



# Budget

## 2020-21

### **Portfolio Budget Statements 2020-21** **Budget Related Paper No. 1.16**

Foreign Affairs and Trade Portfolio

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

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**MINISTER FOR FOREIGN AFFAIRS AND MINISTER FOR WOMEN  
MINISTER FOR TRADE, TOURISM AND INVESTMENT**

**PARLIAMENT HOUSE  
CANBERRA 2600**

President of the Senate  
Australian Senate  
Parliament House  
CANBERRA ACT 2600

Speaker  
House of Representatives  
Parliament House  
CANBERRA ACT 2600

Dear Mr President  
Dear Mr Speaker

We hereby submit Portfolio Budget Statements in support of the 2020-21 Budget for the Foreign Affairs and Trade portfolio.

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

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

Yours sincerely

A handwritten signature in blue ink, reading 'Marise Payne'.

Senator the Hon Marise Payne  
Minister for Foreign Affairs  
Minister for Women

A handwritten signature in blue ink, reading 'Simon Birmingham'.

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

## Abbreviations and conventions

The following notation may be used:

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nfp	not for publication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

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

## Enquiries

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

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

**USER GUIDE  
TO THE  
PORTFOLIO BUDGET STATEMENTS**



## USER GUIDE

The purpose of the *2020-21 Portfolio Budget Statements* (PB Statements) is to inform Senators and Members of Parliament of the proposed allocation of resources to government outcomes by entities within the portfolio. Entities receive resources from the annual appropriations acts, special appropriations (including standing appropriations and special accounts), and revenue from other sources.

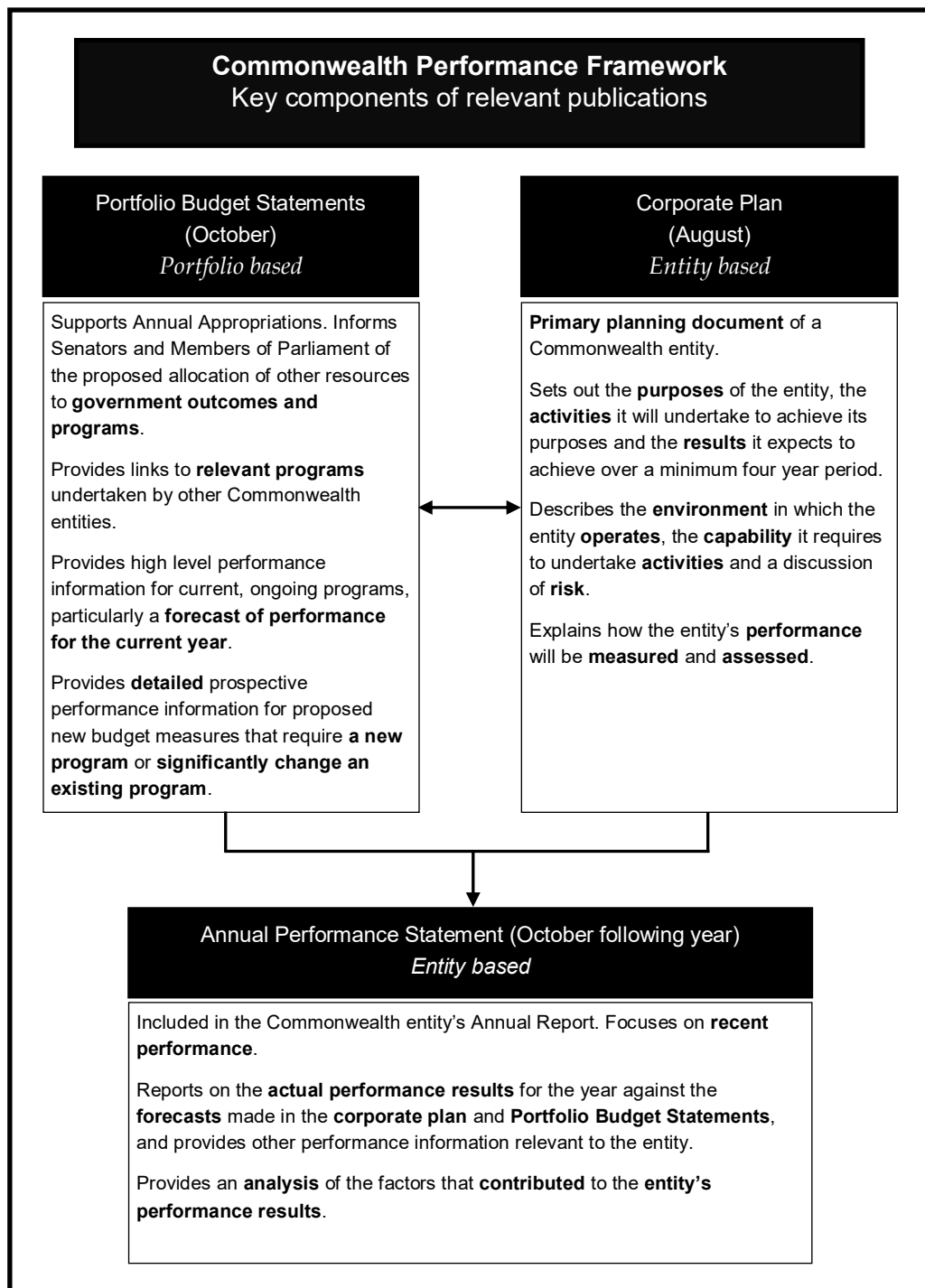
A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills (No. 1 and No. 2) 2020-21 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2020-21 for the parliamentary departments). In this sense, the PB Statements are Budget related papers and are declared by the Appropriation Acts to be 'relevant documents' to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

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

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

## The Commonwealth Performance Framework

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





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# **PORTFOLIO OVERVIEW**



## FOREIGN AFFAIRS AND TRADE PORTFOLIO OVERVIEW

### Minister and portfolio responsibilities

The five portfolio ministers are:

- Senator the Hon Marise Payne, Minister for Foreign Affairs and Minister for Women;
- Senator the Hon Simon Birmingham, Minister for Trade, Tourism and Investment;
- the Hon Alex Hawke MP, Assistant Defence Minister and Minister for International Development and the Pacific;
- the Hon Andrew Gee MP, Minister for Decentralisation and Regional Education and Minister Assisting the Minister for Trade and Investment; and
- Senator the Hon Jonathon Duniam, Assistant Minister for Regional Tourism and Assistant Minister for Forestry and Fisheries.

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

#### Department of Foreign Affairs and Trade

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

To achieve this purpose, DFAT has three key outcomes (see *Figure 1: Foreign Affairs and Trade portfolio structure and outcomes*) and seven priority functions as detailed in DFAT's 2020-21 *Corporate Plan*:

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

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

## *Portfolio overview*

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

### **Australian Trade and Investment Commission (Austrade)**

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

Austrade, alongside the department, promotes the opportunities created by free trade agreements (FTAs) and the reduction in non-tariff barriers, and helps educate business on how to use FTAs to access new markets and grow their business. Austrade also administers schemes like the Export Market Development Grants and the Regional Tourism Bushfire Recovery Grants. These complement its work on policy, projects, programs and research to strengthen Australia's tourism industry and grow Australia's share of the international tourism market.

### **Australian Secret Intelligence Service (ASIS)**

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

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

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

ACIAR's objectives reflect Australia's development assistance priorities and the *2030 Agenda for Sustainable Development* through supporting research collaboration while emphasising human capital building and private sector-led development, targeted at

safer and more inclusive agrifood value chains and improved livelihoods in agriculture, forestry and fisheries.

### **Tourism Australia**

Tourism Australia is Australia's national tourism marketing organisation. It works to promote Australia internationally as a compelling tourism destination for leisure and business events travel. Given the impact of COVID-19, Tourism Australia is allocating a significant portion of marketing funds to the domestic audience. The outcome of Tourism Australia's activities is to grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted domestic and global consumers in key markets.

### **Export Finance Australia (EFA)**

EFA helps Australian exporters and businesses operating in an export-related supply chain or investing overseas to gain access to finance. EFA provides commercial financial facilities for exporters, including loans, guarantees and bonds, with a focus on small and medium enterprises and those seeking to do business in emerging markets. EFA works closely with DFAT and Austrade in the delivery of these services. EFA also manages the National Interest Account on behalf of the Australian Government, including the Defence Export Facility and the COVID-19 Export Capital Facility, and where directed, provides support to other Commonwealth government entities.

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





**ENTITY RESOURCES AND  
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# **DEPARTMENT OF FOREIGN AFFAIRS AND TRADE (DFAT)**

## **ENTITY RESOURCES AND PLANNED PERFORMANCE**



## DEPARTMENT OF FOREIGN AFFAIRS AND TRADE

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## DEPARTMENT OF FOREIGN AFFAIRS AND TRADE

### Section 1: Entity overview and resources

#### 1.1 STRATEGIC DIRECTION STATEMENT

The Department of Foreign Affairs and Trade ('the department') supports Australia's foreign, trade and investment, development and international security policy priorities. In 2020-21, Australia faces a profoundly uncertain and complex global environment. The COVID-19 pandemic has intensified and accelerated global trends identified in the 2017 *Foreign Policy White Paper*, many of them inimical to Australia's security and prosperity.

Our region, the Indo-Pacific, will be more contested and fractured, with regional economies battered by COVID-related shocks. The multilateral system – already under strain before 2020 – is facing a stress test as it coordinates responses to COVID-19. Technological disruption continues apace, presenting opportunities and threats to our society and economy. At the same time, protectionism has gained ground, challenging international institutions and open markets, and complicating the path to recovery.

COVID-19 will continue to re-shape our operating environment and the way the department conducts diplomacy on behalf of Australia, requiring agility and innovative approaches. Despite the immense challenges presented, supporting Australians overseas remains a key priority. Since the outbreak of the pandemic, we have directly provided assistance to more than 28,000 returning Australians – representing the largest consular operation in Australia's history.

The department's three outcomes detailed in this document, and seven priority functions outlined in the department's 2020-21 *Corporate Plan*, provide the roadmap for how we will deliver for the government and Australia.

The government's foreign policy focus remains centred on the Indo-Pacific – the most critical part of the world for our interests. The Indo-Pacific region includes our major economic partners and most complex bilateral relationships. Strategic competition in the Indo-Pacific and globally will remain acute, adding further pressure to rules, norms and institutions. Ensuring the Indo-Pacific region evolves peacefully, and its economies overcome fragility and disruptions, without an erosion of the fundamental principles on which the region's cooperative relations are based, remains one of the department's central objectives.

We are working to shape a regional order that benefits all countries regardless of their size: an open, inclusive and prosperous Indo-Pacific, where sovereign, independent states cooperate on shared interests and are resilient to coercion. The department will work with Australia's partners to tackle international security challenges and address

emerging threats, including malicious cyber activity, disinformation and coercion in order to keep Australians safe and secure, and to protect our freedoms and our values.

We continue to deepen our alliance with the United States and our ties with key partners like Japan, Indonesia, India, the Republic of Korea and Vietnam, while pursuing a relationship with China, our largest trading partner, that is mutually beneficial. We are increasing engagement with Southeast Asia, including promoting health security and economic recovery. We are fostering collaboration bilaterally, in small groups and through regional architecture, notably Association of Southeast Asian Nations (ASEAN) - led mechanisms. We are supporting the resilience of our neighbours in the face of disruption and strategic competition, and delivering agreements that expand opportunities for Australian business. Alongside our partners, we are helping to advance the region's recovery from COVID-19 to protect and grow jobs.

*Partnerships for Recovery* – Australia's COVID-19 development response – has pivoted our whole-of-government development program to support regional response and recovery and underpin our vision of a stable, prosperous and resilient Indo-Pacific in the context of COVID-19 and to protecting and growing Australian jobs. Our priority action areas are health security, stability and economic recovery and protecting the most vulnerable, especially women and girls. COVID-19 Development Response Plans detailing Australia's efforts at the country and regional level will be released during 2020-21.

As we work towards recovery, we will build on the Pacific Step-up to strengthen long term economic resilience, enhance regional security cooperation and deepen Australia's personal and community connections with the Pacific. We will continue to strengthen resilience to climate change and disasters, and support transformational infrastructure and sustainable growth. We will promote disability inclusion and gender equality, poverty reduction and enhanced stability through our development assistance, including by creating pathways to employment in Australia and across our region through our labour mobility, education and skills initiatives.

Working with our Pacific family and Timor-Leste to help our region mitigate and recover from the health, economic and social impacts of COVID-19 is a high priority. Building on our immediate health and economic assistance, the department will provide support to the Pacific and Timor-Leste over two years through the COVID-19 Response Package to help our Pacific partners mitigate the economic disruption, maintain critical services, including health and education, and protect the most vulnerable. The government also remains committed to ensuring early access to a vaccine for partners in the Pacific, Timor-Leste and Southeast Asia.

Maintaining opportunities for Australian businesses to trade and invest internationally – and building new opportunities – will be crucial to Australia's economic recovery from COVID-19 and to protecting and growing Australian jobs. The pandemic has led to disruptions to some supply chains, and the department is working closely with business to identify solutions. The government will continue to make the case internationally that open trade and investment settings provide the best basis for



economic recovery and growth. The current framework of rules has allowed governments the flexibility to implement policies to protect public health and the department will continue working to support the rules-based trading system as a critical foundation for an economic recovery.

The department will work to ensure the effective implementation of Australia's network of free trade agreements (FTAs), including new FTAs with Indonesia, Peru, Hong Kong and PACER Plus (comprising of Australia, Cook Islands, Kiribati, Nauru, New Zealand, Niue, Solomon Islands, Tonga, Tuvalu and Vanuatu), as well as the recently signed Australia-Singapore Digital Economy Agreement. It will work with regional counterparts to encourage early ratification of the Regional Comprehensive Economic Partnership (an FTA which comprises the 10 members of ASEAN plus Australia, China, Japan, Korea and New Zealand), which is to be signed in November 2020. In parallel, the department will seek to conclude high quality agreements with the European Union, United Kingdom and the Pacific Alliance (Chile, Colombia, Mexico and Peru).

We are also supporting the implementation and expansion of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), an agreement between Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, Peru, New Zealand, Singapore and Vietnam. Australia's FTAs currently cover around 70 per cent of Australia's two-way trade, up from 26 per cent in 2013. The department will continue to work with Australian businesses and industry to help them make best use of the opportunities arising from Australia's FTAs, which will support economic recovery and grow Australian jobs and business. We will seek to advance negotiations on new digital trade rules and continue to work with industry groups and partners to address non-tariff barriers to Australian goods and services, including through dispute settlement as necessary.

Australia will continue to work to ensure global institutions are fit-for-purpose, relevant, contemporary, accountable to member states, free from undue influence, and have an appropriately strong focus on the Indo-Pacific. The government will continue to support reform efforts in the United Nations and its agencies to improve transparency, accountability and effectiveness. The department will commence preparatory work to implement the legislative requirement for state and territory governments to notify the Minister for Foreign Affairs of any arrangements that they may enter into with foreign governments to ensure consistency with Australian foreign policy.

Support for Australians overseas will remain one of the department's most important responsibilities. COVID-19 has led to unprecedented demand for consular assistance from across our global network. As international travel resumes, reliable information will be critical in a more complex and uncertain travel environment. The department will cooperate with private sector and international partners – as well as across the Australian Government – to broaden our reach and extend our capacity to advise and assist Australians overseas. When Australians face problems overseas, the department will provide appropriate consular services focused on those most in need, including through the Hardship Program and the provision of Traveller Emergency Loans. The

*DFAT Budget Statements*

department will continue to prepare for and lead on the Australian Government's response to overseas crises.

The department is investing in physical security upgrades to its diplomatic missions, ensuring that we can continue to support and serve Australians overseas in a safe environment.

The department is a key delivery partner in the Digital Identity Program, which will make a wider range of Australian Government services available online. The Australian Passport Office provides a face verification capability that will enable Digital Identity clients to confirm their identity using a secure application.

