cotton R&D Corporation	7,822	11,385	12,397	10,823	9,360
Industry contribution	7,824	11,385	12,398	10,823	9,360
Revenues from other independent sources	3,908	1,168	470	380	390
Expenses not requiring appropriation in the budget year ^(a)	67	(5,325)	(4,112)	(2,522)	(2,266)
Total expenses for program 1.1	19,621	18,613	21,153	19,504	16,844
Outcome 1 totals by resource type					
<u>Revenue from Government</u>					
Special appropriations	7,822	11,385	12,397	10,823	9,360
Revenues from industry sources	7,824	11,385	12,398	10,823	9,360
Revenues from other independent sources	3,908	1,168	470	380	390
Expenses not requiring appropriation in the budget year ^(a)	67	(5,325)	(4,112)	(2,522)	(2,266)
Total expenses for Outcome 1	19,621	18,613	21,153	19,504	16,844
	2021–22	2022–23			
Average staffing level (number)	15	15			

(a) 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 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

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		
Objective 1	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.	
Key Activities 1	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.	
Year	Performance measures	Expected Performance Results
Current year 2021–22	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 in 2020–21.</i>
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	As per 2021–22.	As per 2021–22.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

Continued on following pages

2.1.3: Performance criteria for Outcome 1 (continued)

Objective 2	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.	
Key Activities 2	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.	
Year	Performance measures	Expected Performance Results
Current year 2021–22	CRDC collaborates in global leadership for sustainability initiatives.	Participates in six global initiatives. <i>On target.</i>
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	As per 2021–22.	As per 2021–22.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.
Objective 3	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.	
Key Activities 3	Strategically prioritise investment in RD&E collaboratively with research, industry and cross-sectoral partners to develop new knowledge, futures thinking, science and innovation capability.	
Year	Performance measures	Expected Performance Results
Current year 2021–22	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>
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	As per 2021–22.	As per 2021–22.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

Continued on following page

2.1.3: Performance criteria for Outcome 1 (continued)

Objective 4	Strengthening partnerships and adoption Deliver RD&E and innovation through collaborative partnerships to ensure adoption of best practice, new knowledge, products and services.	
Key Activities 4	Strategically prioritise investment in the effective adoption of research by strengthening partnerships and collaboration, development of best practice and supporting innovation and commercialisation.	
Year	Performance measures	Expected Performance Results
Current year 2021–22	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>
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	As per 2021–22.	As per 2021–22.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.
Objective 5	Driving RD&E impact Deliver assessments of the impact of CRDC's RD&E investments that inform future investment direction and continuous improvement.	
Key Activities 5	Strategically prioritise investment in research, data capture, analysis and reviews with stakeholders and partners to demonstrate that RD&E investments deliver impact.	
Year	Performance measures	Expected Performance Results
Current year 2021–22	CRDC monitors and evaluates RD&E impact.	One RD&E impact report per annum. <i>On target.</i>
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	As per 2021–22.	As per 2021–22.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for 2022–23, including the impact of 2022–23 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 5.0 million bales in 2022–23.

Revenue from industry levies and matching contributions from the Australian Government are determined by the level of cotton production and represent more than 95 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 impacted 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 \$99.3 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 2022–23 CRDC has budgeted for a surplus of \$5.3 million based on revenues of \$23.9 million and RD&E expenditure of \$18.6 million.

Budgeted Balance Sheet

Reserves increased between 2010–11 and 2013–14 during years of high cotton production and decreased from 2014–15 to 2021–22 due to below average levels of cotton production. In 2022–23 CRDC estimates production will be approximately 5.0 million bales, returning to above-average production. Recent rainfall resulting in inflows to irrigation storages and above average world cotton prices has resulted in production increasing from 2.7 million bales in 2020–21 to an estimated 5.0 million bales in 2021–22, an 85 per cent increase.

CRDC plans to rebuild reserves while maintaining research expenditure at a consistent level in future years.

3.2 Budgeted financial statements tables

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
EXPENSES					
Employee benefits	2,280	2,423	2,533	2,648	2,769
Suppliers	1,166	1,319	1,128	1,145	1,171
Grants	16,006	14,658	17,279	15,498	12,691
Depreciation and amortisation	169	213	213	213	213
Total expenses	19,621	18,613	21,153	19,504	16,844
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	69	75	90	100	110
Grants	1,399	100	100	-	-
Royalties	39	30	30	30	30
Other	250	250	250	250	250
Total own-source revenue	1,757	455	470	380	390
Net cost of (contribution by) services	17,864	18,158	20,683	19,124	16,454
Revenue from Government ^(a)					
Commonwealth contribution	7,822	11,385	12,397	10,823	9,360
Industry contributions	7,824	11,385	12,398	10,823	9,360
Payment from related entities	2,151	713	-	-	-
Total revenue from Government	17,797	23,483	24,795	21,646	18,720
Surplus/(deficit) attributable to the Australian Government	(67)	5,325	4,112	2,522	2,266
Total comprehensive income/(loss) attributable to the Australian Government	(67)	5,325	4,112	2,522	2,266

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

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	2,203	1,914	1,500	1,497	1,686
Trade and other receivables	6,018	4,505	4,970	4,512	3,594
Investments in Shares	213	213	213	213	213
Investments	17,000	24,000	28,000	31,000	34,000
Total financial assets	25,434	30,632	34,683	37,222	39,493
Non-financial assets					
Land and buildings	884	994	1,074	1,104	1,134
Property, plant and equipment	276	298	334	342	362
Intangibles	157	192	177	162	147
Total non-financial assets	1,317	1,484	1,585	1,608	1,643
Total assets	26,751	32,116	36,268	38,830	41,136
LIABILITIES					
Payables					
Suppliers	115	115	115	115	115
Grants	3,000	3,000	3,000	3,000	3,000
Total payables	3,115	3,115	3,115	3,115	3,115
Provisions					
Employee provisions	526	566	606	646	686
Total provisions	526	566	606	646	686
Total liabilities	3,641	3,681	3,721	3,761	3,801
Net assets	23,110	28,435	32,547	35,069	37,335
EQUITY*					
Parent entity interest					
Reserves	450	450	450	450	450
Retained surplus/(accumulated deficit)	22,660	27,985	32,097	34,619	36,885
Total parent entity interest	23,110	28,435	32,547	35,069	37,335
Total Equity	23,110	28,435	32,547	35,069	37,335

*'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 2022–23)

	Retained earnings	Asset revaluation reserve	Other reserves	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2022				
Balance carried forward from previous period	22,660	347	103	23,110
Adjusted opening balance	22,660	347	103	23,110
Comprehensive income				
Surplus/(deficit) for the period	5,325	-	-	5,325
Total comprehensive income	5,325	-	-	5,325
of which:				
Attributable to the Australian Government	5,325	-	-	5,325
Estimated closing balance as at 30 June 2023	27,985	347	103	28,435
Closing balance attributable to the Australian Government	27,985	347	103	28,435

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Revenue from Government	5,171	12,953	12,140	11,052	9,819
Industry contributions	6,845	11,280	12,140	11,052	9,819
Other Government Grants	2,151	713	-	-	-
Other Industry Grants	1,399	100	100	-	-
Interest	47	75	90	100	110
Net GST received	1,601	972	1,017	1,072	-
Other	385	330	330	280	280
Total cash received	17,599	26,423	25,817	23,556	20,028
Cash used					
Employees	2,240	2,383	2,493	2,608	2,729
Suppliers	1,161	1,319	1,128	1,145	1,171
Grants	16,704	15,630	18,296	16,570	12,691
Total cash used	20,105	19,332	21,917	20,323	16,591
Net cash from (used by) operating activities	(2,506)	7,091	3,900	3,233	3,437
INVESTING ACTIVITIES					
Cash received					
Proceeds from sale of property, plant and equipment	36	35	36	37	37
Investments	30,000	20,000	20,000	20,000	20,000
Total cash received	30,036	20,035	20,036	20,037	20,037
Cash used					
Purchase of property, plant and equipment and intangibles	457	415	350	273	285
Investments	40,000	27,000	24,000	23,000	23,000
Total cash used	40,457	27,415	24,350	23,273	23,285
Net cash from (used by) investing activities	(10,421)	(7,380)	(4,314)	(3,236)	(3,248)
Net increase (decrease) in cash held	(12,927)	(289)	(414)	(3)	189
Cash and cash equivalents at the beginning of the reporting period	15,130	2,203	1,914	1,500	1,497
Cash and cash equivalents at the end of the reporting period	2,203	1,914	1,500	1,497	1,686

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources ^(a)	457	415	350	273	285
TOTAL	457	415	350	273	285
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	457	415	350	273	285
Total cash used to acquire assets	457	415	350	273	285

(a) Includes the following s74 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 2022–23)

	Land \$'000	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2022					
Gross book value	210	690	651	1,011	2,562
Accumulated depreciation/amortisation and impairment	-	(16)	(375)	(854)	(1,245)
Opening net book balance	210	674	276	157	1,317
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
By purchase – other ^(a)	-	130	190	95	415
Total additions	-	130	190	95	415
Other movements					
Depreciation/ amortisation expense	-	(20)	(133)	(60)	(213)
Disposals at gross value	-	-	(155)	-	(155)
Disposals add back depreciation/amortisation	-	-	120	-	120
Total other movements	-	(20)	(168)	(60)	(248)
As at 30 June 2023					
Gross book value	210	820	686	1,106	2,822
Accumulated depreciation/ amortisation and impairment	-	(36)	(388)	(914)	(1,338)
Closing net book balance	210	784	298	192	1,484

(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 (CCE), operating under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) to administer and manage Commonwealth reserves, including:

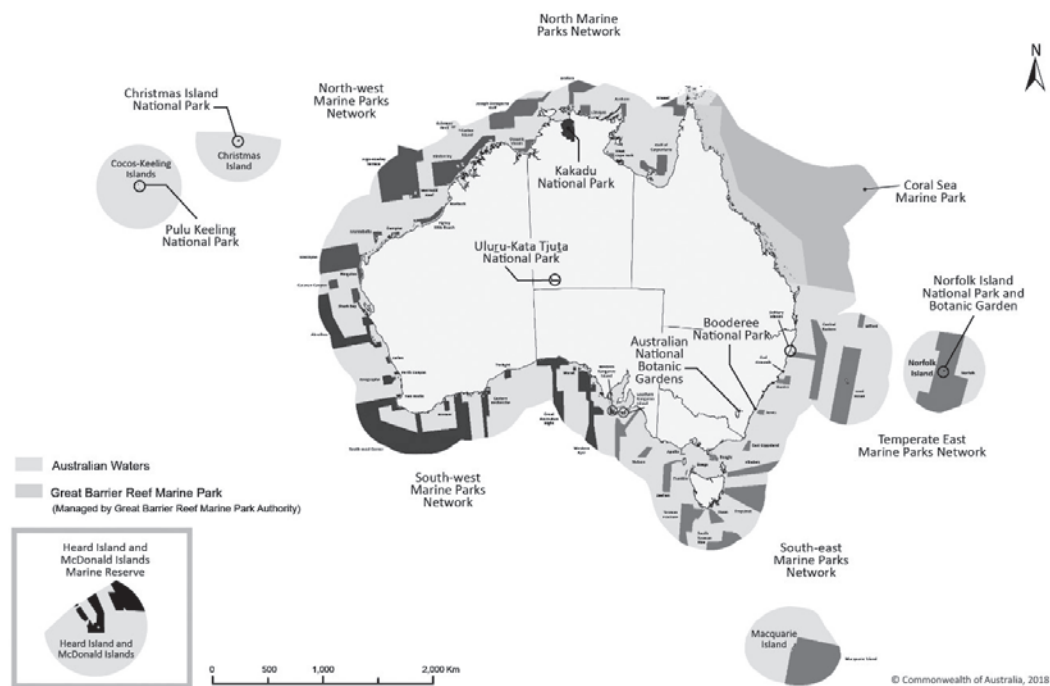
- Booderee, Kakadu and Uluru-Kata Tjuta National Parks, which are each jointly managed with their Aboriginal Traditional Owners. Kakadu and Uluru-Kata Tjuta National Parks are World Heritage listed.
- National parks in the Australian territories of Norfolk, Christmas and Cocos (Keeling) Islands.
- The Australian National Botanic Gardens, which is a major national institution for the study of Australian plants.
- The 60 marine parks managed by DNP in the South East, South West, North West, North and Temperate East marine regions, the Coral Sea and the Indian Ocean territories (Christmas and Cocos Keeling marine parks) proclaimed in March 2022. 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's purpose is to protect, conserve and enhance the values of Commonwealth parks and gardens for the use and wellbeing of all Australians.

The DNP is assisted by staff employed by Parks Australia, a division of the Department of Agriculture, Water and the Environment (DAWE).

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 resources and continue to invest in the skills and capabilities of 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 2022–23 as at Budget March 2022

	2021–22 ^(a) Estimated actual \$'000	2022–23 Estimate \$'000
Opening balance/cash reserves at 1 July	64,541	63,874
Funds from Government		
Annual appropriations – ordinary annual services ^(b)		
Outcome 1	66,309	89,001
Annual appropriations – other services ^(b)		
Equity injection	126,241	56,833
Total annual appropriations	192,550	145,834
Total funds from Government	192,550	145,834
Funds from other sources		
Sale of goods and services	28,048	17,336
Interest	404	386
Other	253	343
Total funds from other sources	28,705	18,065
Total net resourcing for DNP	285,796	227,773
	2021–22	2022–23
Average staffing level (number) ^(c)	322	332

(a) Annual Appropriation amounts presented for 2021–22 do not include the Appropriation Bills (No. 3) and (No. 4), as they had not been enacted at the time of publication. The entity will receive \$38.416 million through the 2021–22 Annual Appropriation Bill (No. 3). The annual appropriations received from these bills will be recognised in a future portfolio budget statement but only after the Bills have received Royal Assent.

(b) Appropriation Bill (No. 1) and Bill (No. 2) 2022–23. Appropriation is provided through the DAWE and is specified with the Annual Appropriation Bills as payment to the DNP and is considered departmental for all purposes.

(c) For the purposes of financial reporting, the Director of National Parks ASL presented here is the number of ASL paid for by the DNP appropriations. However, for the purposes of the *Environment Protection and Biodiversity Conservation Act 1999* DAWE is the employer of all staff in Parks Australia, with the exception of the Director of National Parks.

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 Director of National Parks are detailed in *Budget Paper No. 2: Budget Measures 2022–23* and are summarised below.

Table 1.2: Director of National Parks – 2022–23 Budget measures – Measures announced since the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
Payment measures						
<u>Supporting the Management of Commonwealth National Parks</u>						
Boosting Indigenous Employment in the Conservation of the Commonwealth's Iconic National Parks ^{(a)(b)}	1.1					
Administered payment		-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Supporting the Management of Commonwealth National Parks ^(b)	1.1					
Administered payment		-	-	-	-	-
Departmental payment		-	16,203	-	-	-
Total		-	16,203	-	-	-
Total payment measures						
Administered		-	-	-	-	-
Departmental		-	16,203	-	-	-
Total		-	16,203	-	-	-
Payment measures (Capital)						
Supporting the Management of Commonwealth National Parks – Boosting Indigenous Employment in the Conservation of the Commonwealth's Iconic National Parks ^{(a)(b)}	1.1					
Administered capital		-	-	-	-	-
Departmental capital		-	-	-	-	-
Total		-	-	-	-	-
Total payment measures (Capital)						
Administered		-	-	-	-	-
Departmental		-	-	-	-	-
Total		-	-	-	-	-

(a) The measure was a Decision Taken But Not Yet Announced (DTBNYA) in the 2021–22 Portfolio Additional Estimates Statements (PAES), with the following departmental: 2021–22 \$0.667 million; 2022–23 \$2.139 million; 2023–24 \$1.831 million; 2024–25 \$2.651 million; 2025–26 \$3.223 million and with the following impact on capital appropriation: 2022–23 \$0.100 million, this is an ongoing program. The measure description appears in *Budget Paper No. 2: Budget Measures 2022–23* under the Agriculture, Water and the Environment portfolio.

(b) Funding for this measure passes through DAWE to the DNP.

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

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

Section 2: Outcomes and planned performance

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

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

Note:

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

The most recent corporate plan for Director of National Parks can be found at: [Director of National Parks Corporate Plan 2020–21 \(awe.gov.au\)](#).

The most recent annual performance statement can be found at: [Director of National Parks Annual Report 2020-21 \(awe.gov.au\)](#).