## 1.2 ENTITY RESOURCE STATEMENT

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

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

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

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

**Table 1.1: Department of Foreign Affairs and Trade resource statement — Budget estimates for 2020-21 as at Budget October 2020**

	2019-20 Estimated actual \$'000	2020-21 Estimate \$'000
<b>Departmental</b>		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	204,170	166,336
Departmental appropriation (c)	1,510,017	1,627,908
s74 External Revenue (d)	129,978	133,949
Departmental capital budget (e)	60,170	60,039
Annual appropriations - other services - non-operating (f)		
Prior year appropriations available (b)	91,984	39,959
Equity injection	43,546	93,500
Total departmental annual appropriations	<b>2,039,865</b>	<b>2,121,691</b>
Special accounts (g)		
Opening balance	337,822	335,360
Appropriation receipts (h)	83,041	79,777
Appropriation receipts from other entities (i)	62,041	26,154
Non-appropriation receipts	40,725	6,906
Total special accounts	<b>523,629</b>	<b>448,197</b>
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	<i>83,041</i>	<i>79,777</i>
<b>Total departmental resourcing</b>	<b>2,480,453</b>	<b>2,490,111</b>
<b>Administered</b>		
Annual appropriations - ordinary annual services (a)		
Outcome 1	3,970,458	4,185,510
Outcome 2	750	65,750
Administered capital budget (j)	528	528
Payments to corporate entities (k)	139,534	139,445
Annual appropriations - other services - non-operating (f)		
Administered assets and liabilities	605,072	6,704

Table continued on next page

**Table 1.1: Department of Foreign Affairs and Trade resource statement — Budget estimates for 2020-21 as at Budget October 2020 (continued)**

	2019-20 Estimated actual \$'000	2020-21 Estimate \$'000
<b>Total administered annual appropriations</b>	<b>4,716,342</b>	<b>4,397,937</b>
<b>Total administered special appropriations</b>	<b>1,859</b>	<b>305,191</b>
<i>less payments to corporate entities from annual/special appropriations</i>	139,534	139,445
<b>Total administered resourcing</b>	<b>4,578,667</b>	<b>4,563,683</b>
<b>Total resourcing for DFAT</b>	<b>7,059,120</b>	<b>7,053,794</b>
<b>Average staffing level (number)</b>	<b>5,598</b>	<b>5,849</b>

**Third party payments from and on behalf of other entities**

	2019-20 Estimated actual \$'000	2020-21 Estimate \$'000
Receipts received from other entities for the provision of services (disclosed above in s74 External Revenue section above)	129,978	133,949
Payments made to corporate entities within the Portfolio Tourism Australia (annual appropriation)	139,534	139,445

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

- (a) Appropriation Bill (No. 1) 2020-21.
- (b) Excludes \$26.4 million subject to administrative quarantine by Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act 2013)*.
- (c) Excludes Departmental Capital Budget (DCB).
- (d) Estimated External Revenue receipts under section 74 of the *PGPA Act 2013*.
- (e) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (f) Appropriation Bill (No. 2) 2020-21.
- (g) Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to *Budget Paper No. 4 - Agency Resourcing*. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.
- (h) Amounts credited to the special account(s) from DFAT's annual appropriations.
- (i) Amounts credited to the special account(s) from another entity's annual and special appropriations.
- (j) Administered capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.10 for further details. For accounting purposes, this amount is designated as a 'contribution by owner'.
- (k) 'Corporate entities' are corporate Commonwealth entities and Commonwealth companies as defined under the *PGPA Act 2013*.

### 1.3 BUDGET MEASURES

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

**Table 1.2: Department of Foreign Affairs and Trade 2020-21 Budget measures  
Measures announced after the Economic and Fiscal Update July 2020**

		2020-21	2021-22	2022-23	2023-24
	Program	\$'000	\$'000	\$'000	\$'000
<b>Expense measures</b>					
COVID-19 Response Package – support to the Pacific and Timor-Leste	1.1				
Administered		200,000	100,000	-	-
Departmental		2,400	2,300	-	-
<b>Total</b>		<b>202,400</b>	<b>102,300</b>	-	-
COVID-19 Response Package – COVID-19 Vaccine Access and Health Security Program – support to the Pacific and Southeast Asian Countries	1.1				
Departmental		8,900	10,100	4,200	-
<b>Total</b>		<b>8,900</b>	<b>10,100</b>	<b>4,200</b>	-
Jobmaker Plan – Digital Business Plan	1.1				
Departmental		3,976	3,331	-	-
<b>Total</b>		<b>3,976</b>	<b>3,331</b>	-	-
Consistency of Australia's Foreign Relations (State and Territory Arrangements) Bill	1.1				
Departmental		9,830	8,350	-	-
<b>Total</b>		<b>9,830</b>	<b>8,350</b>	-	-
Protecting Australia's Staff and Missions Overseas	1.1				
Departmental		500	4,400	11,400	-
<b>Total</b>		<b>500</b>	<b>4,400</b>	<b>11,400</b>	-

Table continued on next page

**Table 1.2: Department of Foreign Affairs and Trade 2020-21 Budget measures  
Measures announced after the Economic and Fiscal Update July 2020 (cont)**

		2020-21	2021-22	2022-23	2023-24
	Program	\$'000	\$'000	\$'000	\$'000
<b>Expense measures</b>					
COVID-19 Response Package – supporting vulnerable Australians overseas	2.1				
Administered expenses		nfp	nfp	nfp	nfp
<b>Total</b>		<b>nfp</b>	<b>nfp</b>	<b>nfp</b>	<b>nfp</b>
Jobmaker Plan – expanding and diversifying trade	1.1				
Departmental expenses		-	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
New Initiatives for a Comprehensive Strategic Partnership with India	1.1				
Departmental		-	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Preventive Health – increasing consumer access to kava in Australia	1.2				
Administered expenses		-	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total expense measures</b>					
Administered		200,000	100,000	-	-
Departmental		25,606	28,481	15,600	-
<b>Total</b>		<b>225,606</b>	<b>128,481</b>	<b>15,600</b>	<b>-</b>
<b>Capital measures</b>					
Consistency of Australia's Foreign Relations (State and Territory Arrangements) Bill	1.1				
Departmental capital		5,170	1,650	-	-
<b>Total</b>		<b>5,170</b>	<b>1,650</b>	<b>-</b>	<b>-</b>
<b>Total capital measures</b>					
Departmental		5,170	1,650	-	-
<b>Total</b>		<b>5,170</b>	<b>1,650</b>	<b>-</b>	<b>-</b>

Prepared on a Government Finance Statistics (Underlying Cash) basis

The full measure description and details of the above measures appear in *Budget Paper No. 2*

## 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. Each program has delivery strategies and performance criteria describing how they will be delivered and how implementation progress will be measured. Delivery strategies and performance criteria below are aligned with DFAT's 2020–21 *Corporate Plan*. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

**Note:**

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

The most recent corporate plan for DFAT can be found at: <https://www.dfat.gov.au/about-us/publications/corporate/Pages/dfat-corporate-plan>

The most recent annual performance statement can be found at: <https://www.dfat.gov.au/about-us/publications/corporate/annual-reports/Pages/annual-reports>

Please see DFAT's 2019–20 *Annual Performance Statement* due to be tabled in Parliament on 14 October 2020 for further details on actual performance during 2019–20.

## 2.1 Budgeted expenses and performance for Outcome 1

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

### Linked programs

<b>Attorney-General's Department</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• Program 1.1 – Attorney-General's Department Operating Expenses - Civil Justice and Legal Services</li> <li>• Program 1.2 – Attorney-General's Department Operating Expenses - National Security and Criminal Justice</li> </ul>
<b>Australian Centre for International Agricultural Research</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• Program 1.1 – International Agricultural Research For Development</li> </ul>
<b>Australian Federal Police</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• Program 1.1 – Federal Policing and National Security</li> <li>• Program 1.2 – International Police Assistance</li> </ul>
<b>Australian Trade and Investment Commission</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• Program 1.1 – Promotion of Australia's Export and Other International Economic Interests</li> <li>• Program 1.2 – Programs to Promote Australia's Exports and Other International Economic Interests</li> </ul>



**Linked programs (continued)**

<b>Department of Defence</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• Program 2.8 – Australian Defence Force Headquarters Command</li> </ul>
<b>Department of Home Affairs</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• Program 1.1 – Border Enforcement</li> <li>• Program 1.5 – Regional Cooperation</li> <li>• Program 1.7 – National Security and Criminal Justice</li> <li>• Program 1.9 – Counter Terrorism</li> <li>• Program 2.3 – Visas</li> <li>• Program 3.2 – Trade Facilitation and Industry Engagement</li> </ul>
<b>Services Australia</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• Program 1.1 – Services to the Community - Social Security and Welfare</li> </ul>
<b>Tourism Australia</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• Program 1.1 – Supporting Outcome 1</li> </ul>
<b>Contribution to Outcome 1 made by linked programs</b> Australia maintains a whole-of-government approach in the pursuit of foreign, trade and investment, tourism, development and international security interests abroad. DFAT is supported by partner agencies in its associated leadership, advocacy and coordination roles at overseas missions.

### Budgeted expenses for Outcome 1

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

**Table 2.1.1: Budgeted expenses for Outcome 1**

<b>Outcome 1: The advancement of Australia's international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign, trade and international development policy priorities</b>	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>Program 1.1: Foreign Affairs and Trade Operations</b>					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	7,917	211,331	111,528	11,623	11,782
Special appropriations: PGPA Act s77	7	100	100	100	100
Expenses not requiring appropriation in the Budget year (a)	7,335	3,677	3,500	3,500	3,500
<b>Administered total</b>	<b>15,259</b>	<b>215,108</b>	<b>115,128</b>	<b>15,223</b>	<b>15,382</b>
Departmental expenses					
Departmental appropriation s74 External Revenue (b)	723,615	736,971	693,473	680,151	668,289
Expenses not requiring appropriation in the Budget year (c)	-	121,055	121,131	121,209	136,573
	153,145	145,197	134,841	139,990	142,106
<b>Departmental total</b>	<b>876,760</b>	<b>1,003,223</b>	<b>949,445</b>	<b>941,350</b>	<b>946,968</b>
<b>Total expenses for program 1.1</b>	<b>892,019</b>	<b>1,218,331</b>	<b>1,064,573</b>	<b>956,573</b>	<b>962,350</b>
<b>Program 1.2: Official Development Assistance</b>					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	3,151,229	3,115,342	3,158,989	3,279,055	3,341,835
Expenses not requiring appropriation in the Budget year (c)	3,486	500	500	500	500
<b>Administered total</b>	<b>3,154,715</b>	<b>3,115,842</b>	<b>3,159,489</b>	<b>3,279,555</b>	<b>3,342,335</b>
Departmental expenses					
Departmental appropriation	258,978	262,863	266,806	270,808	274,870
<b>Departmental total</b>	<b>258,978</b>	<b>262,863</b>	<b>266,806</b>	<b>270,808</b>	<b>274,870</b>
<b>Total expenses for program 1.2</b>	<b>3,413,693</b>	<b>3,378,705</b>	<b>3,426,295</b>	<b>3,550,363</b>	<b>3,617,205</b>

Table continued on next page

**Table 2.1.1: Budgeted expenses for Outcome 1 (continued)**

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>Program 1.3: Official Development Assistance - Multilateral Replenishments</b>					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	243,952	-	-	-	-
Expenses not requiring appropriation in the Budget year (d)	345,867	446,502	-	76,670	568,004
<b>Administered total</b>	<b>589,819</b>	<b>446,502</b>	<b>-</b>	<b>76,670</b>	<b>568,004</b>
<b>Total expenses for program 1.3</b>	<b>589,819</b>	<b>446,502</b>	<b>-</b>	<b>76,670</b>	<b>568,004</b>
<b>Program 1.4: Payments to International Organisations</b>					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	384,447	475,718	485,523	493,733	493,980
<b>Administered total</b>	<b>384,447</b>	<b>475,718</b>	<b>485,523</b>	<b>493,733</b>	<b>493,980</b>
<b>Total expenses for program 1.4</b>	<b>384,447</b>	<b>475,718</b>	<b>485,523</b>	<b>493,733</b>	<b>493,980</b>
<b>Program 1.5: New Colombo Plan - Transforming Regional Relationships</b>					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	48,998	51,933	50,933	50,933	50,933
<b>Administered total</b>	<b>48,998</b>	<b>51,933</b>	<b>50,933</b>	<b>50,933</b>	<b>50,933</b>
<b>Total expenses for program 1.5</b>	<b>48,998</b>	<b>51,933</b>	<b>50,933</b>	<b>50,933</b>	<b>50,933</b>
<b>Program 1.6: Public Information Services and Public Diplomacy</b>					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	9,821	18,126	24,737	28,932	28,932
<b>Administered total</b>	<b>9,821</b>	<b>18,126</b>	<b>24,737</b>	<b>28,932</b>	<b>28,932</b>
<b>Total expenses for program 1.6</b>	<b>9,821</b>	<b>18,126</b>	<b>24,737</b>	<b>28,932</b>	<b>28,932</b>

Table continued on next page

**Table 2.1.1: Budgeted expenses for Outcome 1 (continued)**

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
<b>Program 1.7: Programs to Promote Australia's International Tourism Interests</b>					
Administered expenses					
Corporate Commonwealth Entity - Tourism Australia	139,534	139,445	137,048	138,211	138,974
Ordinary annual services (Appropriation Bill No. 1)	60,000	52,423	19,981	20,040	20,100
<b>Administered total</b>	<b>199,534</b>	<b>191,868</b>	<b>157,029</b>	<b>158,251</b>	<b>159,074</b>
<b>Total expenses for program 1.7</b>	<b>199,534</b>	<b>191,868</b>	<b>157,029</b>	<b>158,251</b>	<b>159,074</b>
<b>Outcome 1 Totals by appropriation type</b>					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1)	3,906,364	3,924,873	3,851,691	3,884,316	3,947,562
Special appropriations: PGPA Act s77	7	100	100	100	100
Corporate Commonwealth Entity	139,534	139,445	137,048	138,211	138,974
Expenses not requiring appropriation in the Budget year	356,688	450,679	4,000	80,670	572,004
<b>Administered total</b>	<b>4,402,593</b>	<b>4,515,097</b>	<b>3,992,839</b>	<b>4,103,297</b>	<b>4,658,640</b>
Departmental expenses					
Departmental appropriations	982,593	999,834	960,279	950,959	943,159
s74 External Revenue	-	121,055	121,131	121,209	136,573
Expenses not requiring appropriation in the Budget year	153,145	145,197	134,841	139,990	142,106
<b>Departmental total</b>	<b>1,135,738</b>	<b>1,266,086</b>	<b>1,216,251</b>	<b>1,212,158</b>	<b>1,221,838</b>
<b>Total expenses for Outcome 1</b>	<b>5,538,331</b>	<b>5,781,183</b>	<b>5,209,090</b>	<b>5,315,455</b>	<b>5,880,478</b>
<b>Average staffing level (number)</b>					
	3,692	3,858			

- (a) Estimated expenses not requiring appropriation in the Budget year relate to the Export Finance Australia administrative fee and the re-measurement of defined benefits plans in 2019-20.
- (b) Estimated expenses incurred in relation to receipts retained under section 74 of the *PGPA Act 2013*.
- (c) Expenses not requiring appropriation in the Budget year may include depreciation expenses, amortisation expenses; make good expenses, audit fees, concessional costs for loans finance costs and impairment of financial instruments.
- (d) Expenses not requiring appropriation in the Budget year relate to the concessional investment discount for the discounting of the investment component for the International Development Association.

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

**Table 2.1.2: Program components of Outcome 1****Program 1.1 Foreign Affairs and Trade Operations**

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
<b>1.1.1 - Component 1: Foreign Affairs and Trade Operations</b>					
Annual administered expenses:					
COVID-19 Response Package - support to the Pacific and Timor-Leste	-	200,000	100,000	-	-
International Climate Change Engagement	2,998	3,000	3,000	3,000	3,000
Personal Benefits - Locally Engaged Staff pension schemes	4,335	5,461	5,461	5,535	5,673
Non-ODA Support for the Cook Islands	-	2,000	2,000	2,000	2,000
Other Administered Items	1,499	1,047	1,067	1,088	1,109
Special appropriations: PGPA Act s77	7	100	100	100	100
Expenses not requiring appropriation in the Budget year					
Efic - National Interest Account Expenses	3,677	3,500	3,500	3,500	3,500
Other Administered Items	3,805	-	-	-	-
Departmental expenses					
Departmental appropriation	723,615	736,971	693,473	680,151	668,289
s74 External Revenue	-	121,055	121,131	121,209	136,573
Expenses not requiring appropriation in the Budget year	153,145	145,197	134,841	139,990	142,106
<b>Total Component 1.1.1 expenses</b>	<b>893,081</b>	<b>1,218,331</b>	<b>1,064,573</b>	<b>956,573</b>	<b>962,350</b>

Table continued on next page

**Program 1.2 Official Development Assistance**

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>1.2.1 - Component 2: Official Development Assistance</b>					
Annual administered expenses:					
Country programs	1,557,089	1,414,442	1,409,489	1,371,455	1,394,835
Regional programs	793,825	781,400	806,300	871,500	866,000
Global programs	350,315	443,800	458,100	536,100	581,000
Humanitarian and emergency response programs	450,000	475,700	485,100	500,000	500,000
Expenses not requiring appropriation in the Budget year	3,486	500	500	500	500
Departmental expenses					
Departmental appropriation	258,978	262,863	266,806	270,808	274,870
<b>Total Component 1.2.1 expenses</b>	<b>3,413,693</b>	<b>3,378,705</b>	<b>3,426,295</b>	<b>3,550,363</b>	<b>3,617,205</b>

**Program 1.7 Programs to Promote Australia's International Tourism Interests**

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>1.7.1 - Component 7: Programs to Promote Australia's International Tourism Interests</b>					
Annual administered expenses:					
Corporate Commonwealth Entity - Tourism Australia	139,534	139,445	137,048	138,211	138,974
Asia Marketing Fund	14,000	19,923	19,981	20,040	20,100
Working Holiday Makers - employer registration and compliance	2,500	-	-	-	-
Implementing Sport 2030	2,000	3,000	-	-	-
Bushfire Response Package – Rebuilding Australian Tourism	41,500	29,500	-	-	-
<b>Total Component 1.7.1 expenses</b>	<b>199,534</b>	<b>191,868</b>	<b>157,029</b>	<b>158,251</b>	<b>159,074</b>

**Table 2.1.3: Performance criteria for Outcome 1**

Table 2.1.3 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2020-21 Budget measures have created new programs or materially changed existing programs.

<b>Outcome 1 – The advancement of Australia's international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign, trade and international development policy priorities</b>	
<b>Program 1.1 – Foreign Affairs and Trade Operations.</b> The department will assist the Government to meet its foreign, trade and investment, development and international security policy priorities.	
<b>Delivery strategy</b>	<p>The department is making Australia stronger, safer and more prosperous through:</p> <ul style="list-style-type: none"> <li>• pursuing relationships, programs and other initiatives that support Australia's interests and influence in the Indo-Pacific, including by advancing the region's recovery from the COVID-19 crisis;</li> <li>• advocating and negotiating to open markets, resisting protectionism and supporting the rules-based trading system;</li> <li>• supporting Australian businesses to secure opportunities globally, including through free trade agreements and advancing trade and investment collaboration in the region and more widely;</li> <li>• promoting and protecting the rules, norms, standards and institutions that underpin sovereignty, stability and prosperity, and enable cooperation to tackle global challenges;</li> <li>• promoting a shared agenda for security and prosperity with Pacific island countries and Timor-Leste through economic, security and development engagement;</li> <li>• contributing to domestic economic policy that improves Australia's international competitiveness;</li> <li>• strengthening economic and commercial diplomacy to support Australian businesses, and build domestic support for trade and investment;</li> <li>• working with international and domestic partners to promote Australia's security interests through effective international advocacy, cooperation and capacity building;</li> <li>• strengthening intelligence capabilities;</li> <li>• promoting international norms of safe, orderly and regular migration;</li> <li>• engaging with foreign services represented in Australia and ensuring their security and dignity; and</li> <li>• liaising closely with federal, state and territory governments regarding DFAT's management of the diplomatic and consular community.</li> </ul>

Table continued on next page

**Table 2.1.3: Performance criteria for Outcome 1 (continued)**

<b>Program 1.1 (continued) – Foreign Affairs and Trade Operations.</b> The department will assist the Government to meet its foreign, trade and investment, development and international security policy priorities.		
<b>Performance information</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets (a)</b>
2019–20	<ul style="list-style-type: none"> <li>The department's diplomatic efforts in the Indo-Pacific advance Australia's interests.</li> <li>Australia's Step-up in Pacific and Timor-Leste engagement supports stronger and more resilient economies, development outcomes and regional security.</li> <li>Effective support to the global rules-based trading system and opening of markets.</li> </ul>	<ul style="list-style-type: none"> <li>On track</li> <li>Partially on track, because of the impact of COVID-19</li> <li>Partially on track</li> </ul>
	<ul style="list-style-type: none"> <li>Increased opportunities for Australian businesses.</li> <li>Effective outcomes that promote Australia's security interests in: counter-terrorism; an open, free and secure cyberspace; confidence-building measures for space; reduction of weapons of mass destruction and conventional weapons risks, and countering foreign interference.</li> <li>High level of satisfaction of ministers and key stakeholders with the quality and timeliness of advice, briefing and support provided by the department.</li> <li>The diplomatic and consular corps posted or accredited to Australia are satisfied with the delivery of protocol services.</li> </ul>	<ul style="list-style-type: none"> <li>On track</li> <li>On track</li> <li>On track</li> </ul> <p>Achieved</p>
2020–21	<ul style="list-style-type: none"> <li>Our diplomatic efforts in the Indo-Pacific bolster partnerships and rules and norms that contribute to regional resilience, stability and prosperity.</li> <li>Australia's Step-up in Pacific and Timor-Leste engagement supports stronger and more resilient economies, development outcomes and regional security.</li> <li>Effective support to the global rules-based trading system and opening of markets.</li> <li>High level of satisfaction of ministers and key stakeholders with the quality and timeliness of advice, briefing and support provided by the department.</li> <li>Increased opportunities for Australian businesses.</li> <li>Australia's trade is increasingly covered by concluded free trade agreements.</li> <li>Trade and investment is factored into Australia's economic policy settings.</li> </ul>	<p>Through assessments, surveys, evaluations, audits or other measures, DFAT will demonstrate whether these performance criteria are:</p> <ul style="list-style-type: none"> <li>Achieved</li> <li>On track</li> <li>Partially on track</li> <li>Not on track</li> </ul> <p>Specific targets</p> <ul style="list-style-type: none"> <li>Around 90 per cent of trade covered by 2022.</li> </ul>

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**Table 2.1.3: Performance criteria for Outcome 1 (continued)**

<b>Program 1.1 (continued) – Foreign Affairs and Trade Operations.</b> The department will assist the Government to meet its foreign, trade and investment, development and international security policy priorities.		
2020-21 (continued)	<ul style="list-style-type: none"> <li>• Positive trade and investment outcomes supported by the department's economic and commercial diplomacy and domestic advocacy efforts.</li> <li>• Effective outcomes that promote Australia's security interests in: <ul style="list-style-type: none"> <li>– counter-terrorism</li> <li>– a safe, secure and prosperous Australia, Indo-Pacific and world enabled by cyberspace and critical technology</li> <li>– strong rules and laws that apply to space</li> <li>– reduction of weapons of mass destruction and conventional weapons risks</li> <li>– countering people smuggling and human trafficking</li> <li>– countering foreign interference</li> <li>– countering disinformation and malign messaging.</li> </ul> </li> <li>• Full and active engagement with the National Intelligence Community—including through Office of National Intelligence-led prioritisation, coordination and evaluation process—to support Australia's foreign policy interests.</li> <li>• Our relationships with Europe, the Middle East, Latin America and Africa advance Australia's interests.</li> <li>• Engagement, particularly with states, business and international organisations, including regionally through the Bali Process, to promote Australia's interests in countering people smuggling, human trafficking and modern slavery.</li> <li>• The diplomatic and consular corps posted or accredited to Australia are satisfied with the delivery of protocol services.</li> <li>• Federal and state/territory governments support DFAT's approach and processes, and foreign diplomats' cooperation with Australia's health and other requirements is strengthened.</li> </ul>	
2021–22 and beyond	As per 2020–21	As per 2020–21
<b>Purposes</b>	To make Australia stronger, safer and more prosperous, to provide timely and responsive consular and passport services, and to ensure a secure Australian Government presence overseas.	

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**Table 2.1.3: Performance criteria for Outcome 1 (continued)**

Program 1.2 – Official Development Assistance promotes Australia's national interests by contributing to sustainable and inclusive economic growth and poverty reduction.		
Delivery strategy	<p>The department will:</p> <ul style="list-style-type: none"><li>• focus Australia's development assistance predominately on the Indo-Pacific to promote Australia's national interest in a stable, prosperous and resilient region in the context of COVID-19;</li><li>• manage the development program effectively, efficiently and transparently to deliver results and value for money in line with the Australian development program's performance framework; and</li><li>• lead the Australian Government's response to humanitarian crises and conflicts, including an enhanced ability by Indo-Pacific countries to prepare for, respond to and recover from crises.</li></ul>	
Performance information		
Year	Performance criteria	Targets (a)
2019–20	<ul style="list-style-type: none"><li>• Australia's interests are promoted by our development program.</li><li>• The development program is effective, efficient and transparent.</li></ul>	<ul style="list-style-type: none"><li>• Partially on track, because of the impacts of COVID-19</li><li>• On track</li></ul>
2020–21	<ul style="list-style-type: none"><li>• Australia's development program investments promote health security, stability and economic recovery.</li><li>• Effective operational and organisational management of the development program, including in its planning, implementation and responsiveness:<ul style="list-style-type: none"><li>– Australia's response is valued by partner governments</li><li>– transparency of programming.</li></ul></li><li>• Timely and effective responses to humanitarian emergencies, including an enhanced Indo-Pacific ability to prepare for, respond to and recover from crises:<ul style="list-style-type: none"><li>– effective Australian Government response to humanitarian crises, displacement and conflict measured through end-of-program reviews of protracted crisis response packages and Strategic Partnership Frameworks, and</li><li>– Australian support builds the capacity of Pacific governments and communities to better prepare for, respond to and recover from climate change and disasters.</li></ul></li></ul>	<p>Through assessments, surveys, evaluations, audits or other measures, DFAT will demonstrate whether these performance criteria are:</p> <ul style="list-style-type: none"><li>• Achieved</li><li>• On track</li><li>• Partially on track</li><li>• Not on track</li></ul> <p>Specific targets</p> <ul style="list-style-type: none"><li>• Number of COVID-19 Response plans developed.</li><li>• Percentage of completed investments assessed as satisfactory against both effectiveness and efficiency criteria.</li><li>• Percentage of investments effectively addressing gender and social inclusion issues.</li><li>• Australia responds within 48 hours of a request from a country in the Indo-Pacific.</li></ul>
2021–22 and beyond	As per 2020–21	As per 2020–21

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**Table 2.1.3: Performance criteria for Outcome 1 (continued)**

<b>Program 1.2 (continued) – Official Development Assistance</b> promotes Australia's national interests by contributing to sustainable and inclusive economic growth and poverty reduction.	
<b>Purposes</b>	To make Australia stronger, safer and more prosperous, to provide timely and responsive consular and passport services, and to ensure a secure Australian Government presence overseas.

<b>Program 1.3 – Official Development Assistance – Multilateral Replenishments</b> assists developing countries by contributing to sustainable and inclusive economic growth and poverty reduction through contributions to multilateral organisations.		
<b>Delivery strategy</b>	Australia’s Official Development Assistance is advanced through the department’s work with multilateral organisations. Their reach, leverage, specialisation and other strengths play a critical role in helping Australia to meet its international development objectives.	
<b>Performance information</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets (a)</b>
2019–20	<ul style="list-style-type: none"><li>Australia’s interests are promoted by our development program.</li></ul>	<ul style="list-style-type: none"><li>Partially on track, because of the impacts of COVID-19</li></ul>
2020–21	<ul style="list-style-type: none"><li>Australia’s development program investments promote health security, stability and economic recovery.</li><li>Australia’s diplomatic efforts and financial contributions help shape institutions, rules, norms and standards in line with our national interests and values.</li></ul>	<p>Through assessments, surveys, evaluations, audits or other measures, DFAT will demonstrate whether these performance criteria are:</p> <ul style="list-style-type: none"><li>Achieved</li><li>On track</li><li>Partially on track</li><li>Not on track</li></ul> <p>Specific targets</p> <ul style="list-style-type: none"><li>Number of COVID-19 Response plans developed</li></ul>
2021–22 and beyond	As per 2020–21	As per 2020–21
<b>Purposes</b>	To make Australia stronger, safer and more prosperous, to provide timely and responsive consular and passport services, and to ensure a secure Australian Government presence overseas.	

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**Table 2.1.3: Performance criteria for Outcome 1 (continued)**

<b>Program 1.4 – Payments to International Organisations</b> advances Australia's foreign, trade and investment, development and international security interests.		
<b>Delivery strategy</b>	Australia uses its membership of and funding to international organisations to: <ul style="list-style-type: none"><li>• further Australia's interests, including promoting and protecting the rules, norms, standards and institutions that underpin sovereignty, stability and prosperity, and enable cooperation to tackle global challenges.</li></ul>	
<b>Performance information</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets (a)</b>
2019–20	<ul style="list-style-type: none"><li>• Australia's diplomatic efforts and financial contributions help shape institutions, rules and forms of cooperation in line with our national interests.</li></ul>	<ul style="list-style-type: none"><li>• On track</li></ul>
2020–21	<ul style="list-style-type: none"><li>• Australia's diplomatic efforts and financial contributions help shape institutions, rules, norms and standards in line with our national interests and values.</li></ul>	Through assessments, surveys, evaluations, audits or other measures, DFAT will demonstrate whether these performance criteria are: <ul style="list-style-type: none"><li>• Achieved</li><li>• On track</li><li>• Partially on track</li><li>• Not on track</li></ul>
2021–22 and beyond	As per 2020–21	As per 2020–21
<b>Purposes</b>	To make Australia stronger, safer and more prosperous, to provide timely and responsive consular and passport services, and to ensure a secure Australian Government presence overseas.	

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**Table 2.1.3: Performance criteria for Outcome 1 (continued)**

<b>Program 1.5 – New Colombo Plan – Transforming Regional Relationships</b> advances Australia’s interests and bilateral relationships through enduring people-to-people, institutional and business links with the Indo-Pacific region.		
<b>Delivery strategy</b>	Increase Australia’s engagement with the Indo-Pacific through the New Colombo Plan.	
<b>Performance information</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets (a)</b>
2019–20	<ul style="list-style-type: none"><li>• The New Colombo Plan delivers improved people-to-people, institutional and business links.</li></ul>	<ul style="list-style-type: none"><li>• Partially on track</li></ul>
2020–21	<ul style="list-style-type: none"><li>• The New Colombo Plan delivers improved people-to-people, institutional and business links.</li></ul>	<p>Through assessments, surveys, evaluations, audits or other measures, DFAT will demonstrate whether these performance criteria are:</p> <ul style="list-style-type: none"><li>• Achieved</li><li>• On track</li><li>• Partially on track</li><li>• Not on track</li></ul> <p>Specific targets</p> <ul style="list-style-type: none"><li>• At least 10,000 Australian undergraduates supported to study in the Indo-Pacific each year</li><li>• More high-quality engagement with Australian universities, businesses, alumni and other stakeholders in the New Colombo Plan</li></ul>
2021–22 and beyond	As per 2020-21	As per 2020-21
<b>Purposes</b>	To make Australia stronger, safer and more prosperous, to provide timely and responsive consular and passport services, and to ensure a secure Australian Government presence overseas.	