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 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.					
	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 1.1: Parks and Reserves					
<u>Revenue from Government</u>					
Ordinary annual services					
(Appropriation Bill (No. 1)) ^(a)	104,725	89,001	66,605	62,610	55,613
Revenues from other independent sources	33,060	22,420	24,137	22,847	22,870
Expenses not requiring appropriation in the budget year ^(b)	6,757	5,123	5,790	5,652	5,651
Total expenses for program 1.1	144,542	116,544	96,532	91,109	84,134
Outcome 1 totals by resource type					
<u>Revenue from Government</u>					
Ordinary annual services					
(Appropriation Bill (No. 1)) ^(a)	104,725	89,001	66,605	62,610	55,613
Revenues from other independent sources	33,060	22,420	24,137	22,847	22,870
Expenses not requiring appropriation in the budget year ^(b)	6,757	5,123	5,790	5,652	5,651
Total expenses for program 1.1	144,542	116,544	96,532	91,109	84,134
Average staffing level (number)^(c)					
	2021–22	2022–23			
	322	332			

- (a) Appropriation Bill (No. 1) 2022–23. The DNP is a CCE under the *Public Governance, Performance and Accountability Act 2013* (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 DNP and is considered departmental for all purposes.
- (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.
- (c) For the purposes of financial reporting, the Director of National Parks ASL presented here is the number of ASL paid for by the DNP appropriations. However, for the purposes of the *Environment Protection and Biodiversity Conservation Act 1999* DAWE is the employer of all staff in Parks Australia, with the exception of the Director of National Parks.

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 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

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	<p>Purpose: Protect, conserve and enhance the values of Commonwealth parks and gardens for the use and well-being of all Australians.</p> <p>Delivery: With Traditional Owners and stakeholders, develop and implement management plans for Commonwealth reserves.</p>
Key Activities^(a)	<p><i>Performance Criterion 1: Sustainable use and enjoyment of Commonwealth parks and gardens by the Australian and international community.</i></p> <p><u>Criterion 1</u> aligns with the ‘use and well-being’ component of our purpose, encompassing the sustainable use of parks and gardens by visitors, Traditional Owners, staff, researchers, and others. In line with this criterion the DNP also reports on the management and enhancement of socio-economic values in Commonwealth parks to benefit local communities. Key activities for this criterion are significant programs or areas of work that assist the Australian and international communities to sustainably use and enjoy Commonwealth parks and gardens.</p> <ul style="list-style-type: none">• Maintain and continue to enhance the Parks Australia digital marketing platforms including website, visitor apps, and digital asset management system.• Develop a Parks Australia compliance framework and coordinate the development and implementation of plans, policies, and standard operating procedures that support terrestrial park compliance activities.• Continue to provide informed and educational experiences in the discovery, visitor, and cultural centres at Booderee, Kakadu, Uluru-Kata Tjuta, and Norfolk Island National Parks and the Australian National Botanic Gardens.• Develop and implement a Visitor Research Strategy to improve and expand visitor data and insights.

Continued on following pages

2.1.3: Performance criteria for Outcome 1 (continued)

Key Activities^(a)	<p><i>Performance Criterion 2: Opportunities and threats to natural and cultural values are effectively managed for all Australians.</i></p> <p><u>Criterion 2</u> aligns with the protection, conservation, and enhancement component of our purpose. This will be done in a way to actively manage the condition of natural and cultural values of Commonwealth parks and gardens in line with national and international best practice guidelines. Key activities for this criterion are significant programs or areas of work that assist the DNP to effectively manage opportunities and threats to natural and cultural values in Commonwealth parks and gardens.</p> <ul style="list-style-type: none"> • Commission and influence research to establish environmental, social, and economic baselines and build knowledge about Australian Marine Parks and park management. • Implement a system for monitoring and evaluating management effectiveness across Parks Australia. • Review and update of the Environmental Impact Assessment processes in accordance with a Parks Australia policy statement. • Develop and implement priorities for Cultural Heritage Management and undertake activities under the direction of Traditional Owners and the Boards of Management. • Implement the Cat Eradication Strategy on Christmas Island.
Key Activities^(a)	<p><i>Performance Criterion 3: Partnerships with Traditional Owners and/or other stakeholders enhance the management of Commonwealth parks and gardens for all Australians.</i></p> <p><u>Criterion 3</u> acknowledges the key role of partnerships with Traditional Owners and other stakeholders in the DNP's purpose to protect, conserve and enhance the management of Commonwealth parks and gardens. Key activities for this criterion are significant programs or areas of work that enhance the management of Commonwealth parks and gardens through partnerships with Traditional Owners and/or other stakeholders.</p> <ul style="list-style-type: none"> • Build partnerships with Traditional Owners and Indigenous communities to manage country in jointly managed parks/sea country, and to facilitate participation in park management activities • Establish and Implement the CANBR Partnership Agreement 2020–25. • Enhance the decision making and governance capabilities of Boards of Management and Traditional Owner input into decision making. • In partnership with the Boards of Management, identify and seek solutions that support improved management level opportunities for Indigenous personnel. • Promote the National Parks Conservation Trust to explore innovative funding opportunities for Commonwealth parks and gardens. • Develop and implement avenues to support Indigenous employment.

Continued on following pages

2.1.3: Performance criteria for Outcome 1 (continued)

Key Activities ^(a)	<p><i>Cross cutting key activities.</i></p> <p>These key activities are significant programs or areas of work that contribute to the achievement of any combination of the DNP's three performance criteria.</p> <ul style="list-style-type: none">• Deliver the \$233 million Government investment into Parks Australia for infrastructure upgrades across our national parks and at the Australian National Botanic Gardens.• Deliver the \$216 million commitment to grow tourism within Kakadu National Park and support the post mining future of Jabiru township.• Implement a system for monitoring and evaluating management effectiveness across Parks Australia including developing and implementing the monitoring, evaluation, reporting and improvement (MERI) system and science plans for the Australian Marine Parks, and develop a framework for all Commonwealth parks and gardens.• Undertake a technical audit of the following management plans, and prepare their replacements: Australian National Botanic Garden Management Plan 2012–22, South East marine reserves Management Plan 2013–23, Christmas Island National Park Management Plan 2014–24.• Develop, curate and manage scientific collections to international best practice (including the Australian National Herbarium, the Australian Plant Image Index collection, the Australian National Botanic Gardens living collection, and the National Seed Bank collection).• Implement new Australian Marine Parks in the Indian Ocean Territories.• Implement Australian Marine Parks management plans and management program actions to protect and conserve natural, cultural and heritage values of the parks; and allow for ecologically sustainable use and enjoyment of the natural resources in the parks• Implement the Fisheries Assistance and User Engagement Package through completion of the Our Marine Parks Grants Programs Round 1 and Round 2 and delivery of the Vessel Monitoring System Assistance program.• Implement the Australian Marine Parks Partnerships package through completion of the Our Marine Parks Grants Program Round 3 and Round 4.• Deliver further opportunities for Australians to engage and connect with Australian Marine Parks through stimulating philanthropic and private investment in marine park research, management and monitoring.
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Continued on following pages

2.1.3: Performance criteria for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results
Current year 2021–22	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>
		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>Some concerns.</i>

Continued on following page

2.1.3: Performance criteria for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results
Current year 2021–22 (continued)	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>On track.</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>Some concerns.</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>On track.</i>
		Resources delivered through partnerships meet or exceed target level. <i>On track.</i>
		Maintain or increase the number of people who identify as members of the local or Indigenous community who are employed directly or indirectly. <i>On track.</i>
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	As per 2021–22.	As per 2021–22.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

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

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for 2022–23, including the impact of 2022–23 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

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
EXPENSES					
Employee benefits	39,593	41,521	41,563	42,103	39,784
Suppliers	89,355	59,423	39,369	33,544	28,888
Depreciation and amortisation	14,686	14,686	14,686	14,548	14,548
Other expenses	908	914	914	914	914
Total expenses	144,542	116,544	96,532	91,109	84,134
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sales of goods and rendering of services	28,048	17,336	18,930	17,650	17,677
Interest	404	386	509	500	500
Other	4,608	4,698	4,698	4,697	4,693
Total own-source revenue	33,060	22,420	24,137	22,847	22,870
Total own-source income	33,060	22,420	24,137	22,847	22,870
Net cost of (contribution by) services	111,482	94,124	72,395	68,262	61,264
Revenue from Government	104,725	89,001	66,605	62,610	55,613
Total revenue from Government	104,725	89,001	66,605	62,610	55,613
Surplus/(deficit) attributable to the Australian Government	(6,757)	(5,123)	(5,790)	(5,652)	(5,651)
Total other comprehensive income	(6,757)	(5,123)	(5,790)	(5,652)	(5,651)
Total comprehensive income/(loss) attributable to the Australian Government	(6,757)	(5,123)	(5,790)	(5,652)	(5,651)
Note: Impact of net cash appropriation arrangements					
	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	(6,425)	(4,788)	(5,455)	(5,317)	(5,316)
less depreciation/amortisation expenses for ROU ^(a)	513	516	516	516	516
add principal repayments on leased assets ^(a)	181	181	181	181	181
Total comprehensive income/(loss) – as per the Statement of comprehensive income	(6,757)	(5,123)	(5,790)	(5,652)	(5,651)

(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)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	10,474	11,141	11,141	11,141	11,142
Trade and other receivables	2,163	2,163	2,163	2,163	2,163
Other investments	53,400	53,400	53,400	53,400	53,400
Other financial assets	1,080	1,080	1,080	1,080	1,080
Total financial assets	67,117	67,784	67,784	67,784	67,785
Non-financial assets					
Land and buildings	105,213	105,080	104,564	104,048	104,048
Property, plant and equipment	272,369	323,747	318,292	312,975	307,142
Intangibles	3,430	3,430	3,430	3,430	3,430
Total non-financial assets	381,012	432,257	426,286	420,453	414,620
Assets held for sale	262	262	262	262	262
Total assets	448,391	500,303	494,332	488,499	482,667
LIABILITIES					
Payables					
Suppliers	4,344	4,344	4,344	4,344	4,344
Other payables	17,951	17,951	17,951	17,951	17,951
Total payables	22,295	22,295	22,295	22,295	22,295
Interest bearing liabilities					
Leases	39,441	39,643	39,462	39,281	39,100
Total interest bearing liabilities	39,441	39,643	39,462	39,281	39,100
Provisions					
Employee provisions	11,131	11,131	11,131	11,131	11,131
Total provisions	11,131	11,131	11,131	11,131	11,131
Total liabilities	72,867	73,069	72,888	72,707	72,526
Net assets	375,524	427,234	421,444	415,792	410,141
EQUITY*					
Parent entity interest					
Contributed equity	189,625	246,458	246,458	246,458	246,458
Reserves	195,534	195,534	195,534	195,534	195,534
Retained surplus (accumulated deficit)	(9,635)	(14,758)	(20,548)	(26,200)	(31,851)
Total parent entity interest	375,524	427,234	421,444	415,792	410,141
Total Equity	375,524	427,234	421,444	415,792	410,141

*'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 2022–23)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contribution equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2022				
Balance carried forward from previous period	(9,635)	195,534	189,625	375,524
Adjusted opening balance	(9,635)	195,534	189,625	375,524
Comprehensive income				
Surplus (deficit) for the period	(5,123)	-	-	(5,123)
Total comprehensive income	(5,123)	-	-	(5,123)
of which:				
Attributable to the Australian Government	(5,123)	-	-	(5,123)
Transactions with owners				
Distributions to owners				
Distribution of equity	-	-	56,833	56,833
Sub-total transactions with owners	-	-	56,833	56,833
Estimated closing balance as at 30 June 2023	(14,758)	195,534	246,458	427,234
Closing balance attributable to the Australian Government	(14,758)	195,534	246,458	427,234

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Receipts from Government	104,725	89,001	66,605	62,610	55,613
Sales of goods and rendering of services	28,048	17,336	18,930	17,650	17,677
Interest	404	386	509	500	500
Other	253	343	343	342	338
Total cash received	133,430	107,066	86,387	81,102	74,128
Cash used					
Suppliers	85,000	55,068	35,014	29,189	24,533
Employees	39,593	41,521	41,563	42,103	39,784
Borrowing costs	908	914	914	914	914
Total cash used	125,501	97,503	77,491	72,206	65,231
Net cash from (used by) operating activities	7,929	9,563	8,896	8,896	8,897
INVESTING ACTIVITIES					
Cash received					
Disposal of investments	300	-	-	-	-
Total cash received	300	-	-	-	-
Cash used					
Purchase of property, plant and equipment and intangibles	134,956	65,548	8,715	8,715	8,715
Total cash used	134,956	65,548	8,715	8,715	8,715
Net cash from (used by) investing activities	(134,656)	(65,548)	(8,715)	(8,715)	(8,715)
FINANCING ACTIVITIES					
Cash received					
Equity injection – transferred by Portfolio Department	126,241	56,833	-	-	-
Total cash received	126,241	56,833	-	-	-
Cash used					
Lease liability – principal payments	181	181	181	181	181
Total cash used	181	181	181	181	181
Net cash from (used by) financing activities	126,060	56,652	(181)	(181)	(181)
Net increase (decrease) in cash held	(667)	667	-	-	1
Cash and cash equivalents at the beginning of the reporting period	11,141	10,474	11,141	11,141	11,141
Cash and cash equivalents at the end of the reporting period	10,474	11,141	11,141	11,141	11,142

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injection – transferred by Portfolio Department	126,241	56,833	-	-	-
Total new capital appropriations	126,241	56,833	-	-	-
<i>Provided for:</i>					
Purchase of non-financial assets	126,241	56,833	-	-	-
Total items	126,241	56,833	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	126,241	56,833	-	-	-
Funded internally from departmental resources ^(b)	8,715	8,715	8,715	8,715	8,715
TOTAL	134,956	65,548	8,715	8,715	8,715
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	134,956	65,548	8,715	8,715	8,715
Total cash used to acquire assets	134,956	65,548	8,715	8,715	8,715

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

(b) Includes the following s74 external revenue:
– internally developed assets; and
– section 74 external revenue.

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 2022–23)

	Land	Buildings	Other property, plant and equipment	Computer software and intangibles	L&B, IP&E held for sale	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022						
Gross book value	13,105	59,351	294,756	5,591	262	373,065
Gross book value – ROU ^(a)	40,691	-	-	-	-	40,691
Accumulated depreciation/amortisation and impairment	-	(6,186)	(22,387)	(2,161)	-	(30,734)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(1,748)	-	-	-	-	(1,748)
Opening net book balance	52,048	53,165	272,369	3,430	262	381,274
CAPITAL ASSET ADDITIONS						
Estimated expenditure on new or replacement assets						
By purchase – appropriation equity ^(b)	-	2,500	63,048	-	-	65,548
By purchase – appropriation equity – ROU ^{(a)(b)}	383	-	-	-	-	383
Total additions	383	2,500	63,048	-	-	65,931
Other movements						
Depreciation/amortisation expense	-	(2,500)	(11,670)	-	-	(14,170)
Depreciation/amortisation expense – ROU ^(a)	(516)	-	-	-	-	(516)
Total other movements	(516)	(2,500)	(11,670)	-	-	(14,686)
As at 30 June 2023						
Gross book value	13,105	61,851	357,804	5,591	262	438,613
Gross book value – ROU ^(a)	41,074	-	-	-	-	41,074
Accumulated depreciation/amortisation and impairment	-	(8,686)	(34,057)	(2,161)	-	(44,904)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(2,264)	-	-	-	-	(2,264)
Closing net book balance	51,915	53,165	323,747	3,430	262	432,519

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

(b) 'By purchase – appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022–23 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) plans, invests in and manages research and development (R&D) activities for fishing, aquaculture and the wider community, and encourages the adoption of the resulting knowledge and innovation to achieve impact.

We work with diverse stakeholders from sectors including aquaculture, commercial wild harvest, Indigenous, recreational fishing, post-harvest, fisheries management, research, consumers and the wider community. Our activities span environments from the northern tropics to temperate seas, from icy Antarctic waters to freshwater rivers and lakes, and from estuaries to land-based aquaculture around Australia.

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

We lead investment in fisheries RD&E, partnering with organisations that have the capabilities to undertake the varied and specialised activities necessary to achieve the five outcomes in our R&D Plan 2020–25. Our R&D Plan outcomes are: growth for enduring prosperity; best practices and production systems; a culture that is inclusive and forward thinking; fair and secure access to aquatic resources; and, community trust, respect and value. We will achieve these by driving digitisation and advanced analytics; strengthening adoption for transformative change; promoting innovation and entrepreneurship; building capability and capacity; and providing foundational information and support services.

We encourage adaptive and creative approaches to problem solving and focus on continuous improvement.

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 2022–23 as at Budget March 2022

	2021–22 <i>Estimated actual</i> \$'000	2022–23 Estimate \$'000
Opening balance/cash reserves at 1 July	25,182	21,297
Funds from Government		
Special appropriations^(a)		
<i>Primary Industries Research and Development Act 1989 , s. 30A(3) & s. 30B(9) – Fisheries R&D Corporation</i>	26,351	24,669
Total special appropriations	26,351	24,669
Amounts received from related entities		
Amounts from portfolio department ^(b)	100	-
Total amounts received from related entities	100	-
Total funds from Government	26,451	24,669
Funds from industry sources		
Levies ^(c)	1,500	1,500
<i>less amounts paid to the CRF</i>	(1,500)	(1,500)
Industry contributions	9,706	9,167
Total funds from industry sources	9,706	9,167
Funds from other sources		
Interest	80	100
Other	2,000	2,000
Total funds from other sources	2,080	2,100
Total net resourcing for FRDC	63,419	57,233
	2021–22	2022–23
Average staffing level (number)	17	17

(a) FRDC's special appropriation is not directly appropriated as it is a corporate Commonwealth entity (CCE) under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Appropriations are made to Department of Agriculture, Water and the Environment (DAWE) and are then paid to FRDC 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 CCE (for example, a grant awarded to a CCE from one of its portfolio department's administered programs). FRDC receives this to develop the National Carp Control Plan.