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**Table 2.1.3: Performance criteria for Outcome 1 (continued)**

<b>Program 1.6 – Public Information Services and Public Diplomacy</b> projects a positive and contemporary image of Australia and promotes a clear understanding of government policies and objectives and engagement with the Indo-Pacific region through the department's soft power activities.		
<b>Delivery strategy</b>	Project a positive and contemporary image of Australia, and promote a clear understanding of Australian policies, objectives and engagement with the Indo-Pacific region through the department's soft power activities.	
<b>Performance information</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets (a)</b>
2019–20	<ul style="list-style-type: none"><li>Soft power initiatives advance Australia's interests and influence.</li></ul>	<ul style="list-style-type: none"><li>On track</li></ul>
2020–21	<ul style="list-style-type: none"><li>Strategic communications and global initiatives that advance Australia's interests and influence.</li></ul>	Through assessments, surveys, evaluations, audits or other measures, DFAT will demonstrate whether these performance criteria are: <ul style="list-style-type: none"><li>Achieved</li><li>On track</li><li>Partially on track</li><li>Not on track</li></ul>
2021–22 and beyond	As per 2020–21	As per 2020–21
<b>Purposes</b>	To make Australia stronger, safer and more prosperous, to provide timely and responsive consular and passport services, and to ensure a secure Australian Government presence overseas.	

Program 1.7 – Programs to Promote Australia’s International Tourism Interests.		
Delivery strategy	The delivery of this program is the responsibility of Austrade and Tourism Australia.	
Performance information		
Year	Performance criteria	Targets (a)
2019–20	Refer to Austrade’s <i>Outcomes and planned performance</i> section for 2019–20 for objectives, deliverables, performance criteria and targets. Refer to the Tourism Australia’s <i>Outcomes and planned performance</i> section for 2019–20 for objectives, deliverables, performance criteria and targets.	
2020–21	Refer to Austrade’s <i>Outcomes and planned performance</i> section for 2020–21 for objectives, deliverables, performance criteria and targets. Refer to the Tourism Australia’s <i>Outcomes and planned performance</i> section for 2020–21 for objectives, deliverables, performance criteria and targets.	
2021–22 and beyond	As per 2020–21	As per 2020–21
Purposes	To make Australia stronger, safer and more prosperous, to provide timely and responsive consular and passport services, and to ensure a secure Australian Government presence overseas.	

## 2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 2

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

### Linked programs

<b>Australian Trade and Investment Commission</b>
<b>Programs</b>
<ul style="list-style-type: none"> <li>Program 2.1 – Consular and Passport Services</li> </ul>
<b>Australian Federal Police</b>
<b>Programs</b>
<ul style="list-style-type: none"> <li>Program 1.1 – Federal Policing and National Security</li> </ul>
<b>Services Australia</b>
<b>Programs</b>
<ul style="list-style-type: none"> <li>Program 1.1 – Services to the Community - Social Security and Welfare</li> </ul>
<p><b>Contribution to Outcome 2 made by linked programs</b></p> <p>Services Australia, the Australian Federal Police and Austrade support DFAT in the delivery of high-quality consular services, including the provision of Australian passport information services and the repatriation of vulnerable Australians.</p>

## Budgeted expenses for Outcome 2

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

**Table 2.2.1: Budgeted expenses for Outcome 2**

<b>Outcome 2: The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas</b>	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
<b>Program 2.1: Consular Services</b>					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	149	27,200	200	200	200
Expenses not requiring appropriation in the Budget year (a)	77	-	-	-	-
Special appropriations: PGPA Act s77	7	100	100	100	100
<b>Administered total</b>	<b>233</b>	<b>27,300</b>	<b>300</b>	<b>300</b>	<b>300</b>
Departmental expenses					
Departmental appropriation	106,925	118,587	117,658	117,259	117,719
<b>Departmental total</b>	<b>106,925</b>	<b>118,587</b>	<b>117,658</b>	<b>117,259</b>	<b>117,719</b>
<b>Total expenses for program 2.1</b>	<b>107,158</b>	<b>145,887</b>	<b>117,958</b>	<b>117,559</b>	<b>118,019</b>
<b>Program 2.2: Passport Services</b>					
Administered expenses					
Special appropriations: PGPA Act s77	1,847	2,000	2,000	2,000	2,000
<b>Administered total</b>	<b>1,847</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>
Departmental expenses					
Departmental appropriation	228,033	266,669	269,805	272,137	276,360
<b>Departmental total</b>	<b>228,033</b>	<b>266,669</b>	<b>269,805</b>	<b>272,137</b>	<b>276,360</b>
<b>Total expenses for program 2.2</b>	<b>229,880</b>	<b>268,669</b>	<b>271,805</b>	<b>274,137</b>	<b>278,360</b>

Table continued on next page



**Table 2.2.1: Budgeted expenses for Outcome 2 (continued)**

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
<b>Outcome 2 Totals by appropriation type</b>					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	149	27,200	200	200	200
Expenses not requiring appropriation in the Budget year (a)	77	-	-	-	-
Special appropriations: PGPA Act s77	1,854	2,100	2,100	2,100	2,100
<b>Administered total</b>	<b>2,080</b>	<b>29,300</b>	<b>2,300</b>	<b>2,300</b>	<b>2,300</b>
Departmental expenses					
Departmental appropriation	334,958	385,256	387,463	389,396	394,079
<b>Departmental total</b>	<b>334,958</b>	<b>385,256</b>	<b>387,463</b>	<b>389,396</b>	<b>394,079</b>
<b>Total expenses for Outcome 2</b>	<b>337,038</b>	<b>414,556</b>	<b>389,763</b>	<b>391,696</b>	<b>396,379</b>

	2019-20	2020-21
<b>Average staffing level (number)</b>	1,053	1,099

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

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

**Table 2.2.3: Performance criteria for Outcome 2**

Table 2.2.3 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2020-21 Budget measures have created new programs or materially changed existing programs.

Outcome 2 – The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas		
Program 2.1 – Consular Services assist Australian travellers and Australians overseas through the provision of consular support services, including timely travel advice and contingency planning for crisis response.		
Delivery strategy	The department assists Australians overseas through: <ul style="list-style-type: none"><li>• a responsive consular service focused on those most in need;</li><li>• empowering Australians to help themselves overseas; and</li><li>• preparedness for and management of overseas crises.</li></ul>	
Performance information		
Year	Performance criteria	Targets (a)
2019–20	<ul style="list-style-type: none"><li>• A responsive consular service focused on those most in need.</li><li>• Australians empowered to help themselves overseas.</li><li>• Preparedness to respond to overseas crises.</li><li>• Effective coordination of whole-of-government responses to crises overseas.</li></ul>	<ul style="list-style-type: none"><li>• On track</li><li>• Achieved</li><li>• On track</li><li>• On track.</li></ul>
2020–21	<ul style="list-style-type: none"><li>• A responsive consular service through our 24/7 global network, focusing on Australians most in need.</li><li>• Australians have information to prepare for safe travel overseas.</li><li>• The department is prepared to respond to overseas crises.</li></ul>	<p>Through assessments, surveys, evaluations, audits or other measures, DFAT will demonstrate whether these performance criteria are:</p> <ul style="list-style-type: none"><li>• Achieved</li><li>• On track</li><li>• Partially on track</li><li>• Not on track</li></ul> <p>Specific targets</p> <ul style="list-style-type: none"><li>• 100 per cent of Travel Advisories reviewed bi-annually for posts in a volatile risk environment and/or where there are high Australian interests.</li></ul>

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**Table 2.2.3: Performance criteria for Outcome 2 (continued)**

<b>Program 2.1 (continued) – Consular Services</b> assist Australian travellers and Australians overseas through the provision of consular support services, including timely travel advice and contingency planning for crisis response.		
2020-21 (continued)		<ul style="list-style-type: none"> <li>100 per cent of Travel Advisories reviewed annually for all other posts.</li> <li>100 per cent of crisis action plans reviewed and exercised annually for countries of resident accreditation.</li> </ul>
2020–21 and beyond	As per 2020–21	As per 2020–21
<b>Purposes</b>	To help make Australia stronger, safer and more prosperous by promoting and protecting our interests internationally and contributing to global stability and economic growth, particularly in the Indo-Pacific region.	

<b>Program 2.2 – Passport Services</b> provide Australians access to secure international travel documentation through the delivery of high-quality passport services.		
<b>Delivery strategy</b>	Provide Australians with high-quality passport services.	
<b>Performance information</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets (a)</b>
2019–20	<ul style="list-style-type: none"><li>• The department maintains a high standard in processing passport applications, investigating and prosecuting fraud.</li><li>• Clients are satisfied with passport services, including online services.</li><li>• Delivery of the R Series Passport by 2020–21.</li></ul>	<ul style="list-style-type: none"><li>• Achieved</li><li>• Achieved</li><li>• Not on track</li></ul>
2020–21	As per 2019–20	<p>Through assessments, surveys, evaluations, audits or other measures, DFAT will demonstrate whether these performance criteria are:</p> <ul style="list-style-type: none"><li>• Achieved</li><li>• On track</li><li>• Partially on track</li><li>• Not on track</li></ul> <p>Specific targets</p> <ul style="list-style-type: none"><li>• 95 per cent of passports processed within 10 business days</li><li>• </li></ul>

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**Table 2.2.3: Performance criteria for Outcome 2 (continued)**

<b>Program 2.2 (continued) – Passport Services</b> provide Australians access to secure international travel documentation through the delivery of high-quality passport services.		
2020-21 (continued)		<ul style="list-style-type: none"> <li>• 98 per cent of priority passports processed within two business days</li> <li>• 100 per cent of identified high-risk passport applications scrutinised by specialist staff</li> </ul>
		<ul style="list-style-type: none"> <li>• 90 per cent of administrative investigations finalised within five business days</li> <li>• 95 per cent of referrals to prosecuting authorities accepted for prosecution</li> <li>• 60 per cent of applications commenced online</li> <li>• 85 per cent satisfaction rate of overall passport service from client survey</li> </ul>
2021–22 and beyond	As per 2020–21	As per 2020–21
<b>Purposes</b>	To help make Australia stronger, safer and more prosperous by promoting and protecting our interests internationally and contributing to global stability and economic growth, particularly in the Indo-Pacific region.	

(a) See the Department of Foreign Affairs and Trade's 2019–20 Annual Performance Statement, to be tabled in Parliament on 14 October 2020, for more detailed information.

## 2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 3

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

### Budgeted expenses for Outcome 3

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

**Table 2.3.1: Budgeted expenses for Outcome 3**

<b>Outcome 3: A secure Australian Government presence overseas through the provision of security services and information and communication technology infrastructure, and the management of the Commonwealth's overseas property estate</b>	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
<b>Program 3.1: Foreign Affairs and Trade Security and IT</b>					
Departmental expenses					
Departmental appropriation	262,579	256,761	151,888	151,089	151,681
<b>Departmental total</b>	<b>262,579</b>	<b>256,761</b>	<b>151,888</b>	<b>151,089</b>	<b>151,681</b>
<b>Total expenses for program 3.1</b>	<b>262,579</b>	<b>256,761</b>	<b>151,888</b>	<b>151,089</b>	<b>151,681</b>
<b>Program 3.2: Overseas Property</b>					
Expenses not requiring appropriation in the Budget year (a)	107,024	33,365	36,894	34,678	34,868
<b>Departmental total</b>	<b>107,024</b>	<b>33,365</b>	<b>36,894</b>	<b>34,678</b>	<b>34,868</b>
<b>Total expenses for program 3.2</b>	<b>107,024</b>	<b>33,365</b>	<b>36,894</b>	<b>34,678</b>	<b>34,868</b>

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**Table 2.3.1: Budgeted expenses for Outcome 3 (continued)**

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
<b>Outcome 3 Totals by appropriation type</b>					
Departmental expenses					
Departmental appropriation	262,579	256,761	151,888	151,089	151,681
Expenses not requiring appropriation in the Budget year (a)	107,024	33,365	36,894	34,678	34,868
<b>Departmental total</b>	<b>369,603</b>	<b>290,126</b>	<b>188,782</b>	<b>185,767</b>	<b>186,549</b>
<b>Total expenses for Outcome 3</b>	<b>369,603</b>	<b>290,126</b>	<b>188,782</b>	<b>185,767</b>	<b>186,549</b>

	2019-20	2020-21
<b>Average staffing level (number)</b>	853	892

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

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

**Table 2.3.3: Performance criteria for Outcome 3**

Table 2.3.3 below details the performance criteria for each program associated with Outcome 3. It also summarises how each program is delivered and where 2020-21 Budget measures have created new programs or materially changed existing programs.

Outcome 3 – A secure Australian Government presence overseas through the provision of security services and information and communications technology infrastructure, and the management of the Commonwealth’s overseas property estate		
Program 3.1 – Foreign Affairs and Trade Security and IT		
Delivery strategy	The department is delivering security services and ICT through: <ul style="list-style-type: none"><li>strengthening protective security measures commensurate with the evolving international security environment;</li><li>enhancing the security culture of the department across the global network; and</li><li>delivering and maintaining accessible, reliable and secure ICT systems and infrastructure that meet Australian Government requirements.</li></ul>	
Performance information		
Year	Performance criteria	Targets (a)
2019–20	<ul style="list-style-type: none"><li>Effective security culture and practices guided by the DFAT Security Framework.</li><li>Staff engagement with security materials and products, and evidence of risk-based decision making on security issues using the DFAT Security Framework security risk management tools.</li><li>Fit-for-purpose and secure ICT systems.</li></ul>	<ul style="list-style-type: none"><li>On track</li><li>On track</li><li>On track</li></ul>
2020–21	<ul style="list-style-type: none"><li>Effective protective security guided by the DFAT Security Framework.</li><li>Staff engagement with security materials and products, and evidence of risk-based decision making on security issues using the DFAT Security Framework security risk management tools.</li><li>Fit-for-purpose and secure ICT systems.</li></ul>	Through assessments, surveys, evaluations, audits or other measures, DFAT will demonstrate whether these performance criteria are: <ul style="list-style-type: none"><li>Achieved</li><li>On track</li><li>Partially on track</li><li>Not on track</li></ul>
2021–22 and beyond	As per 2020–21	As per 2020–21
Purposes	To help make Australia stronger, safer and more prosperous by promoting and protecting our interests internationally and contributing to global stability and economic growth, particularly in the Indo-Pacific region.	

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**Table 2.3.3: Performance criteria for Outcome 3 (continued)**

Program 3.2 – Overseas Property		
Delivery strategy	The department will deliver a secure Australian Government presence overseas through efficient and effective management of the overseas estate that meets the government’s requirements and maintains property conditions and building services.	
Performance information		
Year	Performance criteria	Targets (a)
2019–20	<ul style="list-style-type: none"><li>• The construction and refurbishment of departmental overseas property estate completed to agreed quality standards to meet government requirements and deliver operational efficiencies.</li><li>• Asset Management Plans are in place for all owned properties in the overseas estate.</li><li>• Satisfaction ratings with the performance of the service provider and the Overseas Property Office.</li></ul>	<ul style="list-style-type: none"><li>• Partially on track</li><li>• Achieved</li><li>• Achieved</li></ul>
2020–21	<ul style="list-style-type: none"><li>• The construction and refurbishment of departmental overseas property estate completed to agreed quality standards to meet government requirements and deliver operational efficiencies.</li><li>• Asset Management Plans are in place for all owned properties in the overseas estate.</li><li>• Satisfaction ratings with the performance of the service provider and the Overseas Property Office.</li><li>• Management and refurbishment of the domestic property portfolio, including the State and Territory Offices, to meet government requirements and deliver operational efficiencies.</li></ul>	<p>Through assessments, surveys, evaluations, audits or other measures, DFAT will demonstrate whether these performance criteria are:</p> <ul style="list-style-type: none"><li>• Achieved</li><li>• On track</li><li>• Partially on track</li><li>• Not on track</li></ul> <p>Specific targets</p> <ul style="list-style-type: none"><li>• Greater than 80 per cent satisfaction ratings of the service provider and Overseas Property Office.</li></ul>
2021–22 and beyond	As per 2020–21	As per 2020–21
Purposes	To help make Australia stronger, safer and more prosperous by promoting and protecting our interests internationally and contributing to global stability and economic growth, particularly in the Indo-Pacific region.	