(c) The levies are imposed by the *Primary Industries (Excise) Levies Act 1999*. The levies are collected by DAWE under the *Primary Industries Research and Development Act 1989* (PIRD Act) and the Fishing Levy Regulations and are transferred to the Consolidated Revenue Fund (CRF). These amounts are then drawn down by the department as a special appropriation and paid to FRDC under the PIRD Act, s. 30A(3) and s. 30B(9) – Fisheries R&D Corporation.

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 Fisheries Research and Development Corporation are detailed in *Budget Paper No. 2: Budget Measures 2022–23* and are summarised below.

Table 1.2: Fisheries Research and Development Corporation – 2022–23 Budget measures – Measures announced since the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO)

FRDC does not have any 2022–23 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:

<https://www.frdc.com.au/annual-operational-plans> and

<https://www.frdc.com.au/strategic-planning-and-priorities>

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

<https://www.frdc.com.au/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 FRDC works together with the DAWE 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.					
	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 1.1: Fisheries Research and Development Corporation					
<u>Revenue from Government</u>					
Payment from related entities	100	-	-	-	-
Special appropriations					
<i>Primary Industries Research and Development Act 1989, s. 30A(3) & s. 30B(9) – Fisheries R&D Corporation</i>	27,222	28,410	25,506	26,120	26,637
Revenues from industry sources	12,235	11,621	10,476	10,807	11,145
Revenues from other independent sources	777	1,258	1,148	1,199	1,199
Total expenses for program 1.1	40,334	41,289	37,130	38,126	38,981
Outcome 1 totals by resource type					
<u>Revenue from Government</u>					
Payment from related entities	100	-	-	-	-
Special appropriations	27,222	28,410	25,506	26,120	26,637
Revenues from industry sources	12,235	11,621	10,476	10,807	11,145
Revenues from other independent sources	777	1,258	1,148	1,199	1,199
Total expenses for Outcome 1	40,334	41,289	37,130	38,126	38,981
	2021–22	2022–23			
Average staffing level (number)	17	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 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

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		
Objective	Establish collaborative, vibrant fishing and aquaculture, creating diverse benefits from aquatic resources, and celebrated by the community.	
Key Activities	<ul style="list-style-type: none">i. Drive digitisation and advanced analytics;ii. Strengthen the adoption of transformative change;iii. Promote innovation and entrepreneurship;iv. Build capability and capacity; andv. Provide foundational information and support services.	
Year	Performance measures	Expected Performance Results
Current year 2021–22	Growth for enduring prosperity. Enduring and balanced ecological, social and economic growth for the community benefit.	On track for 100 per cent of priority activities identified in Annual Operational Plans to be invested in by 2025.
	Best practices and production systems. Diverse benefits from aquatic resources to be consistent with shared principles.	Projects sampled for cost-benefit analysis show positive average return on investment.

Continued on following page

2.1.3: Performance criteria for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results
Current year 2021–22 (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.	As per the above.
	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.	
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	As per 2021–22.	As per 2021–22.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for 2022–23, including the impact of 2022–23 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

The FRDC's RD&E expenditure is dependent on the gross value of production (GVP) of the Australian seafood industry. The indication for the GVP for the Australian seafood industry is positive, with growth expected in 2022–23. 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)**

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
EXPENSES					
Employee benefits	3,491	3,952	4,110	4,274	4,445
Suppliers	1,119	1,110	1,165	1,224	1,285
Grants	35,345	35,850	31,480	32,255	32,880
Depreciation and amortisation	370	370	370	370	360
Finance costs	9	7	5	3	1
Other expenses	-	-	-	-	10
Total expenses	40,334	41,289	37,130	38,126	38,981
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Contributions	9,706	9,167	9,487	9,817	10,156
Interest	80	100	150	200	200
Other	2,000	2,000	2,000	2,000	2,000
Total own-source revenue	11,786	11,267	11,637	12,017	12,356
Total own-source income	11,786	11,267	11,637	12,017	12,356
Net cost of (contribution by) services	28,548	30,022	25,493	26,109	26,625
Revenue from Government ^(a)					
Commonwealth contribution	23,508	24,855	25,533	26,142	26,664
Total revenue from Government	23,508	24,855	25,533	26,142	26,664
Surplus/(deficit) attributable to the Australian Government	(5,040)	(5,167)	40	33	39
Total comprehensive income/(loss) attributable to the Australian Government	(5,040)	(5,167)	40	33	39

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

	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	(5,030)	(5,158)	40	23	19
less depreciation/amortisation expenses for ROU ^(b)	170	170	170	170	160
add principal repayments on leased assets ^(b)	160	161	170	180	180
Total comprehensive income/(loss) – as per the statement of comprehensive income	(5,040)	(5,167)	40	33	39

(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).

Prepared on Australian Accounting Standards basis

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	21,297	16,073	16,025	15,964	15,944
Trade and other receivables	1,697	1,883	2,051	2,155	2,194
Total financial assets	22,994	17,956	18,076	18,119	18,138
Non-financial assets					
Land and buildings	675	505	335	165	5
Property, plant and equipment	81	41	1	21	61
Intangibles	448	408	368	328	288
Total non-financial assets	1,204	954	704	514	354
Total assets	24,198	18,910	18,780	18,633	18,492
LIABILITIES					
Payables					
Projects	1,000	1,000	1,000	1,000	1,000
Suppliers	200	200	200	200	200
Total payables	1,200	1,200	1,200	1,200	1,200
Interest bearing liabilities					
Leases	710	549	379	199	19
Total interest bearing liabilities	710	549	379	199	19
Provisions					
Employee provisions	750	790	790	790	790
Total provisions	750	790	790	790	790
Total liabilities	2,660	2,539	2,369	2,189	2,009
Net assets	21,538	16,371	16,411	16,444	16,483
EQUITY*					
Parent entity interest					
Reserves	562	562	562	562	562
Retained earnings	20,976	15,809	15,849	15,882	15,921
Total parent entity interest	21,538	16,371	16,411	16,444	16,483
Total Equity	21,538	16,371	16,411	16,444	16,483

*'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 2022–23)**

	Retained earnings	Asset revaluation reserve	Total equity
	\$'000	\$'000	\$'000
Opening balance as at 1 July 2022			
Balance carried forward from previous period	20,976	562	21,538
Adjusted opening balance	20,976	562	21,538
Comprehensive income			
Surplus (deficit) for the period	(5,167)	-	(5,167)
Total comprehensive income	(5,167)	-	(5,167)
of which:			
Attributable to the Australian Government	(5,167)	-	(5,167)
Estimated closing balance as at 30 June 2023	15,809	562	16,371
Closing balance attributable to the Australian Government	15,809	562	16,371

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Revenue from Government	23,508	24,855	25,533	26,142	26,664
Interest	80	100	150	200	200
Net GST received	121	-	-	-	-
Other operating receipts	14,649	10,981	11,319	11,713	12,117
Total cash received	38,358	35,936	37,002	38,055	38,981
Cash used					
Employees	3,560	3,912	4,110	4,274	4,445
Suppliers	388	410	1,165	1,224	1,285
Projects	37,299	35,850	31,480	32,255	32,880
Interest payments on lease liability	9	7	5	3	1
Other operating payments	707	700	-	-	10
Total cash used	41,963	40,879	36,760	37,756	38,621
Net cash from (used by) operating activities	(3,605)	(4,943)	242	299	360
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	120	120	120	180	200
Total cash used	120	120	120	180	200
Net cash from/(used by) investing activities	(120)	(120)	(120)	(180)	(200)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	160	161	170	180	180
Total cash used	160	161	170	180	180
Net cash from/(used by) financing activities	(160)	(161)	(170)	(180)	(180)
Net increase (decrease) in cash held	(3,885)	(5,224)	(48)	(61)	(20)
Cash and cash equivalents at the beginning of the reporting period	25,182	21,297	16,073	16,025	15,964
Cash and cash equivalents at the end of the reporting period	21,297	16,073	16,025	15,964	15,944

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources ^(a)	120	120	120	180	200
TOTAL	120	120	120	180	200
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	120	120	120	180	200
Total cash used to acquire assets	120	120	120	180	200

(a) Includes the following s74 external revenue:
– 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 2022–23)

	Other property, plant and equipment \$'000	Intangibles \$'000	Total \$'000
As at 1 July 2022			
Gross book value	244	1,436	1,680
Gross book value – ROU ^(a)	1,185	-	1,185
Accumulated depreciation/amortisation and impairment	(163)	(988)	(1,151)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(510)	-	(510)
Opening net book balance	756	448	1,204
CAPITAL ASSET ADDITIONS			
Estimated expenditure on new or replacement assets			
By purchase – other ^(b)	20	100	120
Total additions	20	100	120
Other movements			
Depreciation/ amortisation expense	(60)	(140)	(200)
Depreciation/ amortisation expense – ROU ^(a)	(170)	-	(170)
Total other movements	(230)	(140)	(370)
As at 30 June 2023			
Gross book value	264	1,536	1,800
Gross book value – ROU ^(a)	1,185	-	1,185
Accumulated depreciation/ amortisation and impairment	(223)	(1,128)	(1,351)
Accumulated depreciation/ amortisation and impairment – ROU ^(a)	(680)	-	(680)
Closing net book balance	546	408	954

(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, 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.

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 29 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 2022–23 as at Budget March 2022

	2021–22 Estimated actual \$'000	2022–23 Estimate \$'000
Opening balance/cash reserves at 1 July	190,547	242,326
Funds from Government		
Special appropriations^(a)		
<i>Primary Industries Research and Development Act 1989 , s. 30(3) – Grains and Wheat R&D Corporation</i>	243,752	226,220
Total special appropriations	243,752	226,220
Total funds from Government	243,752	226,220
Funds from industry sources		
Levies ^(b)	185,000	131,323
<i>less amounts paid to the CRF</i>	<i>(185,000)</i>	<i>(131,323)</i>
Total funds from industry sources	-	-
Funds from other sources		
Interest	2,490	2,590
Royalties	6,620	6,549
Other	10,129	8,658
Total funds from other sources	19,239	17,797
Total net resourcing for GRDC	453,538	486,343
	2021–22	2022–23
Average staffing level (number)	79	79

(a) GRDC's special appropriation is not directly appropriated as it is a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Appropriations are made to Department of Agriculture, Water and the Environment (DAWE) and are then paid to GRDC and are considered departmental for all purposes.

(b) 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 transferred to the Consolidated Revenue Fund (CRF). These amounts are then drawn down by the department as a special appropriation and paid to GRDC under the *Primary Industries Research and Development Act 1989* (PIRD Act), s. 30(3) – Grains and Wheat R&D Corporation.

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 2022–23* and are summarised below.

Table 1.2: Grains Research and Development Corporation – 2022–23 Budget measures – Measures announced since the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO)

GRDC does not have any 2022–23 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 GRDC works together with DAWE 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.

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 1.1: 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>	83,725	87,622	78,220	66,648	66,302
Revenues from industry sources	185,000	131,323	134,317	133,595	135,922
Revenues from other independent sources	20,146	17,797	19,094	19,228	19,016
Expenses not requiring appropriation in the budget year ^(a)	(73,706)	(8,856)	7,359	20,256	18,864
Total expenses for program 1.1	215,165	227,886	238,990	239,727	240,104
Outcome 1 totals by resource type					
<u>Revenue from Government</u>					
Special appropriations	83,725	87,622	78,220	66,648	66,302
Revenues from industry sources	185,000	131,323	134,317	133,595	135,922
Revenues from other independent sources	20,146	17,797	19,094	19,228	19,016
Expenses not requiring appropriation in the budget year ^(a)	(73,706)	(8,856)	7,359	20,256	18,864
Total expenses for Outcome 1	215,165	227,886	238,990	239,727	240,104
	2021–22	2022–23			
Average staffing level (number)	79	79			

(a) 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 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

As an entity established under the 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.	
Key Activities^(a)	Continue to prioritise RD&E investments that support 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.	
Year	Performance measures	Expected Performance Results
Current year 2021–22	Average farm business rates of return.	A minimum of 6 per cent by 2023. 3.8 per cent.
	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. 7.04 per cent increase on the five-year average for wheat. 4.34 per cent increase on the five-year average for pulses. 5.80 per cent increase on the five-year average for oilseeds.

Continued on following pages

2.1.3: Performance criteria for Outcome 1

Year	Performance measures	Expected Performance Results
Current year 2021–22 (continued)	Yield stability.	By 2023 a minimum 20 per cent closure of the gap between potential yield and actual yield. 70 per cent of wheat, barley and canola crops showed no discernible yield gap (Paddock Survey 2019).
	Maintaining and improving price.	Identification of potential new products that attract premium prices. Identification of opportunities for product differentiation. Defence of current market access programs. New varieties of wheat screened for Late Maturity Alpha-amylase markers earlier in breeding process. Reports on market opportunities by Australian Export Grains Innovation Centre (AEGIC). Surveys and diagnostics of incidence and severity of diseases in cereals and pulses completed.
	Optimising input costs.	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. Ratio 0.142. 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. Ratio 0.140.

Continued on following page

2.1.3: Performance criteria for Outcome 1

Year	Performance measures	Expected Performance Results
Current year 2021–22 (continued)		<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>
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	As per 2021–22.	As per 2021–22.
Forward Estimates 2023–26	As per 2023–28 RD&E Plan.	As per 2023–28 RD&E Plan.

- (a) Additional performance information that supports 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 2022–23, including the impact of 2022–23 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 2022–23, GRDC is budgeting for an operating surplus of \$8.9 million which will marginally increase accumulated reserves. Industry contributions are expected to decrease by \$53.7 million, down on current year estimates and returning to around long-term trend. Australian Government contributions are expected to increase by \$3.9 million after the higher-than-average gross volume of production across recent years. Own source income is expected to largely hold steady with slight decreases to grant income and dividend revenue being offset by increases in interest and royalties. In support of current higher values of R&D expenditure, supplier expenses, including those relating to contracted operational support services, are expected to remain consistent with prior periods.

The budgeted net asset position for 2022–23 is \$359.5 million which is \$8.9 million more than the 2021–22 estimated actual. This increase is largely due to the flow on impacts from record levels of industry contributions and Australian Government co-contributions received in the past two years.

3.2 Budgeted financial statements tables

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
EXPENSES					
Employee benefits	14,858	15,156	15,459	15,769	16,070
Suppliers	193,076	205,302	215,607	215,919	216,237
Depreciation and amortisation	6,691	6,908	7,423	7,559	7,242
Finance costs	540	520	501	480	555
Total expenses	215,165	227,886	238,990	239,727	240,104
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	2,257	2,590	2,673	2,597	2,378
Dividends	2,308	1,500	1,500	1,500	1,500
Rental income	177	188	195	202	209
Royalties	6,484	6,549	6,756	6,959	6,959
Other	8,920	6,970	7,970	7,970	7,970
Total own-source revenue	20,146	17,797	19,094	19,228	19,016
Total own-source income	20,146	17,797	19,094	19,228	19,016
Net cost of (contribution by) services	195,019	210,089	219,896	220,499	221,088
Revenue from Government ^(a)					
Commonwealth contributions	83,725	87,622	78,220	66,648	66,302
Industry contributions	185,000	131,323	134,317	133,595	135,922
Total revenue from Government	268,725	218,945	212,537	200,243	202,224
Surplus/(deficit) attributable to the Australian Government	73,706	8,856	(7,359)	(20,256)	(18,864)
Total comprehensive income (loss)	73,706	8,856	(7,359)	(20,256)	(18,864)
Total comprehensive income/(loss) attributable to the Australian Government	73,706	8,856	(7,359)	(20,256)	(18,864)

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

	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	73,886	9,057	(7,159)	(20,056)	(18,914)
less depreciation/amortisation expenses for ROU ^(b)	2,312	2,301	2,300	2,300	2,050
add principal repayments on leased assets ^(b)	2,132	2,100	2,100	2,100	2,100
Total comprehensive income/(loss) – as per the Statement of comprehensive income	73,706	8,856	(7,359)	(20,256)	(18,864)

(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).