(a) See the Department of Foreign Affairs and Trade's 2019–20 Annual Performance Statement, to be tabled in Parliament on 14 October 2020, for more detailed information.



## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements, which provide a comprehensive snapshot of entity finances for the 2020-21 budget year, including the impact of budget measures and resourcing on financial statements.

### 3.1 BUDGETED FINANCIAL STATEMENTS

#### 3.1.1 Differences between entity resourcing and financial statements

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

#### 3.1.2 Explanatory notes and analysis of budgeted financial statements

The total budgeted revenue from government in 2020-21 is \$1,641.9 million as shown in Table 3.1. The increase is primarily attributable to:

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

The Income Statement shows a budgeted deficit in 2020-21 of \$148.5 million due to the removal of appropriation funding for depreciation and amortisation funding under the Net Cash funding arrangements.

In addition, all departmental financial statements have been updated to include the estimated impact of the new accounting standards for leases (AASB 16). This new standard applies for financial reporting periods beginning on or after 1 January 2019 and has therefore been applied from the 2019-20 financial year.

#### Budgeted Departmental Balance Sheet

The department will receive an equity injection of \$93.5 million in 2020-21 for the purchase or construction of new assets. The department will also receive \$60.0 million through its Departmental Capital Budget to fund the replacement of existing assets.

For 2020-21, the department's non-financial asset position is budgeted to be \$5,518.9 million at year-end. The major asset component is \$4,849.8 million for Land and Buildings.

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

Administered expenses for 'Multilateral Replenishments' are budgeted at \$446.5 million, a decrease of \$143.3 million from the 2019-20 estimated actual due to a smaller new multilateral replenishment being negotiated.

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

Administered assets and liabilities administered on behalf of the Government are budgeted at \$3,381.4 million and \$2,104.1 million respectively for the year ending 30 June 2021.

**Schedule of Budgeted Administered Cash Flows**

Administered cash receipts are primarily comprised of receipts from passport and consular services and are budgeted at \$295.3 million, a decrease of \$158.6 million.

Administered cash used in 2020-21 is estimated to increase by \$417.5 million compared to 2019-20. This is due primarily to the increase in expenditure on the COVID-19 Response Package.

### 3.2. Budgeted financial statements tables

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>EXPENSES</b>					
Employee benefits	888,534	928,072	906,859	915,213	932,828
Suppliers	558,427	694,504	567,673	551,572	527,934
Depreciation and amortisation (a)	353,283	319,645	312,791	321,511	327,270
Impairment loss on financial instruments	263	-	-	-	-
Write-down and impairment of assets	4,284	-	-	-	-
Grants and other contributions	9,799	-	-	-	-
Interest on Right of Use (ROU)	16,247	12,904	13,162	13,426	13,695
Losses from asset sales	-	1,793	3,788	-	-
Foreign exchange losses	9,462	-	-	-	-
<b>Total expenses</b>	<b>1,840,299</b>	<b>1,956,918</b>	<b>1,804,273</b>	<b>1,801,722</b>	<b>1,801,727</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Revenue from contracts with customers	102,603	121,660	121,186	121,254	121,254
Other revenue	56,398	44,318	44,647	44,986	45,319
<b>Total own-source revenue</b>	<b>159,001</b>	<b>165,978</b>	<b>165,833</b>	<b>166,240</b>	<b>166,573</b>
<b>Gains</b>					
Gains from sale of assets	12,500	-	-	-	-
Other gains	325	630	630	630	630
<b>Total gains</b>	<b>12,825</b>	<b>630</b>	<b>630</b>	<b>630</b>	<b>630</b>
<b>Total own-source income</b>	<b>171,826</b>	<b>166,608</b>	<b>166,463</b>	<b>166,870</b>	<b>167,203</b>
<b>Net (cost of)/contribution by services</b>	<b>(1,668,473)</b>	<b>(1,790,310)</b>	<b>(1,637,810)</b>	<b>(1,634,852)</b>	<b>(1,634,524)</b>
Revenue from Government	1,473,159	1,641,851	1,499,630	1,491,444	1,488,919
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>(195,315)</b>	<b>(148,459)</b>	<b>(138,180)</b>	<b>(143,408)</b>	<b>(145,605)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in asset revaluation surplus	131,309	-	-	-	-
<b>Total other comprehensive income</b>	<b>131,309</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss)</b>	<b>(64,006)</b>	<b>(148,459)</b>	<b>(138,180)</b>	<b>(143,408)</b>	<b>(145,605)</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>(64,006)</b>	<b>(148,459)</b>	<b>(138,180)</b>	<b>(143,408)</b>	<b>(145,605)</b>

Table continued on next 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**

	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000
<b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets</b>	<b>(45,132)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
less: Depreciation/amortisation expenses previously funded through revenue appropriations (a)	133,667	144,632	134,277	139,427	141,544
less: depreciation/amortisation expenses	168,086	128,206	130,770	133,385	136,053
add: Principal repayments on leased assets (b)	151,570	124,379	126,867	129,404	131,992
<b>Total comprehensive income/(loss) - as per the statement of comprehensive income</b>	<b>(64,006)</b>	<b>(148,459)</b>	<b>(138,180)</b>	<b>(143,408)</b>	<b>(145,605)</b>

Prepared on Australian Accounting Standards basis.

- (a) From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
- (b) Accounts for Leases under AASB 16.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	428,027	328,442	228,088	195,210	133,709
Trade and other receivables	391,844	341,545	354,956	324,147	329,258
<b>Total financial assets</b>	<b>819,871</b>	<b>669,987</b>	<b>583,044</b>	<b>519,357</b>	<b>462,967</b>
<b>Non-financial assets</b>					
Land and buildings	4,823,841	4,849,791	4,893,362	4,917,858	4,948,737
Property, plant and equipment	278,516	390,602	456,292	486,981	479,996
Intangibles	145,689	154,306	151,653	136,917	122,220
Inventories	42,430	42,430	42,430	42,430	42,430
Other non-financial assets	69,305	69,305	69,305	69,305	69,305
<b>Total non-financial assets</b>	<b>5,359,781</b>	<b>5,506,434</b>	<b>5,613,042</b>	<b>5,653,491</b>	<b>5,662,688</b>
Assets held for sale	12,428	12,428	12,428	12,428	12,428
<b>Total assets</b>	<b>6,192,080</b>	<b>6,188,849</b>	<b>6,208,514</b>	<b>6,185,276</b>	<b>6,138,083</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	89,843	91,190	92,537	93,884	95,231
Other payables	62,443	81,625	81,813	82,001	82,189
<b>Total payables</b>	<b>152,286</b>	<b>172,815</b>	<b>174,350</b>	<b>175,885</b>	<b>177,420</b>
<b>Interest bearing liabilities</b>					
Leases	1,166,047	1,183,049	1,201,819	1,220,965	1,240,494
<b>Total interest bearing liabilities</b>	<b>1,166,047</b>	<b>1,183,049</b>	<b>1,201,819</b>	<b>1,220,965</b>	<b>1,240,494</b>
<b>Provisions</b>					
Employee provisions	278,741	264,723	268,299	271,875	275,451
Other provisions	29,528	29,528	29,528	29,528	29,528
<b>Total provisions</b>	<b>308,269</b>	<b>294,251</b>	<b>297,827</b>	<b>301,403</b>	<b>304,979</b>
<b>Total liabilities</b>	<b>1,626,602</b>	<b>1,650,115</b>	<b>1,673,996</b>	<b>1,698,253</b>	<b>1,722,893</b>
<b>Net assets</b>	<b>4,565,478</b>	<b>4,538,734</b>	<b>4,534,518</b>	<b>4,487,023</b>	<b>4,415,190</b>
<b>EQUITY</b>					
Contributed equity	2,817,056	2,970,595	3,126,644	3,223,440	3,297,951
Reserves	2,087,655	2,087,655	2,087,655	2,087,655	2,087,655
Retained surplus (accumulated deficit)	(339,233)	(519,516)	(679,781)	(824,072)	(970,416)
<b>Total equity</b>	<b>4,565,478</b>	<b>4,538,734</b>	<b>4,534,518</b>	<b>4,487,023</b>	<b>4,415,190</b>

Prepared on Australian Accounting Standards basis.

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

**Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2020-21)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2020</b>					
Balance carried forward from previous period	(339,233)	2,087,655	-	2,817,056	4,565,478
<b>Adjusted opening balance</b>	<b>(339,233)</b>	<b>2,087,655</b>	<b>-</b>	<b>2,817,056</b>	<b>4,565,478</b>
<b>Comprehensive income</b>					
Surplus/(deficit) for the period	(148,459)	-	-	-	(148,459)
<b>Total comprehensive income</b>	<b>(148,459)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(148,459)</b>
of which:					
Attributable to the Australian Government	-	-	-	-	-
<b>Contributions by owners</b>					
Equity injection - Appropriation	-	-	-	93,500	93,500
Departmental Capital Budget (DCB)	-	-	-	60,039	60,039
Transfers to the Official Public Account	(31,824)	-	-	-	(31,824)
<b>Sub-total transactions with owners</b>	<b>(31,824)</b>	<b>-</b>	<b>-</b>	<b>153,539</b>	<b>121,715</b>
<b>Estimated closing balance as at 30 June 2021</b>	<b>(519,516)</b>	<b>2,087,655</b>	<b>-</b>	<b>2,970,595</b>	<b>4,538,734</b>
<b>Closing balance attributable to the Australian Government</b>	<b>(519,516)</b>	<b>2,087,655</b>	<b>-</b>	<b>2,970,595</b>	<b>4,538,734</b>

Prepared on Australian Accounting Standards basis.

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

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	1,710,617	1,675,856	1,501,669	1,522,253	1,483,808
Sale of goods and rendering of services	131,386	155,751	154,763	155,170	155,503
Net GST received	43,224	41,108	41,118	41,324	41,324
Other	6,116	11,258	11,258	11,258	11,258
<b>Total cash received</b>	<b>1,891,343</b>	<b>1,883,973</b>	<b>1,708,808</b>	<b>1,730,005</b>	<b>1,691,893</b>
<b>Cash used</b>					
Employees	854,720	924,496	903,283	911,637	929,252
Suppliers	681,389	719,978	598,825	576,518	568,020
Interest payments on lease liability	15,966	12,904	13,162	13,426	13,695
Transfers to the OPA	129,978	31,824	49,312	15,284	-
Other	9,513	-	-	-	-
<b>Total cash used</b>	<b>1,691,566</b>	<b>1,689,202</b>	<b>1,564,582</b>	<b>1,516,865</b>	<b>1,510,967</b>
<b>Net cash from/(used by) operating activities</b>	<b>199,777</b>	<b>194,771</b>	<b>144,226</b>	<b>213,140</b>	<b>180,926</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	32,715	17,927	37,884	-	-
<b>Total cash received</b>	<b>32,715</b>	<b>17,927</b>	<b>37,884</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	210,886	341,443	311,646	213,410	184,946
<b>Total cash used</b>	<b>210,886</b>	<b>341,443</b>	<b>311,646</b>	<b>213,410</b>	<b>184,946</b>
<b>Net cash from/(used by) investing activities</b>	<b>(178,171)</b>	<b>(323,516)</b>	<b>(273,762)</b>	<b>(213,410)</b>	<b>(184,946)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	136,810	153,539	156,049	96,796	74,511
<b>Total cash received</b>	<b>136,810</b>	<b>153,539</b>	<b>156,049</b>	<b>96,796</b>	<b>74,511</b>

Table continued on next page

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>Cash used</b>					
Principal payments on lease liability	151,570	124,379	126,867	129,404	131,992
<b>Total cash used</b>	<b>151,570</b>	<b>124,379</b>	<b>126,867</b>	<b>129,404</b>	<b>131,992</b>
<b>Net cash from/(used by) financing activities</b>	<b>(14,760)</b>	<b>29,160</b>	<b>29,182</b>	<b>(32,608)</b>	<b>(57,481)</b>
<b>Net increase/(decrease) in cash held</b>	<b>6,846</b>	<b>(99,585)</b>	<b>(100,354)</b>	<b>(32,878)</b>	<b>(61,501)</b>
Cash and cash equivalents at the beginning of the reporting period	430,643	428,027	328,442	228,088	195,210
Effect of exchange rate movements on cash and cash equivalents at the beginning of reporting period	(9,462)	-	-	-	-
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>428,027</b>	<b>328,442</b>	<b>228,088</b>	<b>195,210</b>	<b>133,709</b>

Prepared on Australian Accounting Standards basis.



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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Capital budget - Bill 1 (DCB)	60,170	60,039	59,533	59,620	74,511
Equity injections - Bill 2	43,546	93,500	96,516	37,176	-
<b>Total new capital appropriations</b>	<b>103,716</b>	<b>153,539</b>	<b>156,049</b>	<b>96,796</b>	<b>74,511</b>
<b>Provided for:</b>					
Purchase of non-financial assets	103,716	153,539	156,049	96,796	74,511
<b>Total items</b>	<b>103,716</b>	<b>153,539</b>	<b>156,049</b>	<b>96,796</b>	<b>74,511</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
<b>ASSETS</b>					
Funded by capital appropriations (a)	136,505	133,459	103,666	73,096	-
Funded by capital appropriation - DCB (b)	60,170	60,039	59,533	59,620	74,511
Funded internally from departmental resources (c)	103,459	147,945	148,447	80,694	110,435
<b>TOTAL</b>	<b>300,134</b>	<b>341,443</b>	<b>311,646</b>	<b>213,410</b>	<b>184,946</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	300,134	341,443	311,646	213,410	184,946
<b>Total cash used to acquire assets</b>	<b>300,134</b>	<b>341,443</b>	<b>311,646</b>	<b>213,410</b>	<b>184,946</b>

Prepared on Australian Accounting Standards basis.

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

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

(c) Includes the following sources of funding:  
- internally developed assets; and  
- proceeds from the sale of assets.

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

	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
<b>As at 1 July 2020</b>						
Gross book value	1,989,064	1,657,843	381,610	281,254	12,429	4,322,200
Gross book value - ROU assets	-	1,345,954	3,925	-	-	1,349,879
Accumulated depreciation/amortisation and impairment	-	(2,946)	(105,006)	(135,565)	-	(243,517)
Accumulated depreciation/amortisation and impairment - ROU assets	-	(166,073)	(2,013)	-	-	(168,086)
<b>Opening net book balance</b>	<b>1,989,064</b>	<b>2,834,778</b>	<b>278,516</b>	<b>145,689</b>	<b>12,429</b>	<b>5,260,476</b>
<b>Capital asset additions</b>						
<b>Estimated expenditure on new or replacement assets</b>						
By purchase - appropriation equity (a)	-	18,971	109,318	5,170	-	133,459
By purchase - appropriation ordinary annual services (b)	-	-	46,130	13,909	-	60,039
By purchase - other (c)	-	147,822	123	-	-	147,945
By purchase - appropriation ordinary annual services - ROU assets	-	142,781	-	-	-	142,781
<b>Total additions</b>	<b>-</b>	<b>309,574</b>	<b>155,571</b>	<b>19,079</b>	<b>-</b>	<b>484,224</b>
<b>Other movements</b>						
Depreciation/amortisation expense	-	(137,492)	(43,485)	(10,462)	-	(191,439)
Depreciation/amortisation on ROU assets	-	(128,206)	-	-	-	(128,206)
Disposals (d)	(13,578)	(4,349)	-	-	-	(17,927)
<b>Total other movements</b>	<b>(13,578)</b>	<b>(270,047)</b>	<b>(43,485)</b>	<b>(10,462)</b>	<b>-</b>	<b>(337,572)</b>
<b>As at 30 June 2021</b>						
Gross book value	1,975,486	1,820,287	537,181	300,333	12,429	4,645,716
Gross book value - ROU assets	-	1,488,735	3,925	-	-	1,492,660
Accumulated depreciation/amortisation and impairment	-	(140,438)	(148,491)	(146,027)	-	(434,956)
Accumulated depreciation/amortisation and impairment - ROU assets	-	(294,279)	(2,013)	-	-	(296,292)
<b>Closing net book balance</b>	<b>1,975,486</b>	<b>2,874,305</b>	<b>390,602</b>	<b>154,306</b>	<b>12,429</b>	<b>5,407,128</b>

Prepared on Australian Accounting Standards basis.