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	118,344	129,096	128,683	108,419	79,648
Trade and other receivables	38,634	31,359	19,035	14,514	22,847
Investments	123,982	126,572	129,245	131,842	134,220
Other investments	97,962	102,562	107,162	109,762	109,362
Total financial assets	378,922	389,589	384,125	364,537	346,077
Non-financial assets					
Land and buildings	12,154	10,042	9,932	7,912	6,159
Property, plant and equipment	1,702	846	97	572	222
Intangibles	14,258	15,818	16,788	16,724	16,435
Other non-financial assets	400	400	400	400	400
Total non-financial assets	28,514	27,106	27,217	25,608	23,216
Total assets	407,436	416,695	411,342	390,145	369,293
LIABILITIES					
Payables					
Suppliers	38,100	40,500	42,500	42,500	42,500
Other payables	1,500	1,500	1,500	1,500	1,500
Total payables	39,600	42,000	44,000	44,000	44,000
Interest bearing liabilities					
Leases	12,952	10,852	10,752	9,702	7,602
Total interest bearing liabilities	12,952	10,852	10,752	9,702	7,602
Provisions					
Employee provisions	3,727	3,830	3,936	4,045	4,157
Other provisions	542	542	542	542	542
Total provisions	4,269	4,372	4,478	4,587	4,699
Total liabilities	56,821	57,224	59,230	58,289	56,301
Net assets	350,615	359,471	352,112	331,856	312,992
EQUITY*					
Parent entity interest					
Reserves	116,706	122,206	122,206	122,206	129,644
Retained earnings	233,909	237,265	229,906	209,650	183,348
Total parent entity interest	350,615	359,471	352,112	331,856	312,992
Total Equity	350,615	359,471	352,112	331,856	312,992

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

Prepared on an Australian Accounting Standards basis.

**Table 3.3: Departmental statement of changes in equity – summary of movement
(Budget year 2022–23)**

	Retained earnings	Asset revaluation reserve	Other reserves	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2022				
Balance carried forward from previous period	233,909	12,206	104,500	350,615
Adjusted opening balance	233,909	12,206	104,500	350,615
Comprehensive income				
Surplus (deficit) for the period	8,856	-	-	8,856
Total comprehensive income	8,856	-	-	8,856
of which:				
Attributable to the Australian Government	8,856	-	-	8,856
Transactions with owners				
Transfers between equity				
Transfers between equity components	(5,500)		5,500	-
Estimated closing balance as at 30 June 2023	237,265	12,206	110,000	359,471
Closing balance attributable to the Australian Government	237,265	12,206	110,000	359,471

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Industry contributions	168,056	131,323	134,316	133,048	134,793
Revenue from Government	69,312	95,069	90,545	71,716	59,098
Sale of goods and rendering of services	6,785	16	195	202	209
Interest	2,257	2,590	2,673	2,597	2,378
Dividends	2,308	1,500	1,500	1,500	1,500
Net GST received	18,565	17,852	17,908	-	-
Other operating receipts	14,264	13,519	14,726	14,929	14,929
Total cash received	281,547	261,869	261,863	223,992	212,907
Cash used					
Employees	14,674	15,053	15,353	15,660	15,958
Suppliers	202,126	220,754	231,515	215,919	216,237
Interest payments on lease liability	140	120	101	80	155
Total cash used	216,940	235,927	246,969	231,659	232,350
Net cash from (used by) operating activities	64,607	25,942	14,894	(7,667)	(19,443)
INVESTING ACTIVITIES					
Cash received					
Investments	30,000	15,000	15,000	-	-
Total cash received	30,000	15,000	15,000	-	-
Cash used					
Investments	37,257	22,590	22,673	5,597	2,378
Purchase of property, plant and equipment	5,696	5,500	5,534	4,900	4,850
Total cash used	42,953	28,090	28,207	10,497	7,228
Net cash from (used by) investing activities	(12,953)	(13,090)	(13,207)	(10,497)	(7,228)

Continued on following page

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	2,132	2,100	2,100	2,100	2,100
Total cash used	2,132	2,100	2,100	2,100	2,100
Net cash from/(used by) financing activities	(2,132)	(2,100)	(2,100)	(2,100)	(2,100)
Net increase (decrease) in cash held	49,522	10,752	(413)	(20,264)	(28,771)
Cash and cash equivalents at the beginning of the reporting period	68,822	118,344	129,096	128,683	108,419
Cash and cash equivalents at the end of the reporting period	118,344	129,096	128,683	108,419	79,648

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources ^(a)	5,696	5,500	5,534	4,900	4,850
TOTAL	5,696	5,500	5,534	4,900	4,850
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	5,696	5,500	5,534	4,900	4,850
Total cash used to acquire assets	5,696	5,500	5,534	4,900	4,850

(a) Includes the following s74 external revenue:
— 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 2022–23)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022				
Gross book value	4,305	3,863	28,092	36,260
Gross book value – ROU ^(a)	16,793	2,111	-	18,904
Accumulated depreciation/amortisation and impairment	(3,231)	(2,967)	(13,834)	(20,032)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(5,713)	(1,305)	-	(7,018)
Opening net book balance	12,154	1,702	14,258	28,114
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase – other ^(b)	-	-	5,500	5,500
Total additions	-	-	5,500	5,500
Other movements				
Depreciation/amortisation expense	(231)	(436)	(3,940)	(4,607)
Depreciation/amortisation expense – ROU ^(a)	(1,881)	(420)	-	(2,301)
Total other movements	(2,112)	(856)	(3,940)	(6,908)
As at 30 June 2023				
Gross book value	4,305	3,863	33,592	41,760
Gross book value – ROU ^(a)	16,793	2,111	-	18,904
Accumulated depreciation/amortisation and impairment	(3,462)	(3,403)	(17,774)	(24,639)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(7,594)	(1,725)	-	(9,319)
Closing net book balance	10,042	846	15,818	26,706

(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 one of the most significant natural places on Earth. Recognised globally for its extraordinary beauty and diversity, it is listed as a World Heritage site of Outstanding Universal Value. This exceptional and complex ecosystem is made up of a network of almost 3000 coral reefs and non-reef habitats stretching 2300 kilometres along the coast of Queensland. The vast size of the Reef is becoming a less effective buffer against broad scale and cumulative threats, with climate change the greatest threat.

While the world takes action to reduce greenhouse gas emissions, protecting the Reef requires an innovative and multi-disciplinary approach. The Great Barrier Reef Marine Park Authority (Reef Authority) will continue to take actions in the Marine Park and throughout the Reef region that strengthen Reef resilience, reduce cumulative impacts, and protect and enhance reef habitats. This work will be critical to help the Reef cope better with the changing climate.

The Reef Authority's management approach is adaptive and focused on building the resilience of the Reef ecosystem, promoting Reef recovery, and protecting and restoring critical Reef habitats. Guided by the Great Barrier Reef Blueprint for Resilience 2017, the Reef Authority supports a range of initiatives in the Marine Park, such as enhancing compliance, protecting key species, crown-of-thorns starfish control and investigating options for Reef restoration and adaptation.

In early 2022, the Australian Government invested additional funding to protect the World Heritage listed Reef. This significant investment will enable the Reef Authority to amplify its efforts to protect this natural wonder and ensure it remains world-leading in Reef management approaches. This new funding package will boost key program areas, including controlling the crown-of-thorns starfish, Marine Park planning, on-water conservation and compliance activities, monitoring and reporting, and working with Traditional Owners, key stakeholders and the community on Reef protection measures.

The Reef Authority's work is guided by the *Great Barrier Reef Marine Park Act 1975* and relevant legislation that provides for the long-term protection and conservation of the Reef's environment, biodiversity and heritage values while allowing for ecologically sustainable use. The Reef Authority works with Traditional Owners, other Australian and Queensland government agencies, industry, community organisations, and individuals to help protect and manage the Reef.

The Reef Authority is committed to strengthening its relationships with Traditional Owners of the Reef and will continue to implement its Aboriginal and Torres Strait

Islander Heritage Strategy for the Marine Park. The strategy focuses on approaches and actions that support Traditional Owners to protect and care for Indigenous heritage within the Marine Park.

Traditional Use of Marine Resources Agreements (TUMRAs) describe how the Reef Traditional Owner groups work in partnership with the Australian and Queensland governments to manage traditional use activities on their Sea Country. Following the accreditation of a new TUMRA in late 2021, 43 per cent of the Marine Park coastline is now managed under these agreements – contributing to the outcomes of the Aboriginal and Torres Strait Islander Heritage Strategy.

The Reef 2050 Long-Term Sustainability Plan (Reef 2050 Plan) sets an overarching framework for protection of the Reef’s Outstanding Universal Value. The Reef Authority will continue to work in partnership with the Australian and Queensland governments to implement the priorities and actions in the updated Reef 2050 Plan, released in early 2022.

The Reef Authority will continue to deliver against the Reef 2050 Integrated Monitoring and Reporting Program (RIMReP), a partnership involving Australian and Queensland government agencies, research organisations, and Traditional Owners. The primary purpose of RIMReP is to drive resilience-based management and track progress against the objectives and goals of the Reef 2050 Plan. The Reef Authority will continue to develop the interactive online Reef Knowledge System – a ‘first stop shop’ for up-to-date information about the Reef to guide effective management decisions in a rapidly changing world.

The Reef Joint Field Management Program is delivered jointly by the Australian and Queensland governments. It will continue to protect the Great Barrier Reef World Heritage Area’s primary values from identified and emerging threats, while delivering in-field operations to build the resilience of the Reef, including islands and species; and supporting ecotourism opportunities across the 348,000 square kilometre World Heritage Area.

The Crown-of-thorns Starfish Control Program will continue to suppress outbreaks of the coral eating starfish and protect coral on reefs with high ecological and tourism value throughout the Marine Park. Strategic management of crown-of-thorns starfish outbreaks is one of the few direct, targetable and scalable management actions that can protect coral and support the resilience of the Reef ecosystem and the industries and communities that rely on it.

Commercial and non-commercial uses collectively form an important part of the social and economic fabric that support adjacent communities in the Reef Catchment, and Australian and international communities more broadly. The Reef Authority invests in improving understanding of the Marine Park’s values and its key threats, fostering responsible behaviours of Marine Park users, and providing visitor infrastructure critical to achieving ecological sustainable use. This engagement with industry and the

broader community contributes directly to the reduction of human impacts that threaten the Marine Park.

It is vital that Reef-dependent communities and industries, as well as the broader community nationally and internationally, are invested in its long-term protection. The Reef Authority's commitment to education and partnering with Reef-dependent industries and communities is targeted at encouraging Reef stewardship action, creating lifelong ambassadors for the Reef, and enabling inter-generational change.

The COVID-19 pandemic and travel restrictions have impacted some Reef-dependent industries, particularly Reef-based tourism. Through proactive management, strategic relationships and well-established stewardship programs, the Reef Authority will continue to work with the tourism industry to ensure tourism sites remain protected during the current downturn in visitation, and ready to welcome guests as travel restrictions continue to ease.

Significant upgrades to the Reef HQ Great Barrier Reef Aquarium (Reef HQ) in Townsville will support delivery of the Reef Authority's strong focus on education in line with its functions in the *Great Barrier Reef Marine Park Act 1975*. A suite of upgrades will be undertaken to transform the world's largest living coral reef aquarium into a global centre of excellence for tropical coral reef education. The Reef HQ Master Plan 2021–2041 provides long-term direction for continuous improvements to remain a highly effective mechanism to influence community perceptions (local, regional, national and international) 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 2022–23 as at Budget March 2022

	2021–22 ^(a) Estimated actual \$'000	2022–23 Estimate \$'000
<u>Departmental</u>		
Annual appropriations – ordinary annual services ^(b)		
Prior year appropriations available	51,103	31,252
Departmental appropriation	57,656	86,834
Section 74 external revenue ^(c)	11,567	7,916
Departmental capital budget ^(d)	755	27,749
Annual appropriations – other services – non-operating ^(e)		
Equity injection	4,359	8,025
Total departmental annual appropriations	125,440	161,776
Special accounts ^(f)		
Opening balance	30,870	30,822
Appropriation receipts ^(g)	19,428	18,990
Non-appropriation receipts	21,026	21,171
Total special accounts	71,324	70,983
<i>less departmental appropriations drawn from annual/ special appropriations and credited to special accounts</i>	19,428	18,990
Total departmental appropriations	177,336	213,769
Total resourcing for GBRMPA	177,336	213,769
	2021–22	2022–23
Average staffing level (number)	242	255

(a) Appropriation amounts presented for 2021–22 do not include the Appropriation Bills (No. 3) and (No. 4), as they had not been enacted at the time of publication. The entity will receive \$1.158 million through the 2021–22 Annual Appropriation Bill (No. 3) and \$7.168 million through the 2021–22 Annual Appropriation Bill (No. 4). The annual appropriations received from these bills will be recognised in a future portfolio budget statement but only after the Bills have received Royal Assent.

(b) Appropriation Bill (No. 1) 2022–2023.

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

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

(e) Appropriation Bill (No. 2) 2022–23.

(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 2022–23*. Please also see Table 2.1 for further information on outcome and program expenses broken down by various sources, e.g. annual appropriations, special appropriation and special accounts.

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

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 Great Barrier Reef Marine Park Authority are detailed in *Budget Paper No. 2: Budget Measures 2022–23* and are summarised below.

Table 1.2: Great Barrier Reef Marine Park Authority – 2022–23 Budget measures – Measures announced since the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
Payment measures						
Strengthening the Great Barrier Reef through Stewardship and Leadership	1.1					
Administered payment		-	-	-	-	-
Departmental payment		-	12,433	-	-	-
Total		-	12,433	-	-	-
Total payment measures						
Administered		-	-	-	-	-
Departmental		-	12,433	-	-	-
Total		-	12,433	-	-	-

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

Section 2: Outcomes and planned performance

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

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

Note:

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

The most recent corporate plan for 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 Reef 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.
Australian Maritime Safety Authority
Program 1.1: Australian Maritime Safety Authority
Contribution to Outcome 1 made by linked programs The Reef Authority is the regulator responsible for the management of the Great Barrier Reef Marine Park. The Australian Maritime Safety Authority (AMSA) supports the ongoing management of the Great Barrier Reef through providing services to enable safer shipping within the Reef, such as: aids to navigation, Great Barrier Reef Vessel Traffic Services, emergency response arrangements to minimise maritime pollution incidents (including delivery of a dedicated emergency towage vessel) and regulation of shipping for safety and environmental performance. The Reef Authority supports AMSA emergency response functions through provision of resources and subject matter expertise.
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 (the Program). The Program invests in clean energy projects delivered in the Great Barrier Reef catchment region. In targeting the financing of clean energy projects and businesses in the region, the Program supports delivery of the Australian and Queensland governments’ Reef 2050 Plan.

Continued on following page

2.1.1: Linked programs (continued)

Department of Agriculture, Water and the Environment
<p>Program 1.1: Sustainable Management of Natural Resources and the Environment</p> <p>Program 1.4: Conservation of Australia's Heritage and Environment</p> <p>Program 1.5: Environmental Regulation</p>
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of Agriculture, Water and the Environment and the Reef 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.</p>
Director of National Parks
<p>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.</p>
<p>Contribution to Outcome 1 made by linked programs</p> <p>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.</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: 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.					
	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 1.1: Great Barrier Reef Marine Park Authority					
<u>Departmental expenses</u>					
Departmental appropriation	39,386	59,664	54,781	52,632	53,223
Section 74 external revenue ^(a)	11,567	7,916	2,996	2,996	2,996
<u>Special appropriations</u>					
Great Barrier Reef Marine Park Act 1975	-	8,180	11,000	11,000	11,000
<u>Special accounts</u>					
Great Barrier Reef Field Management Special Account	40,454	40,161	40,091	38,433	38,425
Expenses not requiring appropriation in the Budget year ^(b)	2,420	2,482	2,214	1,951	1,951
Total expenses for program 1.1	93,827	118,403	111,082	107,012	107,595
Outcome 1 totals by resource type					
<u>Departmental expenses</u>					
Departmental appropriation	39,386	59,664	54,781	52,632	53,223
Section 74 external revenue ^(a)	11,567	7,916	2,996	2,996	2,996
Special appropriations	-	8,180	11,000	11,000	11,000
Special accounts	40,454	40,161	40,091	38,433	38,425
Expenses not requiring appropriation in the Budget year ^(b)	2,420	2,482	2,214	1,951	1,951
Total expenses for Outcome 1	93,827	118,403	111,082	107,012	107,595
	2021–22	2022–23			
Average staffing level (number)	242	255			

(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 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 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

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.	
Key Activities	Program 1.1 will be delivered by: <ul style="list-style-type: none"> a) Enhancing Reef resilience by providing expert knowledge to advise key decision makers on managing, reducing or avoiding significant threats to the Reef. b) Enhancing Reef resilience through innovation, management and regulation of the Marine Park and our in-field presence. c) Enhancing Reef resilience through partnerships, collaboration and education. d) Supporting a high-performing organisation. 	
Year	Performance measures	Expected Performance Results
Current year 2021–22	The Reef is Protected: 1. 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: 2. Proportion of Policy and Planning Roadmap agreed actions for 2021–22 that are either 'on track' or 'completed'.	85 per cent.

Continued on following pages

2.1.3: Performance criteria for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results
Current year 2021–22 (continued)	Sustainable use of the Reef: 3. Proportion of Reef Joint Field Management Program Annual Business Plan targets achieved or with significant progress in 2021–22.	85 per cent.
	The Reef is Understood: 4. Priority knowledge gaps are identified and understood.	The Reef 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).
	The Reef is Understood: 5. 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.	The five-year Business Strategy – endorsed by partners – published on the Reef Authority’s website.
	The Reef is Understood: 6. Proportion of participants that ‘strongly agree’ or ‘agree’ that participating in initiatives delivered as part of the Reef Education and Engagement Implementation Plan 2020–2025: <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). 	Care and Learn – 80 per cent. Act – 75 per cent. Share and Steward – 60 per cent.

Continued on following page

2.1.3: Performance criteria for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results
Current year 2021–22 (continued)	<ul style="list-style-type: none"> 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). 	
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	1. As per 2021–22.	As per 2021–22.
	The Reef is Protected: 2. Proportion of Policy and Planning Roadmap agreed actions for 2022–23 that are either 'on track' or 'completed'.	85 per cent.
	Sustainable use of the Reef: 3. Proportion of Reef Joint Field Management Program annual business plan targets achieved or with significant progress 2022–23.	85 per cent.
	4. As per 2021–22.	As per 2021–22.
	The Reef is Understood: 5. Implementation of the 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.	Progress on the Reef 2050 Reporting Framework and its implementation, in accordance with the Reef 2050 Integrated Monitoring and Reporting Program's 2022–23 Annual Business Plan.
	6. As per 2021–22.	As per 2021–22.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for 2022–23, including the impact of 2022–23 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 2021–22 to 2022–23 are the result of the additional funding received in the 2021–22 Portfolio Additional Estimates Statements for the Centre of Excellence for Coral Reef Education at Reef HQ, and the Great Barrier Reef Package.

3.2 Budgeted financial statements tables

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
EXPENSES					
Employee benefits	29,555	35,778	35,430	35,472	36,184
Suppliers	32,822	51,390	44,685	40,836	40,707
Payments to Queensland Government for Field Management Program	27,636	27,323	27,323	27,323	27,323
Provision for Douglas Shoal	487	531	263	-	-
Depreciation and amortisation	3,294	3,347	3,347	3,347	3,347
Finance costs	33	34	34	34	34
Total expenses	93,827	118,403	111,082	107,012	107,595
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	146	2,814	2,814	2,814	2,814
Grants received from Government and Industry Partners	13,220	6,786	1,727	-	-
Receipts from Queensland Government for Field Management Program	19,227	19,227	19,227	19,227	19,227
Fees and fines	-	260	260	260	260
Total own-source revenue	32,593	29,087	24,028	22,301	22,301
Gains					
Other	54	54	54	54	54
Total gains	54	54	54	54	54
Total own-source income	32,647	29,141	24,082	22,355	22,355
Net cost of (contribution by) services	61,180	89,262	87,000	84,657	85,240
Revenue from Government	58,814	86,834	84,840	82,760	83,343
Total revenue from Government	58,814	86,834	84,840	82,760	83,343
Surplus/(deficit) attributable to the Australian Government	(2,366)	(2,428)	(2,160)	(1,897)	(1,897)
Total other comprehensive income	(2,366)	(2,428)	(2,160)	(1,897)	(1,897)
Total comprehensive income/(loss) attributable to the Australian Government	(2,366)	(2,428)	(2,160)	(1,897)	(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

	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
Total comprehensive income (loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriation, depreciation on ROU, principal repayments on leased assets	(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)	1,994	2,047	2,047	2,047	2,047
add principal repayments on leased assets ^(b)	1,415	1,450	1,450	1,450	1,450
Total comprehensive income (loss) – as per the statement of comprehensive income	(2,366)	(2,428)	(2,160)	(1,897)	(1,897)

(a) From 2010–11, the Government introduced net cash appropriation arrangements where Appropriation 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 Appropriation 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)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	31,252	17,292	3,907	3,907	3,907
Trade and other receivables	48,996	41,850	41,850	41,850	41,850
Total financial assets	80,248	59,142	45,757	45,757	45,757
Non-financial assets					
Land and buildings	24,995	66,438	72,304	73,210	74,118
Property, plant and equipment	1,832	1,635	1,311	1,112	927
Intangibles	1,499	1,322	1,172	1,022	872
Other non-financial assets	5,436	5,436	5,436	5,436	5,436
Total non-financial assets	33,762	74,831	80,223	80,780	81,353
Total assets	114,010	133,973	125,980	126,537	127,110
LIABILITIES					
Payables					
Suppliers	5,929	5,929	5,929	5,929	5,929
Permit bonds	1,384	1,384	1,384	1,384	1,384
Other payables	510	510	510	510	510
Total payables	7,823	7,823	7,823	7,823	7,823
Interest bearing liabilities					
Leases	3,428	3,474	3,520	3,566	3,612
Total interest bearing liabilities	3,428	3,474	3,520	3,566	3,612
Provisions					
Employee provisions	8,040	8,040	8,040	8,040	8,040
Other provisions	26,551	13,122	-	-	-
Total provisions	34,591	21,162	8,040	8,040	8,040
Total liabilities	45,842	32,459	19,383	19,429	19,475
Net assets	68,168	101,514	106,597	107,108	107,635
EQUITY*					
Parent entity interest					
Contributed equity	45,445	81,219	88,462	90,870	93,294
Reserves	2,263	2,263	2,263	2,263	2,263
Retained surplus (accumulated deficit)	20,460	18,032	15,872	13,975	12,078
Total parent entity interest	68,168	101,514	106,597	107,108	107,635
Total Equity	68,168	101,514	106,597	107,108	107,635

*'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 2022–23)**

	Retained earnings \$'000	Revaluation Asset Reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2022				
Balance carried forward from previous period	20,460	2,263	45,445	68,168
Adjusted opening balance	20,460	2,263	45,445	68,168
Comprehensive income				
Surplus (deficit) for the period	(2,428)	-	-	(2,428)
Total comprehensive income	(2,428)	-	-	(2,428)
Transactions with owners				
Contributions by owners				
Equity Injection – Appropriation	-	-	8,025	8,025
Departmental Capital Budget (DCB)	-	-	27,749	27,749
Sub-total transactions with owners	-	-	35,774	35,774
Estimated closing balance as at 30 June 2023	18,032	2,263	81,219	101,514
Closing balance attributable to the Australian Government	18,032	2,263	81,219	101,514

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	59,411	93,980	84,840	82,760	83,343
Receipts from Government and industry partners	13,220	6,786	1,727	-	-
Receipts from Queensland Government for Field Management Program	19,227	19,227	19,227	19,227	19,227
Sale of goods and rendering of services	146	3,074	3,074	3,074	3,074
Total cash received	92,004	123,067	108,868	105,061	105,644
Cash used					
Employees	29,555	35,778	35,430	35,472	36,184
Suppliers	33,095	65,296	58,016	40,782	40,653
Interest payment on lease liability	33	34	34	34	34
Payment to Queensland Government for Field Management Program	27,636	27,323	27,323	27,323	27,323
Total cash used	90,319	128,431	120,803	103,611	104,194
Net cash from (used by) operating activities	1,685	(5,364)	(11,935)	1,450	1,450
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	15,200	42,920	7,243	2,408	2,424
Total cash used	15,200	42,920	7,243	2,408	2,424
Net cash from (used by) investing activities	(15,200)	(42,920)	(7,243)	(2,408)	(2,424)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	14,882	35,774	7,243	2,408	2,424
Total cash received	14,882	35,774	7,243	2,408	2,424
Cash used					
Lease liability – principal payments	1,415	1,450	1,450	1,450	1,450
Total cash used	1,415	1,450	1,450	1,450	1,450
Net cash from (used by) financing activities	13,467	34,324	5,793	958	974
Net increase (decrease) in cash held	(48)	(13,960)	(13,385)	-	-
Cash and cash equivalents at the beginning of the reporting period	31,300	31,252	17,292	3,907	3,907
Cash and cash equivalents at the end of the reporting period	31,252	17,292	3,907	3,907	3,907

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget – Bill (No. 1) (DCB)	7,923	27,749	5,119	2,408	2,424
Equity injections – Bill (No. 2)	4,359	8,025	2,124	-	-
Total new capital appropriations	12,282	35,774	7,243	2,408	2,424
<i>Provided for:</i>					
Purchase of non-financial assets	12,282	35,774	7,243	2,408	2,424
Total items	12,282	35,774	7,243	2,408	2,424
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	4,359	8,025	2,124	-	-
Funded by capital appropriation – DCB ^(b)	7,923	27,749	5,119	2,408	2,424
Funded internally from departmental resources ^(c)	2,918	7,146	-	-	-
TOTAL	15,200	42,920	7,243	2,408	2,424
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	15,200	42,920	7,243	2,408	2,424
Total cash used to acquire assets	15,200	42,920	7,243	2,408	2,424

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

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

(c) Includes the following s74 external revenue:

- current Bill (No. 1) and prior year Act/Bill (No. 1/3/5) appropriations (excluding amounts from the DCBs);
- sponsorship, subsidy, gifts or similar contribution;
- 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 2022–23)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2022				
Gross book value	45,790	3,213	2,232	51,235
Gross book value – ROU ^(a)	6,880	817	-	7,697
Accumulated depreciation/amortisation and impairment	(23,166)	(1,726)	(733)	(25,625)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(4,509)	(472)	-	(4,981)
Opening net book balance	24,995	1,832	1,499	28,326
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase – appropriation equity ^(b)	7,514	388	123	8,025
By purchase – appropriation equity – ROU assets ^{(a)(b)}	1,371	125	-	1,496
By purchase – appropriation ordinary annual services ^(c)	27,749	-	-	27,749
By purchase – other ^(d)	7,146	-	-	7,146
Total additions	43,780	513	123	44,416
Other movements				
Depreciation/amortisation expense	(400)	(600)	(300)	(1,300)
Depreciation/amortisation expense – ROU ^(a)	(1,937)	(110)	-	(2,047)
Total other movements	(2,337)	(710)	(300)	(3,347)
As at 30 June 2023				
Gross book value	88,199	3,601	2,355	94,155
Gross book value – ROU ^(a)	8,251	942	-	9,193
Accumulated depreciation/amortisation and impairment	(23,566)	(2,326)	(1,033)	(26,925)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(6,446)	(582)	-	(7,028)
Closing net book balance	66,438	1,635	1,322	69,395

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

(b) 'By purchase – Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022–23, including Collection Development Acquisition Budgets.

(c) 'By purchase – Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2022–23 for depreciation/amortisation expenses, Departmental Capital Budget or other operational expenses.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Own-source revenue					
Non-taxation revenue					
Environmental management charge	-	-	11,000	11,000	11,000
Infringement notices	80	80	80	80	80
Rental income	375	381	387	393	399
Total non-taxation revenue	455	461	11,467	11,473	11,479
Total own-source revenue administered on behalf of Government	455	461	11,467	11,473	11,479
Net (cost of)/ contribution by services	(455)	(461)	(11,467)	(11,473)	(11,479)
Surplus/ (Deficit)	455	461	11,467	11,473	11,479
Total comprehensive income (loss) attributable to the Australian Government	455	461	11,467	11,473	11,479

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
ASSETS					
Financial assets					
Trade and other receivables	622	622	622	622	622
Total financial assets	622	622	622	622	622
Non-financial assets					
Land and buildings	3,843	3,843	3,843	3,843	3,843
Total non-financial assets	3,843	3,843	3,843	3,843	3,843
Total assets administered on behalf of Government	4,465	4,465	4,465	4,465	4,465
LIABILITIES					
Payables					
Suppliers payable	622	622	622	622	622
Total payables	622	622	622	622	622
Total liabilities administered on behalf of Government	622	622	622	622	622
Net assets/(liabilities)	3,843	3,843	3,843	3,843	3,843

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Environmental management charge	-	-	11,000	11,000	11,000
Infringement notices	80	80	80	80	80
Rental income	375	381	387	393	399
Total cash received	455	461	11,467	11,473	11,479
Net cash from (used by) operating activities	455	461	11,467	11,473	11,479
Net increase (decrease) in cash held	455	461	11,467	11,473	11,479
Cash to Official Public Account for:					
– Special Appropriations	-	-	11,000	11,000	11,000
– Other	455	461	467	473	479
Cash from Official Public Account for:	455	461	11,467	11,473	11,479
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.10: Statement of asset movements (Budget year 2022–23)

	Land \$'000	Buildings \$'000	Total \$'000
As at 1 July 2022			
Gross book value	3,000	843	3,843
Opening net book balance	3,000	843	3,843
As at 30 June 2023			
Gross book value	3,000	843	3,843
Closing net book balance	3,000	843	3,843

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) is an independent government agency which, in partnership with Murray-Darling Basin (Basin) governments, manages the Basin's water resources in the national interest. The MDBA's top priority is the wellbeing and resilience of the Basin's river system, its people and places. 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.

Our purpose

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

Our objectives

During 2022–23, the MDBA has two key activities:

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

Areas of focus include:

- Assessing water resource plans for consistency with the Basin Plan for accreditation including enabling amendments to accredited water resource plans;
- Completing the sustainable diversion limits accounts and actions arising;
- Developing annual watering priorities;
- Developing the roadmap for the 2026 Basin Plan and undertaking effectiveness and impact assessments of the Basin Plan;
- Conducting quality research to inform Basin water resource management;
- Implementing asset management strategies and oversee asset management activities;

- Managing and delivering Basin government water shares in accordance with the Murray-Darling Basin Agreement (Agreement);
- Maintaining and improving the health of the River Murray system (and the Basin where relevant) in accordance with the Agreement and associated agreements; and
- Commencing the four-year program to integrate Murray-Darling Basin River modelling.

Murray-Darling Basin Agreement functions

In addition to its functions under the *Water Act 2007* (the Act), the MDBA has functions under the Agreement, which forms Schedule 1 to the Act. These functions 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.

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 2022–23 as at Budget March 2022

	2021–22 <i>Estimated actual</i> \$'000	2022–23 Estimate \$'000
Opening balance/cash reserves at 1 July	154,063	152,579
Funds from Government		
Annual appropriations – ordinary annual services^(a)		
Outcome 1	80,770	49,604
Annual appropriations – other services – non-operating^(a)		
Equity injection	12,189	11,616
Total annual appropriations	92,959	61,220
Amounts received from related entities		
Amounts from portfolio department ^(b)	13,641	17,339
Total amounts received from related entities	13,641	17,339
Total funds from Government	106,600	78,559
Funds from other sources		
Royalties	1,200	1,200
Sale of goods and services	238	238
Grant	90,133	106,485
Other	14,881	10,850
Total funds from other sources	106,452	118,773
Total net resourcing for MDBA	367,115	349,911
	2021–22	2022–23
Average staffing level (number)	253	253

Continued on following page

Table 1.1: Murray-Darling Basin Authority – Resource Statement – Budget Estimates for 2022–23 as at Budget March 2022 (continued)

- (a) Appropriation Bill (No. 1) and Bill (No. 2) 2022–23. 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 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 Commonwealth entity (CCE) (for example, a grant awarded to a CCE 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 2022–23* and are summarised below.

Table 1.2: Murray-Darling Basin Authority – 2022–23 Budget measures – Measures announced since the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO)

Murray-Darling Basin Authority does not have any 2022–23 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.

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:
[Murray-Darling Basin Authority annual reports](#) | [Murray-Darling Basin Authority \(mdba.gov.au\)](#).

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
Program 1.3: Commonwealth Environmental Water Program 5.1: Water Reform
Contribution to Outcome 1 made by linked programs: The 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. 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.
Bureau of Meteorology
Program 1.1: Bureau of Meteorology
Contribution to Outcome 1 made by linked program: The Bureau of Meteorology provides weather, climate and water modelling, insight, data and analysis to the MDBA.

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.					
	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 1.1: Murray–Darling Basin Authority					
Revenue from Government					
Ordinary annual services					
(Appropriation Bill (No. 1)) ^(a)	80,770	49,604	44,813	40,383	37,704
Payment from related entities	13,641	17,339	18,261	15,764	13,799
Revenues from other independent sources ^(b)	106,537	164,700	143,229	101,470	106,800
Total expenses for program 1.1	200,948	231,643	206,303	157,617	158,303
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services					
(Appropriation Bill (No. 1)) ^(a)	80,770	49,604	44,813	40,383	37,704
Payment from related entities	13,641	17,339	18,261	15,764	13,799
Revenues from other independent sources ^(b)	106,537	164,700	143,229	101,470	106,800
Total expenses for Outcome 1	200,948	231,643	206,303	157,617	158,303
	2021–22	2022–23			
Average staffing level (number)	253	253			

(a) Appropriation Bill (No. 1) 2022–23. The MDBA is a CCE under the *Public Governance, Performance and Accountability Act 2013* (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 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

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.	
Key Activities	Successful implementation of the Basin Plan and operation of the River Murray System.	
Year	Performance measures	Expected Performance Results
Current year 2021–22	Drive the successful implementation of the Basin Plan.	<p>The MDBA is on track to meet its performance measures for 2021–22.</p> <p>The measures and evidence of progress against this measure will be described in the Authority's Annual Performance Statement 2021–22 in line with the evidence targets described in the 2021–22 Corporate Plan.</p>
	Efficiently and effectively operate the River Murray System for partner governments.	<p>The MDBA is on track to meet its performance measures for 2021–22.</p> <p>The measures and evidence of progress against this measure will be described in the Authority's Annual Performance Statement 2021–22 in line with the evidence targets described in the 2021–22 Corporate Plan.</p>

Continued on following page

2.1.3: Performance criteria for Outcome 1 (continued)

Year	Performance measures	Planned Performance Results
Budget Year 2022–23	As per 2021–22.	The measures and evidence of progress against this measure will be described in the Authority's Annual Performance Statement 2022–23 in line with the evidence targets described in the 2022–23 Corporate Plan.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for 2022–23, including the impact of 2022–23 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 DAWE for Basin Plan functions and the South Australian Riverland Floodplain Integrated Infrastructure Project (SARFIIP) (refer below);
- Australian Government contribution to the 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 2022–23, and forward years represent amounts as per the 2021–22 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 2022–23 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, SARFIIP, Hydrometric Networks and Remote Sensing Program, Water and Environment Research Program for which funds have been retained in the Murray-Darling Basin special account.