- (a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2020-21, including CDABs.
- (b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2020-21 for depreciation/amortisation expenses, DCBs or other operational expenses.
- (c) By purchase – other includes purchases funded internally from departmental resources
- (d) Net proceeds may be returned to the OPA.

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

	2019-20 Estimated Actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>EXPENSES</b>					
International Development Assistance	3,153,451	3,115,342	3,158,989	3,279,055	3,341,835
Multilateral replenishments and other loans	589,818	446,502	-	76,670	568,004
Other grants and contributions	507,919	831,393	687,387	599,872	600,200
Export Finance Australia (EFA)	3,677	3,500	3,500	3,500	3,500
Impairment loss on financial instruments	427	-	-	-	-
Other expenses	8,932	7,715	7,715	7,789	7,927
Payments to corporate Commonwealth entities - Tourism Australia	139,534	139,445	137,048	138,211	138,974
Depreciation and Amortisation	914	500	500	500	500
<b>Total expenses administered on behalf of Government</b>	<b>4,404,672</b>	<b>4,544,397</b>	<b>3,995,139</b>	<b>4,105,597</b>	<b>4,660,940</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Non-Taxation revenue</b>					
Fees and charges	464,488	295,336	447,661	609,405	667,888
AIPRD loan interest	12,999	13,254	13,572	13,921	14,344
EFA National Interest Account (NIA)	35,882	32,435	30,748	29,987	28,796
EFA dividend	13,425	5,596	5,600	6,300	7,000
EFA competitive neutrality	13,934	8,000	9,000	9,600	10,800
Return of prior year administered expenses	37,216	35,249	36,149	37,053	37,979
Other revenue and gains	5,782	255	255	255	255
<b>Total non-taxation revenue</b>	<b>583,726</b>	<b>390,125</b>	<b>542,985</b>	<b>706,521</b>	<b>767,062</b>
<b>Total own-sourced income administered on behalf of Government</b>	<b>583,726</b>	<b>390,125</b>	<b>542,985</b>	<b>706,521</b>	<b>767,062</b>
<b>Net (cost of)/contribution by services</b>	<b>(3,820,946)</b>	<b>(4,154,272)</b>	<b>(3,452,154)</b>	<b>(3,399,076)</b>	<b>(3,893,878)</b>

Table continued on next page

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

	2019-20 Estimated Actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>OTHER COMPREHENSIVE INCOME</b>					
<b>Items not subject of subsequent reclassification to net cost of services</b>					
Remeasurement of defined benefit plans	(6,696)	-	-	-	-
<b>Items subject of subsequent reclassification to net cost of services</b>					
Remeasurements of multilateral subscriptions	108,300	-	-	-	-
Movement in the carrying amount of investments	39,001	-	-	-	-
<b>Total other comprehensive income</b>	<b>140,605</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss)</b>	<b>(3,680,341)</b>	<b>(4,154,272)</b>	<b>(3,452,154)</b>	<b>(3,399,076)</b>	<b>(3,893,878)</b>

Prepared on Australian Accounting Standards basis.

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

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	23,138	8,228	5,930	5,930	5,930
AIPRD loans	162,337	165,840	169,661	173,831	178,424
Multilateral investments	2,556,415	2,556,415	2,556,415	2,556,415	2,596,415
Investments in portfolio entities	599,292	599,292	599,292	599,292	599,292
Investments in external entities	-	6,704	12,601	20,149	24,000
Trade and other receivables	42,068	42,618	43,168	43,718	44,268
<b>Total financial assets</b>	<b>3,383,250</b>	<b>3,379,097</b>	<b>3,387,067</b>	<b>3,399,335</b>	<b>3,448,329</b>
<b>Non-financial assets</b>					
Computer softw are internally developed	2,230	2,258	2,286	2,314	2,342
<b>Total non-financial assets</b>	<b>2,230</b>	<b>2,258</b>	<b>2,286</b>	<b>2,314</b>	<b>2,342</b>
<b>Total assets administered on behalf of Government</b>	<b>3,385,480</b>	<b>3,381,355</b>	<b>3,389,353</b>	<b>3,401,649</b>	<b>3,450,671</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Multilateral replenishments	1,722,441	1,865,992	1,537,207	1,275,238	1,507,299
Other payables	144,402	144,402	144,402	144,402	144,402
<b>Total payables</b>	<b>1,866,843</b>	<b>2,010,394</b>	<b>1,681,609</b>	<b>1,419,640</b>	<b>1,651,701</b>
<b>Provisions</b>					
Employee provisions	93,714	93,714	93,714	93,714	93,714
<b>Total provisions</b>	<b>93,714</b>	<b>93,714</b>	<b>93,714</b>	<b>93,714</b>	<b>93,714</b>
<b>Total liabilities administered on behalf of Government</b>	<b>1,960,557</b>	<b>2,104,108</b>	<b>1,775,323</b>	<b>1,513,354</b>	<b>1,745,415</b>
<b>Net assets/(liabilities)</b>	<b>1,424,923</b>	<b>1,277,247</b>	<b>1,614,030</b>	<b>1,888,295</b>	<b>1,705,256</b>

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Fees and Charges	453,962	295,336	447,661	609,405	667,888
Net GST received	118,738	139,298	139,994	140,694	141,398
Return of prior year administered expenses	37,216	35,249	36,149	37,053	37,979
EFA dividend	13,425	5,596	5,600	6,300	7,000
EFA competitive neutrality	13,934	8,000	9,000	9,600	10,800
EFA NIA	34,576	32,435	30,748	29,987	28,796
Other	1,037	255	255	255	255
<b>Total cash received</b>	<b>672,888</b>	<b>516,169</b>	<b>669,407</b>	<b>833,294</b>	<b>894,116</b>
<b>Cash used</b>					
International development assistance	3,391,592	3,479,819	3,500,680	3,630,422	3,726,714
Other contributions	507,918	831,393	687,387	599,872	600,200
Payments to corporate entities - Tourism Australia	139,534	139,445	137,048	138,211	138,974
Other	5,274	11,215	11,215	11,289	11,427
<b>Total cash used</b>	<b>4,044,318</b>	<b>4,461,872</b>	<b>4,336,330</b>	<b>4,379,794</b>	<b>4,477,315</b>
<b>Net cash from/(used by) operating activities</b>	<b>(3,371,430)</b>	<b>(3,945,703)</b>	<b>(3,666,923)</b>	<b>(3,546,500)</b>	<b>(3,583,199)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Repayment of AIPRD loans	9,751	9,751	9,751	9,751	9,751
Repayment of other loans	-	38,000	-	-	-
<b>Total cash received</b>	<b>9,751</b>	<b>47,751</b>	<b>9,751</b>	<b>9,751</b>	<b>9,751</b>
<b>Cash used</b>					
Purchase of intangibles	469	528	528	528	528
Other investing payments for policy purposes	168,980	84,516	132,945	135,514	136,313
Other	-	38,550	550	550	550
<b>Total cash used</b>	<b>169,449</b>	<b>123,594</b>	<b>134,023</b>	<b>136,592</b>	<b>137,391</b>
<b>Net cash from/(used by) investing activities</b>	<b>(159,698)</b>	<b>(75,843)</b>	<b>(124,272)</b>	<b>(126,841)</b>	<b>(127,640)</b>

Table continued on next page

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	-	7,232	6,425	8,076	4,379
<b>Total cash received</b>	-	<b>7,232</b>	<b>6,425</b>	<b>8,076</b>	<b>4,379</b>
<b>Net increase/(decrease) in cash held</b>	<b>(3,531,128)</b>	<b>(4,014,314)</b>	<b>(3,784,770)</b>	<b>(3,665,265)</b>	<b>(3,706,460)</b>
Cash and cash equivalents at beginning of reporting period	41,796	23,138	8,228	5,930	5,930
Cash from Official Public Account for:					
- Appropriations and special accounts	4,274,960	4,211,381	4,083,261	4,026,777	4,090,786
- Special Appropriations	1,861	305,191	330,945	340,839	378,143
<b>Total cash from Official Public Account</b>	<b>4,276,821</b>	<b>4,516,572</b>	<b>4,414,206</b>	<b>4,367,616</b>	<b>4,468,929</b>
Cash to Official Public Account for:					
- Appropriations	(764,351)	(517,168)	(631,734)	(702,351)	(762,469)
<b>Total cash to Official Public Account</b>	<b>(764,351)</b>	<b>(517,168)</b>	<b>(631,734)</b>	<b>(702,351)</b>	<b>(762,469)</b>
<b>Cash and cash equivalents at end of reporting period</b>	<b>23,138</b>	<b>8,228</b>	<b>5,930</b>	<b>5,930</b>	<b>5,930</b>

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Capital budget - Bill 1 (ACB)	528	528	528	528	528
Administered Assets and Liabilities - Bill 2	605,072	6,704	5,897	7,548	3,851
<b>Total new capital appropriations</b>	<b>605,600</b>	<b>7,232</b>	<b>6,425</b>	<b>8,076</b>	<b>4,379</b>
<b>Provided for:</b>					
Purchase of non-financial assets	528	528	528	528	528
Other items	605,072	6,704	5,897	7,548	3,851
<b>Total items</b>	<b>605,600</b>	<b>7,232</b>	<b>6,425</b>	<b>8,076</b>	<b>4,379</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation - ACB (a)	528	528	528	528	528
<b>TOTAL</b>	<b>528</b>	<b>528</b>	<b>528</b>	<b>528</b>	<b>528</b>
<b>Total cash used to acquire assets</b>	<b>528</b>	<b>528</b>	<b>528</b>	<b>528</b>	<b>528</b>

Prepared on Australian Accounting Standards basis.

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



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

	Other property plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000
<b>As at 1 July 2020</b>			
Gross book value	24	13,144	13,144
Accumulated depreciation/amortisation and impairment	(24)	(10,914)	(10,914)
<b>Opening net book balance</b>	<b>-</b>	<b>2,230</b>	<b>2,230</b>
<b>CAPITAL ASSET ADDITIONS</b>			-
<b>Estimated expenditure on new or replacement assets</b>			
By purchase - appropriation ordinary annual services (a)	-	528	528
<b>Total additions</b>	<b>-</b>	<b>528</b>	<b>528</b>
<b>Other movements</b>			
Depreciation/amortisation expense	-	(500)	(500)
<b>Total other movements</b>	<b>-</b>	<b>(500)</b>	<b>(500)</b>
<b>As at 30 June 2021</b>			
Gross book value	24	13,144	13,144
Accumulated depreciation/ amortisation and impairment	(24)	(11,414)	(11,414)
<b>Closing net book balance</b>	<b>-</b>	<b>1,730</b>	<b>1,730</b>

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2020-21 for depreciation/amortisation expenses, ACBs or other operational expenses.



# **AUSTRALIAN TRADE AND INVESTMENT COMMISSION (AUSTRADE)**

## **ENTITY RESOURCES AND PLANNED PERFORMANCE**



# AUSTRALIAN TRADE AND INVESTMENT COMMISSION

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## **AUSTRALIAN TRADE AND INVESTMENT COMMISSION**

### **Section 1: Entity overview and resources**

#### **1.1 STRATEGIC DIRECTION STATEMENT**

The Australian Trade and Investment Commission (Austrade) is the Australian Government's agency for promoting international trade, and attracting productive foreign investment to Australia. Our purpose is to deliver quality trade and investment services to businesses to grow Australia's prosperity. We do this by supporting Australian business across all industries, at all stages of their international journey. Australian businesses that succeed internationally, and productive investment into Australia, create jobs and contribute to the growth of Australian prosperity.

We connect Australian business to the world and the world to Australian business. In some of our overseas locations, we also deliver consular and passport services on behalf of the Australian Government to Australian citizens overseas.

Austrade's outcomes are:

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

A more detailed description of Austrade's purpose and how it intends to achieve it is in the corporate plan and strategy. Austrade's *2020–21 Corporate Plan* covers the four-year period to 30 June 2024.

Austrade is committed to reducing barriers to help Australian businesses and investors in Australia reach their potential. We will continue to work across portfolios so that Australia remains an attractive destination for international businesses, ensuring it continues to be a productive, prosperous, and resilient economy.

Austrade's highest priority in the immediate future is assisting Australia to recover economically from the COVID-19 pandemic. We will assist our clients – some of whom have been unable to access their existing markets or opportunities – to diversify into new or ancillary markets. This may involve advice on changing regulations, alternative transport links, or new products to meet emerging demands. Austrade will stand ready with its international network to facilitate these changes.

The Government has already entrusted us to run three significant response programs:

- the International Freight Assistance Mechanism to re-establish vital international air freight links broken in the wake of the pandemic
- the Supporting Exhibiting Zoos and Aquariums Program to ensure that the animals in zoos and aquariums are fed and cared for, so that these important tourism sites can open as soon as conditions allow, and
- Austrade will also deliver a Regional Tourism Recovery program, targeted to provide assistance to the most internationally reliant tourism regions.

These programs complement the Export Market Development Grant (EMDG) program, which was reviewed during 2020, and will be reformed in 2021 to provide Australian business with a simplified program, and embed EMDG as a core Austrade service.

In the tourism sector, Austrade will deliver on its policy responsibilities by working with tourism operators and our state and territory partners to promote Australia's international tourism interests create jobs and diversify local economies, including through schemes such as the Regional Tourism Bushfire Recovery Grants program. To help the sector adapt to the twin challenges of the 2019–20 bushfires and the COVID-19 pandemic, Austrade will deliver a tourism recovery plan during 2020–21, as well as administering a range of recovery programs.

Over the four-year period commencing in 2020–21, and in line with the Austrade Strategy 2018–2022, Austrade's objectives are to:

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

We will support regional exporters through the TradeStart network, which complements our domestic network. Through our international network, we will also contribute to economic diplomacy and protect the welfare of Australian citizens abroad



by providing timely and responsive consular and passport services in specific locations, including working alongside DFAT in assisting with the repatriation of Australians affected by COVID-related travel restrictions.

In addition to our universal services, Austrade will also help our clients by providing financial assistance for exporters through programs like the EMDG scheme. Austrade will continue to build Australia's global reputation as an internationally competitive investment destination, a great place to visit, a quality provider of international education and a trusted exporter of premium quality goods and services.

## **1.2 ENTITY RESOURCE STATEMENT**

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

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

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

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

**Table 1.1: Austrade resource statement — Budget estimates for 2020-21 as at Budget October 2020**

	2019-20 <i>Estimated actual</i> \$'000	2020-21 Estimate \$'000
<b>Departmental</b>		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	58,423	41,595
Departmental appropriation (b)	208,768	225,449
s74 External Revenue (c)	22,417	26,200
Departmental capital budget (d)	14,116	13,906
Annual appropriations - other services - non-operating (e)		
Prior year appropriations available	2,260	2,444
Equity injection	3,000	6,893
Total departmental annual appropriations	308,984	316,487
<b>Total departmental resourcing</b>	<b>308,984</b>	<b>316,487</b>
<b>Administered</b>		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	5,723	3,430
Outcome 1	168,650	706,801
Total administered annual appropriations	174,373	710,231
Total administered special appropriations	65,590	192,320
<b>Total administered resourcing</b>	<b>239,963</b>	<b>902,551</b>
<b>Total resourcing for Austrade</b>	<b>548,947</b>	<b>1,219,038</b>
	2019-20	2020-21
<b>Average staffing level (number)</b>	<b>973</b>	<b>1,027</b>

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

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

(a) Appropriation Bill (No. 1) 2020-21.