3.2 Budgeted financial statements tables

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
EXPENSES					
Employee benefits	37,627	38,565	39,526	40,511	41,521
Suppliers	118,711	177,729	151,477	101,977	102,176
Grants ^(a)	39,691	10,572	10,572	10,572	10,572
Depreciation and amortisation	4,633	4,541	4,541	4,417	3,934
Finance cost	286	236	187	140	100
Total expenses	200,948	231,643	206,303	157,617	158,303
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	238	238	238	238	238
Grants ^(b)	103,774	123,824	123,061	113,383	116,355
Royalties	1,200	1,200	1,200	1,200	1,200
Other	14,881	10,850	6,257	2,328	2,721
Total own-source revenue	120,093	136,112	130,756	117,149	120,514
Total own-source income	120,093	136,112	130,756	117,149	120,514
Gains					
Other	85	85	85	85	85
Total gains	85	85	85	85	85
Net cost of (contribution by) services	80,770	95,446	75,462	40,383	37,704
Revenue from Government	80,770	49,604	44,813	40,383	37,704
Total revenue from Government	80,770	49,604	44,813	40,383	37,704
Surplus/(deficit) attributable to the Australian Government^(c)	-	(45,842)	(30,649)	-	-
Total comprehensive income/(loss) attributable to the Australian Government^(c)	-	(45,842)	(30,649)	-	-

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**

	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	-	(45,842)	(30,649)	-	-
less depreciation/amortisation expenses for ROU ^(d)	2,604	2,234	2,159	2,095	2,117
add principal repayments on leased assets ^(d)	2,604	2,234	2,159	2,095	2,117
Total comprehensive income/(loss) – as per the Statement of comprehensive income	-	(45,842)	(30,649)	-	-

- (a) The amount includes payment to South Australia under the SARFIIP. This program was due to be completed in 2019–20. However, the SARFIIP was extended by two years in the 2020–21 Budget, with additional funding of \$37.600 million (\$7.630 million in 2020–21 and \$29.970 million in 2021–22). Other payments relate to grants paid to other jurisdictions, non-profit organisations and the private sector.
- (b) 2022–23 and the forward years represent amounts as per 2021–22 Joint Program work plan approved by the Ministerial Council.
- (c) The MDBA's operating loss is an outcome of a technical accounting treatment related to the revenue recognition. The accounting treatment results in an operating surplus in the year revenue is received but not spent, and an operating loss in the subsequent years when funds are spent.
- (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)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	152,579	104,825	72,283	70,283	70,283
Trade and other receivables	4,842	4,842	4,842	4,842	4,842
Total financial assets	157,421	109,667	77,125	75,125	75,125
Non-financial assets					
Land and buildings	15,585	13,359	10,564	8,469	6,352
Property, plant and equipment	2,407	2,399	3,606	3,606	3,606
Intangibles	14,223	27,783	35,263	38,710	39,978
Other non-financial assets	2,314	2,314	2,314	2,314	2,314
Total non-financial assets	34,529	45,855	51,747	53,099	52,250
Total assets	191,950	155,522	128,872	128,224	127,375
LIABILITIES					
Payables					
Employee	959	959	959	959	959
Suppliers	18,228	18,228	18,228	18,228	18,228
Other payables	553	553	553	553	553
Total payables	19,740	19,740	19,740	19,740	19,740
Interest bearing liabilities					
Leases	11,205	8,971	6,812	4,717	2,600
Total interest bearing-liabilities	11,205	8,971	6,812	4,717	2,600
Provisions					
Employee provisions	12,120	12,120	12,120	12,120	12,120
Other provisions	1,095	1,127	1,159	1,159	1,159
Total provisions	13,215	13,247	13,279	13,279	13,279
Total liabilities	44,160	41,958	39,831	37,736	35,619
Net assets	147,790	113,564	89,041	90,488	91,756
EQUITY*					
Parent entity interest					
Contributed equity	10,337	21,953	28,079	29,526	30,794
Reserves	2	2	2	2	2
Retained surplus (accumulated deficit)	137,451	91,609	60,960	60,960	60,960
Total parent entity interest	147,790	113,564	89,041	90,488	91,756
Total Equity	147,790	113,564	89,041	90,488	91,756

*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 2022–23)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contribution equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2022				
Balance carried forward from previous period	137,451	2	10,337	147,790
Adjusted opening balance	137,451	2	10,337	147,790
Comprehensive income				
Surplus (deficit) for the period	(45,842)	-	-	(45,842)
Total comprehensive income	(45,842)	-	-	(45,842)
of which:				
Attributable to the Australian Government	(45,842)	-	-	(45,842)
Transactions with owners				
Contributions by owners				
Equity injection – Appropriation	-	-	11,616	11,616
Sub-total transactions with owners	-	-	11,616	11,616
Estimated closing balance as at 30 June 2023	91,609	2	21,953	113,564
Closing balance attributable to the Australian Government	91,609	2	21,953	113,564

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Revenue from Government	80,770	49,604	44,813	40,383	37,704
Sale of goods and rendering of services	238	238	238	238	238
Grants cash received	103,774	123,824	123,061	113,383	116,355
Interest	200	200	200	200	200
Net GST received	12,836	18,819	16,390	11,245	11,265
Other	15,881	11,850	7,257	3,328	3,721
Total cash received	213,699	204,535	191,959	168,777	169,483
Cash used					
Employees	37,627	38,565	39,526	40,511	41,521
Suppliers	130,526	195,406	166,725	112,080	112,299
Grants	40,663	11,629	11,629	11,629	11,629
Interest payments on lease liability	254	204	155	108	100
Total cash used	209,070	245,804	218,035	164,328	165,549
Net cash from (used by) operating activities	4,629	(41,269)	(26,076)	4,449	3,934
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	15,698	15,867	10,433	5,801	3,085
Total cash used	15,698	15,867	10,433	5,801	3,085
Net cash from (used by) investing activities	(15,698)	(15,867)	(10,433)	(5,801)	(3,085)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	12,189	11,616	6,126	1,447	1,268
Total cash received	12,189	11,616	6,126	1,447	1,268
Cash used					
Principal payments on lease liability	2,604	2,234	2,159	2,095	2,117
Total cash used	2,604	2,234	2,159	2,095	2,117
Net cash from (used by) financing activities	9,585	9,382	3,967	(648)	(849)
Net increase (decrease) in cash held	(1,484)	(47,754)	(32,542)	(2,000)	-
Cash and cash equivalents at the beginning of the reporting period	154,063	152,579	104,825	72,283	70,283
Cash and cash equivalents at the end of the reporting period	152,579	104,825	72,283	70,283	70,283

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections – transferred by portfolio department	12,189	11,616	6,126	1,447	1,268
Total new capital appropriations	12,189	11,616	6,126	1,447	1,268
<i>Provided for:</i>					
Purchase of non-financial assets	12,189	11,616	6,126	1,447	1,268
Total items	12,189	11,616	6,126	1,447	1,268
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	13,862	13,660	7,789	3,447	1,268
Funded internally from departmental resources ^(b)	1,836	2,207	2,644	2,354	1,817
TOTAL	15,698	15,867	10,433	5,801	3,085
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	15,698	15,867	10,433	5,801	3,085
Total cash used to acquire assets	15,698	15,867	10,433	5,801	3,085

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

(b) Includes the following s74 external revenue:

- 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 2022–23)

	Land and Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022				
Gross book value	6,108	3,154	22,195	31,457
Gross book value – ROU ^(a)	18,572	374	-	18,946
Accumulated depreciation/amortisation and impairment	(1,332)	(730)	(7,972)	(10,034)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(7,763)	(391)	-	(8,154)
Opening net book balance	15,585	2,407	14,223	32,215
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase – appropriation equity ^(b)	1,297	710	13,860	15,867
Total additions	1,297	710	13,860	15,867
Other movements				
Depreciation/amortisation expense	(1,297)	(710)	(300)	(2,307)
Depreciation/amortisation expense – ROU ^(a)	(2,226)	(8)	-	(2,234)
Total other movements	(3,523)	(718)	(300)	(4,541)
As at 30 June 2023				
Gross book value	7,405	3,864	36,055	47,324
Gross book value – ROU ^(a)	18,572	374	-	18,946
Accumulated depreciation/amortisation and impairment	(2,629)	(1,440)	(8,272)	(12,341)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(9,989)	(399)	-	(10,388)
Closing net book balance	13,359	2,399	27,783	43,541

(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) 2022–23, 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.

Regional Investment Corporation

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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 and Northern Australia 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 \$266 million in loan funding available for the RIC in 2022–23. 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 2022–23 as at Budget March 2022

	2021–22 <i>Estimated actual</i> \$'000	2022–23 Estimate \$'000
Opening balance/cash reserves at 1 July	20,143	14,060
Funds from Government		
Annual appropriations – ordinary annual services^(a)		
Outcome 1	26,317	22,965
Annual appropriations – other services – non-operating^(a)		
Equity injection	337	-
Total annual appropriation	26,654	22,965
Total funds from Government	26,654	22,965
Total net resourcing for RIC	46,797	37,025
Average staffing level (number)	2021–22 62	2022–23 57

(a) Appropriation Bill (No. 1) and Bill (No. 2) 2022–23. 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 RIC and is considered departmental for all purposes.

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 2022–23* and are summarised below.

Table 1.2: Regional Investment Corporation – 2022–23 Budget measures – Measures announced since the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO)

Regional Investment Corporation does not have any 2022–23 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 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 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.

2.1.1: Linked programs

Department of Agriculture, Water and the Environment
<ul style="list-style-type: none">• Program 3.3: Forestry Industry• Program 3.11: Drought Programs
<p>Contribution to Outcome 1 made by linked program:</p> <p>The RIC works together with DAWE to ensure more sustainable, productive, internationally competitive and profitable Australian agricultural and forestry industries.</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 2.2: 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.					
	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 1.1: Regional Investment Corporation					
Revenue from Government					
Ordinary annual services (Appropriation Bill (No. 1)) ^(a)	32,360	27,408	22,307	22,481	23,219
Total expenses for program 1.1	32,360	27,408	22,307	22,481	23,219
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill (No. 1)) ^(a)	32,360	27,408	22,307	22,481	23,219
Total expenses for Outcome 1	32,360	27,408	22,307	22,481	23,219
	2021–22	2022–23			
Average staffing level (number)	62	57			

(a) Appropriation Bill (No. 1) 2022–23. The RIC is a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and does not receive direct appropriations. Appropriation is provided through DAWF and is specified with the Annual Appropriation Bills as payment to the RIC 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 Australian Accounting Standards basis.

2.1.3: Performance criteria for Outcome 1

Table 2.1.3 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

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, farm-related small business loans and plantation development loans.</p> <p>The RIC’s farm business loans and farm related small business loans provide low-cost finance to 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 RIC’s also provides plantation development concessional loans to support new plantation developments and the replanting of bushfire-damaged plantations.</p>	
Key Activities	<p>The RIC will:</p> <ul style="list-style-type: none"> a) Deliver our loans in accordance with appropriation and timelines. b) Manage the risk and assurance in the loan portfolio. c) Implement a transformation program. d) Increase customer and stakeholder satisfaction and better manage expectations. e) Utilise data and insights inform future policy relating to concessional loan funding. 	
Year	Performance measures	Expected Performance Results
Current year 2021–22	1. Support is provided within funding appropriation limits.	Achieved.
	2. Plantation Development Loan is implemented.	Achieved.
	3. 90 per cent of loan decisions are consistent with the loan appetite.	Achieved.

Continued on following pages

2.1.3: Performance criteria for Outcome 1

Year	Performance measures	Expected Performance Results
Current year 2021–22 (continued)	4. Financial risk management program is implemented.	Achieved.
	5. 80 per cent farm business loans are processed within 65 RIC handling days.	Achieved.
	6. Loan application management system is implemented.	Achieved.
	7. Data capture and reporting arrangements are improved.	Achieved.
	8. Information Governance and Records Management system is implemented.	Achieved.
	9. Enterprise Resource Planning system is implemented.	Achieved.
	10. Operating results are within approved budgets.	Achieved.
	11. Increase in satisfaction rates and Net Promoter Score (NPS).	Survey underway, results not yet available.
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	1. Risk is managed within acceptable tolerances.	Ongoing portfolio management framework is finalised and operational. Ensure 90 per cent of loan decisions are consistent with the risk appetite.
	2. Implement future operating model.	Future operating model implemented and functional.
	3. Workforce capability aligned to RIC operating model.	Workforce plan implemented and embedded.
	4. Number and value of farm business loans provided.	Support provided within funding appropriation limits.
	5. Improved stakeholder satisfaction.	Increase in satisfaction rates.
	6. Deliver services within approved funding (efficiency).	Operate within approved operating budget.

Continued on following pages

2.1.3: Performance criteria for Outcome 1 (continued)

Year	Performance measures	Planned Performance Results
Budget Year 2022–23 (continued)	7. Improved customer satisfaction and awareness.	Increase in satisfaction rates.
	8. Loan processing timeframe.	80 per cent farm business loans processed in 65 RIC-handling days.
	9. Responsive and efficient delivery of new programs.	New programs delivered on time and within funding appropriation limits.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

Section 3: Budgeted financial statements

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

3.1 Budgeted financial statements**3.1.1: Explanatory notes and analysis of budgeted financial statements**

In 2022–23, the RIC will continue to support the provision of loans to eligible farm businesses, farm-related small businesses and loans for eligible forestry businesses.

The RIC is budgeting for an approved \$4.5 million operating loss in 2022–23 with expenses (including employee and supplier expenses) budgeted at \$27.4 million representing expenditure funded from appropriations received in prior years. The RIC has sufficient cash reserves to fund the operating loss without impacting on the financial viability of the RIC in the future.

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)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
EXPENSES					
Employee benefits	7,446	7,276	7,214	7,520	-
Suppliers	24,770	19,988	15,093	14,961	23,219
Depreciation and amortisation	134	134	-	-	-
Finance costs	10	10	-	-	-
Total expenses	32,360	27,408	22,307	22,481	23,219
LESS:					
Net cost of (contribution by) services	32,360	27,408	22,307	22,481	23,219
Revenue from Government	26,317	22,965	22,307	22,481	23,219
Total revenue from Government	26,317	22,965	22,307	22,481	23,219
Surplus/(deficit) attributable to the Australian Government	(6,043)	(4,443)	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	(6,043)	(4,443)	-	-	-
Note: Impact of net cash appropriation arrangements					
	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	(6,100)	(4,500)	-	-	-
less depreciation/amortisation expenses for ROU ^(a)	134	134	-	-	-
add principal repayments on leased assets ^(a)	191	191	-	-	-
Total comprehensive income/(loss) – as per the Statement of comprehensive income	(6,043)	(4,443)	-	-	-

(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)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	14,060	9,574	9,574	9,574	9,574
Total financial assets	14,060	9,574	9,574	9,574	9,574
Non-financial assets					
Buildings	587	644	644	644	644
Property, plant and equipment	245	245	245	245	583
Intangibles	337	337	337	337	337
Other	141	141	141	141	141
Total non-financial assets	1,310	1,367	1,367	1,367	1,705
Total assets	15,370	10,941	10,941	10,941	11,279
LIABILITIES					
Payables					
Suppliers	2,542	2,545	2,545	2,545	2,545
Other payables	271	282	282	282	282
Other tax payable	1	1	1	1	1
Total payables	2,814	2,828	2,828	2,828	2,828
Interest bearing liabilities					
Leases	435	435	435	435	435
Total interest bearing liabilities	435	435	435	435	435
Provisions					
Employee provisions	916	916	916	916	916
Total provisions	916	916	916	916	916
Total liabilities	4,165	4,179	4,179	4,179	4,179
Net assets	11,205	6,762	6,762	6,762	7,100
EQUITY*					
Parent entity interest					
Contributed equity	337	337	337	337	675
Retained surplus (accumulated deficit)	10,868	6,425	6,425	6,425	6,425
Total parent entity interest	11,205	6,762	6,762	6,762	7,100
Total Equity	11,205	6,762	6,762	6,762	7,100

*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 2022–23)**

	Retained earnings \$'000	Contribution equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2022			
Balance carried forward from previous period	10,868	337	11,205
Adjusted opening balance	10,868	337	11,205
Comprehensive income			
Surplus (deficit) for the period	(4,443)	-	(4,443)
Total comprehensive income	(4,443)	-	(4,443)
Estimated closing balance as at 30 June 2023	6,425	337	6,762
Closing balance attributable to the Australian Government	6,425	337	6,762

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Revenue from Government	26,317	22,965	22,307	22,481	23,219
Total cash received	26,317	22,965	22,307	22,481	23,219
Cash used					
Employees	7,436	7,265	7,214	7,520	-
Suppliers	24,763	19,985	15,093	14,961	23,219
Interest payments on lease liability	10	10	-	-	-
Total cash used	32,209	27,260	22,307	22,481	23,219
Net cash from (used by) operating activities	(5,892)	(4,295)	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of non-financial assets	337	-	-	-	338
Total cash used	337	-	-	-	338
Net cash from (used by) investing activities	(337)	-	-	-	(338)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	337	-	-	-	338
Total cash received	337	-	-	-	338
Cash used					
Lease liability – principal payments	191	191	-	-	-
Total cash used	191	191	-	-	-
Net cash from (used by) financing activities	146	(191)	-	-	338
Net increase (decrease) in cash held	(6,083)	(4,486)	-	-	-
Cash and cash equivalents at the beginning of the reporting period	20,143	14,060	9,574	9,574	9,574
Cash and cash equivalents at the end of the reporting period	14,060	9,574	9,574	9,574	9,574

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections – transferred by portfolio department	337	-	-	-	338
Total new capital appropriations	337	-	-	-	338
<i>Provided for:</i>					
Purchase of non-financial assets	337	-	-	-	338
Total items	337	-	-	-	338
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	337	-	-	-	338
TOTAL	337	-	-	-	338
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	337	-	-	-	338
Total cash used to acquire assets	337	-	-	-	338

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

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 2022–23)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2022				
Gross book value	-	495	337	832
Gross book value – ROU ^(a)	1,023	-	-	1,023
Accumulated depreciation/amortisation and impairment	-	(250)	-	(250)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(436)	-	-	(436)
Opening net book balance	587	245	337	1,169
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase – appropriation equity – ROU ^(a)	191	-	-	191
Total additions	191	-	-	191
Other movements				
Depreciation/amortisation expense – ROU ^(a)	(134)	-	-	(134)
Total other movements	(134)	-	-	(134)
As at 30 June 2023				
Gross book value	-	495	337	832
Gross book value – ROU ^(a)	1,214	-	-	1,214
Accumulated depreciation/amortisation and impairment	-	(250)	-	(250)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(570)	-	-	(570)
Closing net book balance	644	245	337	1,226

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

(b) 'By purchase – appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022–23 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 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 the 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 responsible for the management of sites of nationally significant cultural, natural, industrial and heritage value. The Trust actively researches and makes accessible knowledge of sites' multi-layered history and stories, including their importance to First Nations communities. Through remediation and use, both the sites and their buildings are enlivened through the creation of communities which encourage a sense of place and belonging.

To achieve this – and other beneficial outcomes for the public – the Trust develops relationships and collaborations with community organisations, partners, funders, and supporters. Fostering such long-term relationships requires the Trust to be responsive, transparent and consistent in its discussions with stakeholders. These relationships and collaborations are important, as the Trust raises all the revenue required to sustain its activities in operating the network of sites.

In mid-2020 the Minister for the Environment, the Hon. Sussan Ley MP, released the Final Report of the Independent Review of the Sydney Harbour Federation Trust (the Independent Review). Since its release, the Trust has made substantial progress in implementing the Independent Review's 21 recommendations.

In looking at the past year, of particular note, the Trust worked closely with the Department of Agriculture, Water and the Environment (DAWE) to support the development of amendments to the Trust's legislation, which received Royal Assent in June 2021. Significant within the amendments is the repeal of provisions which previously mandated an end-date for the Trust, with the Trust now an ongoing entity.

This shift in status fundamentally alters the strategic direction of the Trust, necessitating a shift in operational focus from that of a temporary entity originally envisaged as primarily a planning and rehabilitation agency, to one entrusted with the ongoing responsibility of perpetual custodianship of its sites. Along with this shift, the Trust will be required to adapt its processes and improve the way in which it conducts its work. Over the coming year, the way in which the Trust engages and interacts with the

community will be reset, recognising, and celebrating the important role stakeholders play in the ultimate success of the Trust.

Throughout the COVID-19 pandemic the Trust's sites, buildings and parklands have played an important role in providing much needed green space and areas of respite. The coming year will see this vital role further enhanced, with major programs of work progressing to improve access to and the amenity of sites. Building on the invaluable consultation outcomes received from the Draft Concepts produced for Cockatoo Island and North Head Sanctuary, 2022–23 will see the Trust progress the development of Master Plans for both sites. This work will seek to produce future visions for both sites that unleash their significant unrealised potential. The community's passion for these beloved sites and their stories will once again be vital input to this work, as progress is made towards their renewal for the benefit of current and future generations.

Further progress on other projects announced in prior budgets will continue to be a focus throughout 2022–23. Preservation works to buildings at 10 Terminal (Middle Head) will commence, as well as the development of a broader Draft Concept Design for Middle Head.

Having received approval in 2021, construction works on the Torpedo Factory Renewal Project at Sub Base Platypus will commence in 2022. This next stage of renewal will deliver a new foreshore park, heritage interpretation, public access improvements and a welcoming entry to the site.

The Repairs and Maintenance program will also see significant progress over the coming year, with a comprehensive Asset & Infrastructure Condition Audit across all Trust properties being undertaken, along with an update of the Strategic Asset Management Plan (SAMP), and the development of a 10-year capital replacement plan. Work will also continue on the backlog of maintenance projects across sites, allowing for the repair of heritage infrastructure and to address public safety improvements.

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 2022–23 as at Budget March 2022

	2021–22 <i>Estimated actual</i> \$'000	2022–23 Estimate \$'000
Opening balance/cash reserves at 1 July	51,694	16,172
Funds from Government		
Annual appropriations – ordinary annual services ^(a)		
Outcome 1	2,465	1,048
Annual appropriations – other services – non-operating ^(a)		
Equity injection	2,310	5,666
Total annual appropriations	2,310	5,666
Total funds from Government	4,775	6,714
Funds from other sources		
Interest	137	91
Sale of goods and services ^(b)	15,136	16,869
Other	216	222
Total funds from other sources	15,489	17,182
Total net resourcing for the Trust	71,958	40,068
	2021–22	2022–23
Average staffing level (number)	60	63

(a) Appropriation Bill (No. 1) and Bill (No. 2) 2022–23. 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 Trust and is 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 Trust are detailed in *Budget Paper No. 2: Budget Measures 2022–23* and are summarised below.

Table 1.2: Sydney Harbour Federation Trust – 2022–23 Budget measures – Measures announced since the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO)

The Trust does not have any 2022–23 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 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: DAWE and the Trust collaborate through engagement on policy direction and site management to conserve and enhance the natural and cultural heritage of 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.					
	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 1.1: Sydney Harbour Federation Trust					
<u>Revenue from Government</u>					
Ordinary annual services (Appropriation Bill (No. 1)) ^(a)	2,465	1,048	540	-	-
Revenues from other independent sources	32,392	28,701	21,435	22,041	22,411
Total expenses for program 1.1	34,857	29,749	21,975	22,041	22,411
Outcome 1 totals by resource type					
<u>Revenue from Government</u>					
Ordinary annual services (Appropriation Bill (No. 1)) ^(a)	2,465	1,048	540	-	-
Revenues from other independent sources	32,392	28,701	21,435	22,041	22,411
Total expenses for program 1.1	34,857	29,749	21,975	22,041	22,411
	2021–22	2022–23			
Average staffing level (number)	60	63			

(a) Appropriation Bill (No. 1) 2022–23. The Trust is a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013* (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 Trust 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 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

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.	
Key Activities	<ul style="list-style-type: none"> • Steward Our Parklands: to care for, conserve, and enhance our parklands and built assets, applying the principles of ecological sustainable development. • 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. • 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. 	
Year	Performance measures	Expected Performance Results
Current year 2021–22	1. Steward Our Parklands	
	• Percentage of our land open to the public.	Target: 90 per cent – On Track.
	• Percentage of our built assets (with the potential to be in active use), in active use.	Target: 77 per cent – On Track.
	• Visitor satisfaction with the public domain.	Target: >90 per cent – Behind Target.
	2. Welcome Everyone	
	• Number of visits.	Target: 1.8 million visits – On Track.
	• Visitor satisfaction.	Target: >90 per cent – Behind Target.

2.1.3: Performance criteria for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results
Current year 2021–22 (continued)	3. Build Partnerships	
	<ul style="list-style-type: none"> Number of volunteer hours. Number of significant, multi-year community, cultural, environmental and heritage partners. 	<p>Target: 20,000 hours – Behind Target.</p> <p>Target: 10 – On Track.</p>
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	1. Steward Our Parklands	
	<ul style="list-style-type: none"> Percentage of our land open to the public. Percentage of our built assets (with the potential to be in active use), in active use. Visitor satisfaction with the public domain. 	<p>Target: 90 per cent.</p> <p>Target: 77 per cent.</p> <p>Target: >90 per cent.</p>
	2. Welcome Everyone	
	<ul style="list-style-type: none"> Number of visits. Visitor satisfaction. 	<p>Target: 1.8 million visits.</p> <p>Target: >90 per cent.</p>
	3. Build Partnerships	
	<ul style="list-style-type: none"> Number of volunteer hours. Number of significant, multi-year community, cultural, environmental and heritage partners. 	<p>Target: 16,500 hours.</p> <p>Target: 10.</p>

Continue on following page

2.1.3: Performance criteria for Outcome 1 (continued)

Year	Performance measures	Planned Performance Results
Forward Estimates 2023–26	1. Steward Our Parklands	
	As per 2022–23.	As per 2022–23, except: Percentage of our built assets (with the potential to be in active use), in active use: <ul style="list-style-type: none">2023–24 onwards: 79 per cent.
	2. Welcome Everyone	
	As per 2022–23.	As per 2022–23.
	3. Build Partnerships	
	As per 2022–23.	As per 2022–23, except: Number of volunteer hours: <ul style="list-style-type: none">2023–24: 20,000 hours.2024–25: 22,500 hours.2025–26: 25,000 hours.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for 2022–23, including the impact of 2022–23 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 \$11.5 million in 2022–23. \$6.4 million of this deficit relates to the timing impact of operational funding received through appropriations in prior financial years being expended in 2022–23. Whilst the major impacts of COVID-19 appear to have passed, there remain consequential effects on rental returns, vacancy rates, major events, and accommodation – these residual COVID-19 impacts have been budgeted in 2022–23.

The Trust is continuing to work through a detailed reform program to deliver on the Independent Review recommendations and restructure the business. That work is due to be fully implemented in 2022–23 with a focus on returning the Trust to a break-even or operating surplus position. Increased revenue is forecast as more property assets come online in the outer years, major events return, and domestic and international tourism returns to pre-pandemic levels.

With Australian Government support and investment, the Trust is pursuing capital projects that will enhance public amenity and its lease stock of heritage buildings and has progressed master planning for the revitalisation of Cockatoo Island and North Head. Once completed, these measures will bring on new revenue streams and move the Trust towards self-sufficiency.

Overall expenditure forecast for the 2022–23 financial year is \$29.7 million, including \$7.4 million for the acquittal of the departmental grant funding to fund backlog repairs and maintenance. Excluding the grant acquittal, underlying budgeted expenditure is \$22.3 million in 2022–23 with an anticipated reduction in costs in 2023–24 as the program for delivery of the Independent Review recommendations concludes and major projects are delivered in 2022–23. Small cost increases over the subsequent years 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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
EXPENSES					
Employee benefits	8,026	8,350	8,375	8,445	8,502
Suppliers	23,217	17,786	9,984	9,955	10,196
Depreciation and amortisation	3,591	3,591	3,594	3,619	3,691
Finance costs	4	3	3	3	3
Write down and impairment of assets	19	19	19	19	19
Total expenses	34,857	29,749	21,975	22,041	22,411
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sales of goods and rendering of services	15,493	16,888	21,055	21,705	22,089
Fees and fines	200	206	239	269	286
Grant revenue	16	16	16	16	16
Interest	137	91	141	71	42
Total own-source revenue	15,846	17,201	21,451	22,061	22,433
Total own-source income	15,846	17,201	21,451	22,061	22,433
Net cost of (contribution by) services	19,011	12,548	524	(20)	(22)
Revenue from Government	2,465	1,048	540	-	-
Total revenue from Government	2,465	1,048	540	-	-
Surplus/(deficit) attributable to the Australian Government	(16,546)	(11,500)	16	20	22
Total comprehensive income/(loss) attributable to the Australian Government	(16,546)	(11,500)	16	20	22
Note: Impact of net cash appropriation arrangements					
	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	(16,537)	(11,492)	45	20	22
less depreciation/amortisation expenses for ROU ^(a)	33	29	29	-	-
add principal repayments on leased assets ^(a)	24	21	-	-	-
Total comprehensive income/(loss) – as per the Statement of comprehensive income	(16,546)	(11,500)	16	20	22

(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)

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	939	1,578	2,234	3,532	7,245
Trade and other receivables	1,294	1,294	1,294	1,294	1,294
Other investments	33,630	15,233	(24)	(24)	(24)
Total financial assets	35,863	18,105	3,504	4,802	8,515
Non-financial assets					
Land and buildings	333,000	333,102	333,588	332,103	330,588
Property, plant and equipment	41,020	40,008	39,624	37,559	35,453
Heritage and Cultural assets	69,890	82,910	101,272	103,613	103,613
Intangibles	274	233	346	277	207
Inventories	54	54	54	54	54
Other non-financial assets	136	136	136	136	136
Total non-financial assets	444,374	456,443	475,020	473,742	470,051
Total assets	480,237	474,548	478,524	478,544	478,566
LIABILITIES					
Payables					
Suppliers	1,756	1,901	1,876	1,876	1,876
Personal benefits	139	139	139	139	139
Other payables	4,190	4,190	4,190	4,190	4,190
Total payables	6,085	6,230	6,205	6,205	6,205
Interest bearing liabilities					
Leases	305	305	305	305	305
Total interest bearing liabilities	305	305	305	305	305
Provisions					
Employee provisions	1,418	1,418	1,418	1,418	1,418
Total provisions	1,418	1,418	1,418	1,418	1,418
Total liabilities	7,808	7,953	7,928	7,928	7,928
Net assets	472,429	466,595	470,596	470,616	470,638
EQUITY*					
Parent entity interest					
Contributed equity	305,382	311,048	315,033	315,033	315,033
Reserves	166,448	166,448	166,448	166,448	166,448
Retained surplus (accumulated deficit)	599	(10,901)	(10,885)	(10,865)	(10,843)
Total parent entity interest	472,429	466,595	470,596	470,616	470,638
Total Equity	472,429	466,595	470,596	470,616	470,638

*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 2022–23)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contribution equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2022					
Balance carried forward from previous period	599	161,117	5,331	305,382	472,429
Adjusted opening balance	599	161,117	5,331	305,382	472,429
Comprehensive income					
Other comprehensive income					
Surplus (deficit) for the period	(11,500)	-	-	-	(11,500)
Total comprehensive income	(11,500)	-	-	-	(11,500)
Transactions with owners					
Contributions by owners					
Equity Injection – Appropriation	-	-	-	5,666	5,666
Sub-total transactions with owners	-	-	-	5,666	5,666
Estimated closing balance as at 30 June 2023	(10,901)	161,117	5,331	311,048	466,595
Closing balance attributable to the Australian Government	(10,901)	161,117	5,331	311,048	466,595

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Revenue from Government	2,481	1,064	556	16	16
Sales of goods and rendering of services	15,156	16,869	21,036	21,686	22,070
Interest	137	91	141	71	42
Other	200	206	239	269	286
Total cash received	17,974	18,230	21,972	22,042	22,414
Cash used					
Employees	7,966	8,350	8,375	8,445	8,502
Suppliers	22,653	17,641	10,009	9,955	10,196
Interest payments on lease liability	4	3	3	3	3
Other operating payments	20	-	-	-	-
Total cash used	30,643	25,994	18,387	18,403	18,701
Net cash from (used by) operating activities	(12,669)	(7,764)	3,585	3,639	3,713
INVESTING ACTIVITIES					
Cash received					
Investments	2,496	9,309	1,977	-	-
Total cash received	2,496	9,309	1,977	-	-
Cash used					
Purchase of property, plant, and equipment and intangibles	23,132	15,639	22,171	2,341	-
Investments	(13,894)	(9,088)	(13,280)	-	-
Total cash used	9,238	6,551	8,891	2,341	-
Net cash from (used by) investing activities	(6,742)	2,758	(6,914)	(2,341)	-
FINANCING ACTIVITIES					
Cash received					
Contributed equity	2,310	5,666	3,985	-	-
Total cash received	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	2,286	5,645	3,985	-	-
Net increase (decrease) in cash held	(17,125)	639	656	1,298	3,713
Cash and cash equivalents at the beginning of the reporting period	18,064	939	1,578	2,234	3,532
Cash and cash equivalents at the end of the reporting period	939	1,578	2,234	3,532	7,245

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injection – transferred by Portfolio Department	2,310	5,666	3,985	-	-
Total new capital appropriations	2,310	5,666	3,985	-	-
Provided for:					
Purchase of non-financial assets	2,310	5,666	3,985	-	-
Total items	2,310	5,666	3,985	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	17,373	5,666	3,985	-	-
Funded internally from departmental resources ^(b)	5,759	9,973	18,186	2,341	-
TOTAL	23,132	15,639	22,171	2,341	-
Total cash used to acquire assets	23,132	15,639	22,171	2,341	-

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

(b) Includes the following s74 external revenue:
– 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 2022–23)

	Land	Buildings	Other property, plant and equipment	Heritage and culture	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022						
Gross book value	252,192	83,705	49,265	69,890	1,027	456,079
Gross book value – ROU ^(a)	-	-	380	-	-	380
Accumulated depreciation/ amortisation and impairment	-	(2,897)	(8,536)	-	(753)	(12,186)
Accumulated depreciation/ amortisation and impairment – ROU ^(a)	-	-	(89)	-	-	(89)
Opening net book balance	252,192	80,808	41,020	69,890	274	444,184
CAPITAL ASSET ADDITIONS						
Estimated expenditure on new or replacement assets						
By purchase – appropriation equity ^(b)	450	1,092	1,018	13,020	59	15,639
By purchase – other – ROU	-	-	21	-	-	21
Total additions	450	1,092	1,039	13,020	59	15,660
Other movements						
Depreciation/amortisation expense	-	(1,440)	(2,022)	-	(100)	(3,562)
Depreciation/amortisation expense – ROU ^(a)	-	-	(29)	-	-	(29)
Total other movements	-	(1,440)	(2,051)	-	(100)	(3,591)
As at 30 June 2023						
Gross book value	252,642	84,797	50,283	82,910	1,086	471,718
Gross book value – ROU ^(a)	-	-	401	-	-	401
Accumulated depreciation/ amortisation and impairment	-	(4,337)	(10,558)	-	(853)	(15,748)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	-	-	(118)	-	-	(118)
Closing net book balance	252,642	80,460	40,008	82,910	233	456,253

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

(b) 'By purchase – appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022–23 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).