(b) Excludes Departmental Capital Budget (DCB).

(c) Estimated External Revenue receipts under section 74 of the *PGPA Act 2013*.

(d) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

(e) Appropriation Bill (No. 2) 2020-21.

## 1.2 BUDGET MEASURES

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

**Table 1.2: Austrade 2020-21 Budget measures**  
**Measures announced after the Economic and Fiscal Update July 2020**

		2020-21	2021-22	2022-23	2023-24
	Program	\$'000	\$'000	\$'000	\$'000
<b>Expense measures</b>					
JobMaker Plan - Digital Business Plan	1.1				
Departmental expenses		1,927	2,563	2,573	2,586
<b>Total</b>		<b>1,927</b>	<b>2,563</b>	<b>2,573</b>	<b>2,586</b>
COVID-19 Response Package - additional aviation support					
Administered expenses	1.2	214,901	-	-	-
Departmental expenses	1.1	7,172	-	-	-
<b>Total</b>		<b>222,073</b>	-	-	-
Supporting Regional Australia					
Administered expenses	1.2	-	-	-	-
Departmental expenses	1.1	434	570	-	-
<b>Total</b>		<b>434</b>	<b>570</b>	-	-
COVID-19 Response Package - Relief and Recovery Fund - additional projects					
Administered expenses	1.2	-	-	-	-
<b>Total</b>		-	-	-	-
COVID-19 Response Package - Export Market Development Grants - scheme simplification (a)					
	1.2	-	-	-	-
<b>Total</b>		-	-	-	-
New Initiatives for a Comprehensive Strategic Partnership with India					
Departmental expenses	1.1	-	-	-	-
<b>Total</b>		-	-	-	-
<b>Total expense measures</b>					
Administered		214,901	-	-	-
Departmental		9,533	3,133	2,573	2,586
<b>Total</b>		<b>224,434</b>	<b>3,133</b>	<b>2,573</b>	<b>2,586</b>

(a) This measure implements the recommendations of the independent Review of Financial Assistance to SME exporters, with zero financial impact.

## 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 Austrade can be found at: <https://www.austrade.gov.au/About/corporate-information>

Austrade also has its Strategy 2018–22 document at: <https://www.austrade.gov.au/ArticleDocuments/6513/Austrade-Strategy-2018-2022-Final.pdf.aspx>.

The most recent annual performance statement can be found at: <https://www.transparency.gov.au/annual-reports/australian-trade-and-investment-commission/reporting-year/2018-2019-29>.

## 2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

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

### Linked programs

<b>Department of Foreign Affairs and Trade</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• Program 1.1 – Foreign Affairs and Trade Operations</li> <li>• Program 1.6 – Public Information Services and Public Diplomacy</li> </ul>
<b>Contribution to Outcome 1 made by linked programs</b> DFAT and Austrade work closely across a number of areas. This cooperation results in more economic opportunities, and includes partnering to deliver seminars and webinars that promote Australian business awareness and use of our growing network of free trade agreements. This cooperation also contributes to the projection of a positive image of Australia as a destination for business, investment, tourism and study.
<b>Department of Industry, Science, Energy and Resources</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• Program 1.1 – Supporting science and commercialisation</li> <li>• Program 1.2 – Growing Business Investment and Improving Business Capability</li> </ul>
<b>Contribution to Outcome 1 made by linked programs</b> The Department of Industry, Science, Energy and Resources co-operates with Austrade on the Government's Global Innovation Strategy, established under the National Innovation and Science Agenda. This includes the Landing Pads and the Inbound Innovation Forum. DFAT also works closely with Austrade on the International Freight Assistance Mechanism.

### Linked programs (continued)

<b>Department of Education, Skills and Employment</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• Program 2.7 – International Education Support</li> </ul>
<b>Contribution to Outcome 1 made by linked program</b> <p>The National Strategy for International Education, led by the Department of Education, Skills and Employment, seeks to strengthen the fundamentals of the international education sector and complements Austrade’s focus through <i>Australian International Education 2025</i> on enabling the sector’s ongoing international growth.</p>
<b>Department of Agriculture, Water and the Environment</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• Program 3.13 – International Market Access</li> <li>• Program 4.1 – Biosecurity and Export Services</li> </ul>
<b>Contribution to Outcome 1 made by linked programs</b> <p>The Department of Agriculture, Water and the Environment and Austrade work together to achieve the best outcomes for Australian agricultural, fisheries and forestry exports, including through co-operation on the International Freight Assistance Mechanism. The department also undertakes activities to preserve Australia’s favourable animal and plant health status, helping maintain overseas markets.</p>
<b>Tourism Australia</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• Program 1.1 - Supporting Outcome 1 (Grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets)</li> </ul>
<b>Contribution to Outcome 1 made by linked program</b> <p>Austrade provides research and policy support to Tourism Australia's activities of promoting the export of Australian tourism services. While impacted in the short term by the COVID pandemic, in the long term these exports will contribute to Australia's prosperity.</p>

**Linked programs (continued)**

<b>Department of Defence</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• Program 2.1 – Strategic Policy and Intelligence</li> </ul>
<b>Contribution to Outcome 1 made by linked program</b> The Government's Defence Export Strategy is being implemented by the Department of Defence through the Australian Defence Export Office. This is providing a whole of government coordinated approach to supporting Australian defence industry to grow exports.
<b>Department of Infrastructure, Transport, Regional Development and Communications</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• Program 3.1 – Regional development</li> </ul>
<b>Contribution to Outcome 1 made by linked program</b> The Department of Infrastructure, Transport, Regional Development and Communications supports tourism demand-driving infrastructure in Australia's regions through the Government's Building Better Regions Fund, and co-operation on the International Freight Assistance Mechanism.

### Budgeted expenses for Outcome 1

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

**Table 2.1.1: Budgeted expenses for Outcome 1**

<b>Outcome 1:</b>					
<b>Contribute to Australia's economic prosperity by promoting Australia's export and other international economic interests through the provision of information, advice and services to business, associations, institutions and government</b>					
	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
<b>Program 1.1: Promotion of Australia's export and other international economic interests</b>					
Departmental expenses					
Departmental appropriation	208,399	213,835	200,559	198,475	199,484
s74 External Revenue (a)	24,799	25,200	26,500	27,000	27,000
Expenses not requiring appropriation in the Budget year (b)	13,955	16,000	15,000	15,000	15,000
<b>Departmental total</b>	<b>247,153</b>	<b>255,035</b>	<b>242,059</b>	<b>240,475</b>	<b>241,484</b>
<b>Total expenses for program 1.1</b>	<b>247,153</b>	<b>255,035</b>	<b>242,059</b>	<b>240,475</b>	<b>241,484</b>
<b>Program 1.2: Programs to promote Australia's exports and other international economic interests</b>					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	159,300	707,511	200,390	137,900	137,900
Special Appropriation - Assistance for Severely Affected Regions (Special Appropriation) (Coronavirus Economic Response Package) Act 2020	104,415	192,320	-	-	-
<b>Administered total</b>	<b>263,715</b>	<b>899,831</b>	<b>200,390</b>	<b>137,900</b>	<b>137,900</b>
<b>Total expenses for program 1.2</b>	<b>263,715</b>	<b>899,831</b>	<b>200,390</b>	<b>137,900</b>	<b>137,900</b>

Table continued on next page



**Table 2.1.1: Budgeted expenses for Outcome 1 (continued)**

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>Outcome 1 Totals by appropriation type</b>					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	159,300	707,511	200,390	137,900	137,900
Special Appropriation - Assistance for Severely Affected Regions (Special Appropriation) (Coronavirus Economic Response Package) Act 2020	104,415	192,320	-	-	-
<b>Administered total</b>	<b>263,715</b>	<b>899,831</b>	<b>200,390</b>	<b>137,900</b>	<b>137,900</b>
Departmental expenses					
Departmental appropriation	208,399	213,835	200,559	198,475	199,484
s74 External Revenue (a)	24,799	25,200	26,500	27,000	27,000
Expenses not requiring appropriation in the Budget year (b)	13,955	16,000	15,000	15,000	15,000
<b>Departmental total</b>	<b>247,153</b>	<b>255,035</b>	<b>242,059</b>	<b>240,475</b>	<b>241,484</b>
<b>Total expenses for Outcome 1</b>	<b>510,868</b>	<b>1,154,866</b>	<b>442,449</b>	<b>378,375</b>	<b>379,384</b>
<b>Movement of administered funds between years (c)</b>					
	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
Outcome 1:					
National Tourism Icons Program	(2,680)	710	1,970	-	-
<b>Total movement of administered funds</b>	<b>(2,680)</b>	<b>710</b>	<b>1,970</b>	<b>-</b>	<b>-</b>
<b>Average staffing level (number)</b>					
	2019-20 938	2020-21 991			

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

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

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

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

**Table 2.1.2: Budgeted expenses for Outcome 1 (continued)**

<b>Program 1.2: Programs to promote Australia's exports and other international economic interests</b>					
	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>1.2.1 - Component 1: Export Market Development Grants scheme</b>					
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1)	157,900	157,900	157,900	137,900	137,900
Special Appropriation - Assistance for Severely Affected Regions (Special Appropriation) (Coronavirus Economic Response Package) Act 2020	42,085	-	-	-	-
<b>Total component 1 expenses</b>	<b>199,985</b>	<b>157,900</b>	<b>157,900</b>	<b>137,900</b>	<b>137,900</b>
<b>1.2.2 - Component 2: Free Trade Agreement Promotion</b>					
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1)	-	-	-	-	-
<b>Total component 2 expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>1.2.3 - Component 3: National Tourism Icons Program</b>					
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1)	1,400	3,710	12,490	-	-
<b>Total component 3 expenses</b>	<b>1,400</b>	<b>3,710</b>	<b>12,490</b>	<b>-</b>	<b>-</b>
<b>1.2.4 - Component 4: International Freight Assistance Mechanism</b>					
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1)	-	545,901	-	-	-
Special Appropriation - Assistance for Severely Affected Regions (Special Appropriation) (Coronavirus Economic Response Package) Act 2020	54,987	75,000	-	-	-
<b>Total component 4 expenses</b>	<b>54,987</b>	<b>620,901</b>	<b>-</b>	<b>-</b>	<b>-</b>

Table continued on next page

**Table 2.1.2: Budgeted expenses for Outcome 1 (continued)**

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>1.2.5 - Component 5: Supporting Australia's Exhibiting Zoos and Aquariums</b>					
Annual administered expenses:					
Special Appropriation - Assistance for Severely Affected Regions (Special Appropriation) (Coronavirus Economic Response Package) Act 2020	7,343	47,320	-	-	-
<b>Total component 5 expenses</b>	<b>7,343</b>	<b>47,320</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>1.2.6 - Component 6: Business Events Grants</b>					
Annual administered expenses:					
Special Appropriation - Assistance for Severely Affected Regions (Special Appropriation) (Coronavirus Economic Response Package) Act 2020	-	50,000	-	-	-
<b>Total component 6 expenses</b>	<b>-</b>	<b>50,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>1.2.7 - Component 7: Recovery of Regional Tourism</b>					
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1)	-	-	30,000	-	-
Special Appropriation - Assistance for Severely Affected Regions (Special Appropriation) (Coronavirus Economic Response Package) Act 2020	-	20,000	-	-	-
<b>Total component 7 expenses</b>	<b>-</b>	<b>20,000</b>	<b>30,000</b>	<b>-</b>	<b>-</b>
<b>Total program expenses</b>	<b>263,715</b>	<b>899,831</b>	<b>200,390</b>	<b>137,900</b>	<b>137,900</b>

**Table 2.1.3: Performance criteria for Outcome 1**

Table 2.1.3 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2020-21 Budget measures have created new programs or materially changed existing programs.

Outcome 1 – Contribute to Australia’s economic prosperity by promoting Australia’s export and other international economic interests through the provision of information, advice and services to business, associations, institutions and government		
Program 1.1 – Promotion of Australia’s export and other international economic interests		
Delivery	Austrade: <ul style="list-style-type: none"><li>• connects export-ready Australian businesses to overseas opportunities and works with them to achieve commercial outcomes</li><li>• wins productive foreign investment</li><li>• promotes Australian capability internationally</li><li>• works with priority industry sectors to drive sustained long-term growth of Australian exports</li><li>• reduces the time, cost and risk for its clients</li><li>• provides authoritative commercial insights and information to help clients make informed business decisions</li><li>• informs and influences policy to support positive trade and investment outcomes, including for tourism and international education</li><li>• supports Australia’s regional exporters through the TradeStart network</li></ul>	
Performance information		
Year	Performance criteria (a)	2019-20 Actual Achievement/Targets
2019-20	High level of satisfaction for ministers, Australian business community, institutions and key partners with Austrade’s services.	90% of clients responding to a survey expressed their satisfaction with Austrade’s services
2020-21	High level of satisfaction for Austrade’s clients with Austrade’s services.	Austrade expects this level of satisfaction to be at least 85%, as measured in an annual survey.
2021-22 and beyond	As per 2020–21	As per 2020–21
Purposes	The purpose of Austrade is to deliver quality trade and investment services to businesses to grow Australia’s prosperity.	

**Table 2.1.3: Performance criteria for Outcome 1 (continued)**

Program 1.2 – Programs to promote Australia’s exports and other international economic interests		
Delivery	Austrade administers programs that support Australian businesses’ engagement in international business. It provides financial assistance for exporters through programs like the Export Market Development Grant (EMDG).	
Performance information		
Year	Performance criteria (a)	2019-20 Actual Achievement/Targets
2019-20	EMDG recipients report that the receipt of a grant encouraged them to increase their export promotion activities	64% of respondents to a survey of EMDG recipients reported in 2019–20 that receiving a grant encouraged them to increase their export promotion activities
2020-21	EMDG recipients report that the receipt of a grant encouraged them to increase their export promotion activities	Austrade expects at least 70 per cent of EMDG recipients to report that receiving a grant encouraged them to increase their export promotion activities
	Regular airfreight services to top destinations for agricultural/food export or distribution	<i>Top five destinations for agricultural/food export or distribution (e.g. China, Japan, USA, Middle East and Singapore) are serviced at least weekly by direct airfreight links from Australia</i>
	<i>Speed of processing of grants for the Supporting Exhibiting Zoos and Aquariums program</i>	<i>90 per cent of funding agreements are issued within three weeks of receipt of application</i>
2021-22 and beyond	EMDG recipients report that the receipt of a grant encouraged them to increase their export promotion activities	Austrade expects at least 70 per cent of EMDG recipients to report that receiving a grant encouraged them to increase their export promotion activities
Purposes	The purpose of Austrade is to deliver quality trade and investment services to businesses to grow Australia’s prosperity.	
Material changes to Program 1.2 resulting from the following measures:		
<ul style="list-style-type: none"><li>COVID-19 Response Package — additional aviation support</li><li>COVID-19 Response Package — Relief and Recovery Fund – additional projects</li></ul>		

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

## **2.2 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 2**

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

### **Linked programs**

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

## Budgeted expenses for Outcome 2

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

**Table 2.2.1: Budgeted expenses for Outcome 2**

<b>Outcome 2: The protection and welfare of Australians abroad through timely and responsive consular and passport services in specific locations overseas</b>					
	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
<b>Program 2.1: Consular Services</b>					
Departmental expenses					
Departmental appropriation	9,806	9,215	9,222	9,281	9,416
s74 External Revenue (a)	1,366	1,000	1,000	1,000	1,000
<b>Departmental total</b>	<b>11,172</b>	<b>10,215</b>	<b>10,222</b>	<b>10,281</b>	<b>10,416</b>
<b>Total expenses for program 2.1</b>	<b>11,172</b>	<b>10,215</b>	<b>10,222</b>	<b>10,281</b>	<b>10,416</b>
<b>Outcome 2 Totals by appropriation type</b>					
	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
Departmental expenses					
Departmental appropriation	9,806	9,215	9,222	9,281	9,416
s74 External Revenue (a)	1,366	1,000	1,000	1,000	1,000
<b>Departmental total</b>	<b>11,172</b>	<b>10,215</b>	<b>10,222</b>	<b>10,281</b>	<b>10,416</b>
<b>Total expenses for Outcome 2</b>	<b>11,172</b>	<b>10,215</b>	<b>10,222</b>	<b>10,281</b>	<b>10,416</b>
<b>Average staffing level (number)</b>					
	35	36			

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

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

**Table 2.2.3: Performance criteria for Outcome 2**

Table 2.2.3 below details the performance criteria for each program associated with Outcome 2. It also summarises how each program is delivered and where 2020-21 Budget measures have created new programs or materially changed existing programs.