Wine Australia's 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.

Wine Australia is 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 6,000 grape growers, 146,244 hectares of vines, 2,156 wineries and produced 1.48 billion litres of wine in 2020–21.

In the year ended December 2021, Australian wine exports decreased by 30 per cent in value to \$2.03 billion and 17 per cent in volume to 619 million litres (69 million 9-litre case equivalents). This resulted in a 15 per cent decline in average value to \$3.27 per litre. The biggest driver of the decline was the reduction in exports to mainland China, following the imposition of tariffs on Australian packaged wine in November 2020. The 619 million litres shipped in total for the 2021 calendar year represents the lowest volume shipped in a 12-month period since the year ended September 2004. Aside from the decrease in shipments to mainland China, the significant decline in volume can also be attributed to low inventory at the start of the year after three small vintages and delays in getting the large 2021 vintage onto ships due to the ongoing global freight disruptions. There were 1,269 active exporters in 2021 and 19,247 products exported to 112 destinations.

Wine Australia's goal is profitable, resilient, and sustainable winegrape and wine businesses, and how Wine Australia achieves its responsibilities under the Wine Australia Act is outlined in the five-year Strategic Plan 2020–25. In 2022–23, the third year of the strategic plan, Wine Australia 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;
- Strategy 5: Build business sustainability, excellence, and leadership.

Since Wine Australia's Strategic Plan 2020–25 was approved in June 2020, the environment within which it operates has been significantly impacted by COVID-19 restrictions, and the imposition of tariffs on Australian wine exported 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, Wine Australia are seeking to intensify marketing efforts to gain greater market share in established markets of the United States of America (USA), Canada and the United Kingdom (UK) and diversify into emerging markets. Wine Australia's key marketing objectives are to:

- build the Australian wine category to drive positive sentiment and awareness among trade and consumers;
- drive increased market entry into the USA, Canada, UK, Europe, and Asia Pacific;
- build availability and reach of product across distributors, on premise and retail;
- align investment and category building activities with exporters and federal, state, and regional bodies to target growth; and
- promote sustainability in key markets with activations for trade and consumers.

Wine Australia has partnered with Austrade through the Australian Government's Agri-Business Expansion Initiative (ABEI) to unlock market diversification opportunities in the Asia Pacific Accreditation Cooperation (APAC) markets, such as Vietnam, Thailand, South Korea, Indonesia, Japan, and Taiwan. The partnership is also helping wine businesses develop capabilities to support diversification efforts.

Wine Australia's regulatory services activities seek to protect the reputation and integrity of Australian wine in all markets, including the domestic market. It will ensure that the regulatory regime remains fit for purpose, explore new opportunities for traceability technologies, build relationships with counterpart regulators in export markets and enhance the Wine Australia Licensing and Approvals System (WALAS) and the Label Directory. Wine Australia will also support the Geographical Indications Committee that defines the wine grape producing regions of Australia.

In Strategy 3, Wine Australia's 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, Wine Australia will continue to work towards the establishment of a national germplasm collection. To increase grape and wine production efficiency and sustainability, it will continue to develop, test, and commercialise new technologies and demonstrate them through agricultural technology demonstration sites to encourage adoption.

In Strategy 4, Wine Australia's 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. Wine Australia 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.

Wine Australia 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. It will actively support the sector's Sustainable Winegrowing Australia program to help the sector demonstrate its sustainability credentials.

In Strategy 5, Wine Australia's R&D adoption investments seek to accelerate the adoption of research outcomes and best practice. Wine Australia will implement our Extension and Adoption Strategy to build capacity and drive behaviour and practice change, including through our Regional Program. It 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.

Wine Australia also works closely with other rural 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.

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 2022–23 as at Budget March 2022

	2021–22 <i>Estimated actual</i> \$'000	2022–23 Estimate \$'000
Opening balance/cash reserves at 1 July	6,659	5,926
Funds from Government		
Special appropriations^(a)		
<i>Wine Australia Act 2013, s. 32 – payments to the Authority</i>	34,750	30,571
Total special appropriations	34,750	30,571
Amounts received from related entities		
Amounts from portfolio department ^(b)	10,000	-
Total amounts received from related entities	10,000	-
Total funds from Government	44,750	30,571
Funds from industry sources		
Levies ^(c)	20,613	18,321
<i>less amounts paid to the CRF</i>	(20,613)	(18,321)
Total funds from industry sources	-	-
Funds from other sources		
Interest	7	6
Sale of goods and services	8,120	4,933
Other	48	153
Total funds from other sources	8,175	5,092
Total net resourcing for Wine Australia	59,584	41,589
	2021–22	2022–23
Average staffing level (number)	53	53

(a) Wine Australia's special appropriation is not directly appropriated as it is a corporate Commonwealth Entity (CCE) under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Appropriations are made to Department of Agriculture, Water and the Environment (DAWE) and are then paid to Wine Australia (WA) 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 CCE (for example, a grant awarded to a CCE from one of its portfolio department's administered programs).

(c) The levies are imposed by the *Primary Industries (Excise) Levies Act 1999*. Levies are collected by DAWE under the *Primary Industries (Excise) Levies Act 1999* and *Primary Industries (Customs) Charges Act 1999* and comprise of the Grape Research Levy and the Wine Grapes Levy and are transferred to the Consolidated Revenue Fund (CRF). These amounts are then drawn down by the department as a special appropriation and paid to WA under the *Wine Australia Act 2013, s. 32*.

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 2022–23* and are summarised below.

Table 1.2: Wine Australia – 2022–23 Budget measures – Measures announced since the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO)

Wine Australia does not have any 2022–23 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/WA_StrategicPlan_2020-25.

The most recent annual performance statement for Wine Australia can be found at:
https://www.wineaustralia.com/WA_AnnualReport_2020-21.

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 Program 3.13: International Market Access
Contribution to Outcome 1 made by linked program: WA and DAWE work together to ensure a sustainable, productive and profitable grape and wine sector.
Department of the Treasury
Program 1.3: Support for markets and business
Contribution to Outcome 1 made by linked program: Wine Australia will also administer the Wine Tourism and Cellar Door Grant program that commenced in 2019–20.

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.

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Program 1.1: Wine Australia					
<u>Revenue from Government</u>					
Payment from related entities	10,030	150	150	150	-
Special appropriations					
<i>Wine Australia Act 2013, s. 32 –</i> payments to the Authority	34,750	30,571	30,825	30,967	31,041
Revenues from other independent sources	9,216	5,263	4,698	4,627	4,638
Expenses not requiring appropriation in the Budget year ^(a)	1,791	3,000	-	-	-
Total expenses for program 1.1	55,787	38,984	35,673	35,744	35,679
Outcome 1 totals by resource type					
<u>Revenue from Government</u>					
Payment from related entities	10,030	150	150	150	-
Special appropriations	34,750	30,571	30,825	30,967	31,041
Revenues from other independent sources	9,216	5,263	4,698	4,627	4,638
Expenses not requiring appropriation in the Budget year ^(a)	1,791	3,000	-	-	-
Total expenses for Outcome 1	55,787	38,984	35,673	35,744	35,679
	2021–22	2022–23			
Average staffing level (number)	53	53			

(a) 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 2022–23 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.	
Key Activities	Wine Australia will: a) Invest in R&D in the five strategic areas outlined in its Strategic Plan 2020–2025 for the benefit of wine grape growers, winemakers, wine businesses and the wider community. b) Invest in RD&A to build grape and wine excellence, build sustainable environments, and build business sustainability, excellence and leadership. c) Invest in marketing to promote Australian wine and grow international markets. d) Invest in regulatory services to protect the reputation of Australian wine. e) Support grape and wine businesses with market insights that allow them to make effective and informed decisions.	
Year	Performance measures	Expected Performance Results
Current year 2021–22	Wine Australia	
	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.

Continued on following page.

2.1.3: Performance criteria for Outcome 1 (continued)

Year	Performance measures	Expected Performance Results
Current year 2021–22 (continued)	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, the UK and the USA.	Increase above 2019 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 the Regulatory 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.
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	As per 2021–22.	As per 2021–22.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for 2022–23, including the impact of 2022–23 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 \$18.3 million for the 2022–23 year, based on an expected 2022 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)**

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
EXPENSES					
Employee benefits	8,716	8,111	8,296	8,454	8,611
Suppliers	10,531	7,909	7,283	7,317	7,886
Grants	34,969	21,599	18,697	18,706	18,614
Depreciation and amortisation	1,568	1,363	1,395	1,265	566
Finance costs	1	-	-	-	-
Write-down and impairment of assets	2	2	2	2	2
Total expenses	55,787	38,984	35,673	35,744	35,679
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	9,187	5,254	4,689	4,618	4,629
Interest	7	6	6	6	6
Rental income	18	3	3	3	3
Total own-source revenue	9,212	5,263	4,698	4,627	4,638
Gains					
Gains from Sale of Assets	4	-	-	-	-
Total gains	4	-	-	-	-
Total own-source income	9,216	5,263	4,698	4,627	4,638
Net cost of (contribution by) services	46,571	33,721	30,975	31,117	31,041
Revenue from Government ^(a)	44,780	30,721	30,975	31,117	31,041
Total revenue from Government	44,780	30,721	30,975	31,117	31,041
Surplus/(deficit) attributable to the Australian Government	(1,791)	(3,000)	-	-	-
Total comprehensive income/(loss) attributable to the Australian	(1,791)	(3,000)	-	-	-
Note: Impact of net cash appropriation arrangements					
	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	(1,787)	(3,000)	-	-	-
less depreciation/amortisation expenses for ROU ^(b)	316	329	329	329	329
add principal repayments on leased assets ^(b)	312	329	329	329	329
Total comprehensive income/(loss) – as per the Statement of comprehensive income	(1,791)	(3,000)	-	-	-

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	5,926	5,531	3,431	5,670	5,275
Trade and other receivables	4,766	5,370	7,716	6,786	7,268
Total financial assets	10,692	10,901	11,147	12,456	12,543
Non-financial assets					
Land and buildings	1,365	1,036	707	378	49
Property, plant and equipment	374	286	193	156	156
Intangibles	2,376	1,672	941	284	289
Other non-financial assets	976	905	984	913	992
Total non-financial assets	5,091	3,899	2,825	1,731	1,486
Total assets	15,783	14,800	13,972	14,187	14,029
LIABILITIES					
Payables					
Suppliers	839	1,011	1,117	1,223	1,329
Grants	1,835	3,895	3,176	3,500	3,451
Other payables	1,887	1,887	1,887	1,887	1,887
Total payables	4,561	6,793	6,180	6,610	6,667
Interest bearing liabilities					
Leases	1,365	1,036	707	378	49
Total interest bearing liabilities	1,365	1,036	707	378	49
Provisions					
Employee provisions	1,368	1,482	1,596	1,710	1,824
Other provisions	75	75	75	75	75
Total provisions	1,443	1,557	1,671	1,785	1,899
Total liabilities	7,369	9,386	8,558	8,773	8,615
Net assets	8,414	5,414	5,414	5,414	5,414
EQUITY*					
Parent entity interest					
Retained surplus (accumulated deficit)	8,414	5,414	5,414	5,414	5,414
Total parent entity interest	8,414	5,414	5,414	5,414	5,414
Total Equity	8,414	5,414	5,414	5,414	5,414

*'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 2022–23)**

	Retained earnings	Total equity
	\$'000	\$'000
Opening balance as at 1 July 2022		
Balance carried forward from previous period	8,414	8,414
<i>Adjusted opening balance</i>	<i>8,414</i>	<i>8,414</i>
Comprehensive income		
Surplus (deficit) for the period	(3,000)	(3,000)
<i>Total comprehensive income</i>	<i>(3,000)</i>	<i>(3,000)</i>
of which:		
Attributable to the Australian Government	(3,000)	(3,000)
Estimated closing balance as at 30 June 2023	5,414	5,414
Closing balance attributable to the Australian Government	5,414	5,414

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Revenue from Government	44,780	30,721	30,975	31,117	31,041
Sale of goods and rendering of services	8,134	4,936	2,236	5,599	4,141
Interest	7	6	6	6	6
Net GST received	2,476	1,715	2,108	1,950	2,007
Total cash received	55,397	37,378	35,325	38,672	37,195
Cash used					
Employees	9,121	7,997	8,182	8,340	8,497
Suppliers	10,695	8,166	7,756	7,640	8,359
Interest payments on lease liability	1	-	-	-	-
Grant payments	35,590	21,039	20,916	19,882	20,163
Total cash used	55,407	37,202	36,854	35,862	37,019
Net cash from (used by) operating activities	(10)	176	(1,529)	2,810	176
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	4	-	-	-	-
Total cash received	4	-	-	-	-
Cash used					
Purchase of property, plant and equipment and intangibles	415	242	242	242	242
Total cash used	415	242	242	242	242
Net cash from (used by) investing activities	(411)	(242)	(242)	(242)	(242)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	312	329	329	329	329
Total cash used	312	329	329	329	329
Net cash from/(used by) financing activities	(312)	(329)	(329)	(329)	(329)
Net increase (decrease) in cash held	(733)	(395)	(2,100)	2,239	(395)
Cash and cash equivalents at the beginning of the reporting period	6,659	5,926	5,531	3,431	5,670
Cash and cash equivalents at the end of the reporting period	5,926	5,531	3,431	5,670	5,275

Prepared on Australian Accounting Standards basis.

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources ^(a)	415	242	242	242	242
TOTAL	415	242	242	242	242
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	415	242	242	242	242
Total cash used to acquire assets	415	242	242	242	242

(a) Includes the following s74 external revenue:
 – 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 2022–23)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022				
Gross book value	978	1,369	6,012	8,359
Gross book value – ROU ^(a)	1,916	-	-	1,916
Accumulated depreciation/amortisation and impairment	(975)	(995)	(3,636)	(5,606)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(554)	-	-	(554)
Opening net book balance	1,365	374	2,376	4,115
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase – other ^(b)	-	110	132	242
Total additions	-	110	132	242
Other movements				
Depreciation/amortisation expense	-	(198)	(836)	(1,034)
Depreciation/amortisation expense – ROU ^(a)	(329)	-	-	(329)
Total other movements	(329)	(198)	(836)	(1,363)
As at 30 June 2023				
Gross book value	978	1,479	6,144	8,601
Gross book value – ROU ^(a)	1,916	-	-	1,916
Accumulated depreciation/amortisation and impairment	(975)	(1,193)	(4,472)	(6,640)
Accumulated depreciation/amortisation and impairment – ROU ^(a)	(883)	-	-	(883)
Closing net book balance	1,036	286	1,672	2,994

(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.