Outcome 2 – The protection and welfare of Australians abroad through timely and responsive consular and passport services in specific locations overseas		
Program 2.1 – Consular and Passport Services		
Delivery	In overseas locations where Austrade has designated consular management responsibilities, Austrade will continue to place a high priority on helping Australians through the delivery of effective consular services, efficient passport services and practical contingency planning, in accordance with DFAT's Consular Services and Passports Client Services charters	
Performance information		
Year	Performance criteria (a)	2019-20 Actual Achievement/Targets
2019–20	Effective delivery of consular and passport services to Australians overseas	97.6% of routine passport applications were processed accurately as per Australian Passport Office benchmark
2020–21	Effective delivery of consular and passport services to Australians overseas	97 per cent of routine passport applications are processed accurately as per Australian Passport Office benchmark
2021-22 and beyond	As per 2020–21	As per 2020–21
Purposes	Austrade helps Australian citizens overseas by providing consular and passport services in designated locations.	



## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements, which provide a comprehensive snapshot of entity finances for the 2020-21 budget year, including the impact of budget measures and resourcing on financial statements.

### **3.1 BUDGETED FINANCIAL STATEMENTS**

#### **3.1.1 Differences between entity resourcing and financial statements**

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

#### **3.1.2 Budgeted financial statements**

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

#### **Departmental Financial Statements**

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

#### **Budgeted departmental comprehensive income statement**

This statement provides actual financial results for 2019-20 and the estimated revenue and expenses for 2020-21 and forward years.

Total income in 2020-21 is estimated to be \$247.3 million includes \$9.5 million in funding for the new measures outlined in Table 1.2 - Entity 2020-21 Budget Measures.

The recognition of expense for lease assets and payments under AASB 16 is presented in Table 3.1- Comprehensive Income Statement.

#### **Budgeted departmental balance sheet**

This statement discloses the estimated end of year financial position for Austrade. Austrade's budgeted net asset position at the end of 2020-21 of \$70.1 million, an increase of \$2.8 million to the closing 2019-20 position.

#### **Departmental capital budget statement**

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

### **Departmental statement of asset movements**

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

### **Schedule of administered activity**

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

### **Schedule of budgeted income and expenses administered on behalf of Government**

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

Administered expenses of \$899.8 million for 2020-21 relate to the International Freight Assistance Mechanism (IFAM) (\$620.9 million), Export Market Development Grants (EMDG) Scheme (\$157.9 million), Supporting Australia's Zoos and Aquariums (\$47.3 million), National Tourism Icons Program (\$3.7 million), Business Events Grants Program (\$50.0 million) and Recovery of Regional Tourism (\$20.0 million). The EMDG Scheme is comprised of \$150.5 million in grant expenditure and \$7.4 million in expenditure for the costs of administration on behalf of the Government. Zoos and Aquariums, Tourism Icons, Business Events Grants and Recovery of Regional Tourism are wholly comprised of grant expenditure.

### **Schedule of budgeted assets and liabilities administered on behalf of Government**

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

Total administered assets and liabilities for 2020-21 are estimated at \$2.5 million and \$44.1 million respectively.

### **Schedule of budgeted administered cash flows**

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

### 3.2. Budgeted financial statements tables

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
<b>EXPENSES</b>					
Employee benefits	158,619	161,401	152,088	148,799	148,809
Suppliers	57,503	59,849	57,193	58,957	60,091
Depreciation and amortisation (a)	40,514	43,000	42,000	42,000	42,000
Finance costs	987	1,000	1,000	1,000	1,000
Losses from asset sales	653	-	-	-	-
Other expenses	48	-	-	-	-
<b>Total expenses</b>	<b>258,324</b>	<b>265,250</b>	<b>252,281</b>	<b>250,756</b>	<b>251,900</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Sale of goods and rendering of services	23,398	22,700	24,000	24,500	24,500
Rental income	534	500	500	500	500
Other	2,233	3,000	3,000	3,000	3,000
<b>Total own-source revenue</b>	<b>26,165</b>	<b>26,200</b>	<b>27,500</b>	<b>28,000</b>	<b>28,000</b>
<b>Total own-source income</b>	<b>26,165</b>	<b>26,200</b>	<b>27,500</b>	<b>28,000</b>	<b>28,000</b>
<b>Net (cost of)/contribution by services</b>	<b>(232,159)</b>	<b>(239,050)</b>	<b>(224,781)</b>	<b>(222,756)</b>	<b>(223,900)</b>
Revenue from Government	213,168	221,050	207,781	205,756	206,900
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>(18,991)</b>	<b>(18,000)</b>	<b>(17,000)</b>	<b>(17,000)</b>	<b>(17,000)</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>(18,991)</b>	<b>(18,000)</b>	<b>(17,000)</b>	<b>(17,000)</b>	<b>(17,000)</b>

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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**

	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000
<b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets</b>					
	(5,036)	-	-	-	-
less: Depreciation/amortisation expenses previously funded through					
revenue appropriations (a)	13,955	16,000	15,000	15,000	15,000
less: depreciation/amortisation expenses					
for ROU assets (b)	26,559	27,000	27,000	27,000	27,000
add: Principal repayments on leased assets (b)	31,294	25,000	25,000	25,000	25,000
<b>Total comprehensive income/(loss) - as per the statement of comprehensive income</b>	<b>(18,991)</b>	<b>(18,000)</b>	<b>(17,000)</b>	<b>(17,000)</b>	<b>(17,000)</b>

Prepared on Australian Accounting Standards basis.

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

(b) Applies leases under AASB 16 Leases.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	9,575	9,575	9,575	9,575	9,575
Trade and other receivables	48,807	48,807	48,807	48,807	48,807
<b>Total financial assets</b>	<b>58,382</b>	<b>58,382</b>	<b>58,382</b>	<b>58,382</b>	<b>58,382</b>
<b>Non-financial assets</b>					
Land and buildings	91,988	90,890	88,234	85,578	82,478
Property, plant and equipment	8,371	8,195	8,929	9,638	10,216
Intangibles	39,544	43,617	47,062	45,990	45,590
Other non-financial assets	3,324	3,324	3,324	3,324	3,324
<b>Total non-financial assets</b>	<b>143,227</b>	<b>146,026</b>	<b>147,549</b>	<b>144,530</b>	<b>141,608</b>
<b>Total assets</b>	<b>201,609</b>	<b>204,408</b>	<b>205,931</b>	<b>202,912</b>	<b>199,990</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	12,143	12,143	12,143	12,143	12,143
Other payables	5,492	5,492	5,492	5,492	5,492
<b>Total payables</b>	<b>17,635</b>	<b>17,635</b>	<b>17,635</b>	<b>17,635</b>	<b>17,635</b>
<b>Interest bearing liabilities</b>					
Leases	73,787	73,787	73,787	73,787	73,787
<b>Total interest bearing liabilities</b>	<b>73,787</b>	<b>73,787</b>	<b>73,787</b>	<b>73,787</b>	<b>73,787</b>
<b>Provisions</b>					
Employee provisions	39,034	39,034	39,034	39,034	39,034
Other provisions	3,842	3,842	3,842	3,842	3,842
<b>Total provisions</b>	<b>42,876</b>	<b>42,876</b>	<b>42,876</b>	<b>42,876</b>	<b>42,876</b>
<b>Total liabilities</b>	<b>134,298</b>	<b>134,298</b>	<b>134,298</b>	<b>134,298</b>	<b>134,298</b>
<b>Net assets</b>	<b>67,311</b>	<b>70,110</b>	<b>71,633</b>	<b>68,614</b>	<b>65,692</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	148,136	168,935	187,458	201,439	215,517
Reserves	37,546	37,546	37,546	37,546	37,546
Retained surplus (accumulated deficit)	(118,371)	(136,371)	(153,371)	(170,371)	(187,371)
<b>Total parent entity interest</b>	<b>67,311</b>	<b>70,110</b>	<b>71,633</b>	<b>68,614</b>	<b>65,692</b>
<b>Total equity</b>	<b>67,311</b>	<b>70,110</b>	<b>71,633</b>	<b>68,614</b>	<b>65,692</b>

Prepared on Australian Accounting Standards basis.

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

**Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2020-21)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2020</b>				
Balance carried forward from previous period	(118,371)	37,546	148,136	67,311
<b>Adjusted opening balance</b>	<b>(118,371)</b>	<b>37,546</b>	<b>148,136</b>	<b>67,311</b>
<b>Comprehensive income</b>				
Surplus/(deficit) for the period	(18,000)	-	-	(18,000)
<b>Total comprehensive income</b>	<b>(18,000)</b>	<b>-</b>	<b>-</b>	<b>(18,000)</b>
of which:				
Attributable to the Australian Government	(18,000)	-	-	(18,000)
<b>Contributions by owners</b>				
Equity injection - Appropriation	-	-	6,893	6,893
Departmental Capital Budget (DCB)	-	-	13,906	13,906
<b>Sub-total transactions with owners</b>	<b>(18,000)</b>	<b>-</b>	<b>20,799</b>	<b>2,799</b>
<b>Estimated closing balance as at 30 June 2021</b>	<b>(136,371)</b>	<b>37,546</b>	<b>168,935</b>	<b>70,110</b>
<b>Closing balance attributable to the Australian Government</b>	<b>(136,371)</b>	<b>37,546</b>	<b>168,935</b>	<b>70,110</b>

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	229,837	221,050	207,781	205,756	206,900
Sale of goods and rendering of services	20,323	23,200	24,500	25,000	25,000
Net GST received	4,989	-	-	-	-
Other	2,607	3,000	3,000	3,000	3,000
<b>Total cash received</b>	<b>257,756</b>	<b>247,250</b>	<b>235,281</b>	<b>233,756</b>	<b>234,900</b>
<b>Cash used</b>					
Employees	160,184	161,401	152,088	148,799	148,809
Suppliers	58,159	59,849	57,193	58,957	60,091
Interest payments on lease liability	987	1,000	1,000	1,000	1,000
<b>Total cash used</b>	<b>219,330</b>	<b>222,250</b>	<b>210,281</b>	<b>208,756</b>	<b>209,900</b>
<b>Net cash from/(used by) operating activities</b>	<b>38,426</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	307	-	-	-	-
<b>Total cash received</b>	<b>307</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	19,588	20,799	18,523	13,981	14,078
<b>Total cash used</b>	<b>19,588</b>	<b>20,799</b>	<b>18,523</b>	<b>13,981</b>	<b>14,078</b>
<b>Net cash from/(used by) investing activities</b>	<b>(19,281)</b>	<b>(20,799)</b>	<b>(18,523)</b>	<b>(13,981)</b>	<b>(14,078)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	18,219	20,799	18,523	13,981	14,078
<b>Total cash received</b>	<b>18,219</b>	<b>20,799</b>	<b>18,523</b>	<b>13,981</b>	<b>14,078</b>
<b>Cash used</b>					
Principal payments on lease liability	31,294	25,000	25,000	25,000	25,000
<b>Total cash used</b>	<b>31,294</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>
<b>Net cash from/(used by) financing activities</b>	<b>(13,075)</b>	<b>(4,201)</b>	<b>(6,477)</b>	<b>(11,019)</b>	<b>(10,922)</b>
<b>Net increase/(decrease) in cash held</b>	<b>6,070</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	3,505	9,575	9,575	9,575	9,575
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>9,575</b>	<b>9,575</b>	<b>9,575</b>	<b>9,575</b>	<b>9,575</b>

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Capital budget - Bill 1 (DCB)	14,116	13,906	13,903	13,981	14,078
Equity injections - Bill 2	3,000	6,893	4,620	-	-
<b>Total new capital appropriations</b>	<b>17,116</b>	<b>20,799</b>	<b>18,523</b>	<b>13,981</b>	<b>14,078</b>
<b>Provided for:</b>					
Purchase of non-financial assets	17,116	20,799	18,523	13,981	14,078
<b>Total items</b>	<b>17,116</b>	<b>20,799</b>	<b>18,523</b>	<b>13,981</b>	<b>14,078</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
<b>ASSETS</b>					
Funded by capital appropriations (a)	2,274	6,893	4,620	-	-
Funded by capital appropriation - DCB (b)	15,945	13,906	13,903	13,981	14,078
<b>TOTAL</b>	<b>18,219</b>	<b>20,799</b>	<b>18,523</b>	<b>13,981</b>	<b>14,078</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	18,219	20,799	18,523	13,981	14,078
<b>Total cash used to acquire assets</b>	<b>18,219</b>	<b>20,799</b>	<b>18,523</b>	<b>13,981</b>	<b>14,078</b>

Prepared on Australian Accounting Standards basis.

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

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



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

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2020</b>				
Gross book value	18,595	11,256	45,485	75,336
Gross book value - ROU assets	105,081	-	-	105,081
Accumulated depreciation/ amortisation and impairment	(5,129)	(2,885)	(5,941)	(13,955)
Accumulated depreciation/amortisation and impairment - ROU assets	(26,559)	-	-	(26,559)
<b>Opening net book balance</b>	<b>91,988</b>	<b>8,371</b>	<b>39,544</b>	<b>139,903</b>
<b>Capital asset additions</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase - appropriation equity (a)	1,690	-	5,203	6,893
By purchase - appropriation ordinary annual services (b)	3,212	3,824	6,870	13,906
By purchase - other - ROU assets	25,000	-	-	25,000
<b>Total additions</b>	<b>29,902</b>	<b>3,824</b>	<b>12,073</b>	<b>45,799</b>
<b>Other movements</b>				
Depreciation/amortisation expense	(4,000)	(4,000)	(8,000)	(16,000)
Depreciation/amortisation on ROU assets	(27,000)	-	-	(27,000)
<b>Total Other movements</b>	<b>(31,000)</b>	<b>(4,000)</b>	<b>(8,000)</b>	<b>(43,000)</b>
<b>As at 30 June 2021</b>				
Gross book value	23,497	15,080	57,558	96,135
Gross book value - ROU assets	130,081	-	-	130,081
Accumulated depreciation/ amortisation and impairment	(9,129)	(6,885)	(13,941)	(29,955)
Accumulated depreciation/amortisation and impairment - ROU assets	(53,559)	-	-	(53,559)
<b>Closing net book balance</b>	<b>90,890</b>	<b>8,195</b>	<b>43,617</b>	<b>142,702</b>

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2020-21.

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2020-21 for depreciation/amortisation expenses, DCBs or other operational expenses.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
<b>EXPENSES</b>					
Employee benefits	5,426	5,043	5,043	5,043	5,043
Suppliers	35,658	295,635	1,852	1,852	1,852
Grants	222,631	599,153	193,495	131,005	131,005
<b>Total expenses administered on behalf of Government</b>	<b>263,715</b>	<b>899,831</b>	<b>200,390</b>	<b>137,900</b>	<b>137,900</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
<b>Non-taxation revenue</b>					
Other revenue	117	-	-	-	-
<b>Total non-taxation revenue</b>	<b>117</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total own-source revenue administered on behalf of Government</b>	<b>117</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total own-sourced income administered on behalf of Government</b>	<b>117</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net (cost of)/contribution by services</b>	<b>263,598</b>	<b>899,831</b>	<b>200,390</b>	<b>137,900</b>	<b>137,900</b>
<b>Total comprehensive income/(loss)</b>	<b>(263,598)</b>	<b>(899,831)</b>	<b>(200,390)</b>	<b>(137,900)</b>	<b>(137,900)</b>

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	650	-	-	-	-
Trade and other receivables	2,498	2,498	2,498	2,498	2,498
<b>Total financial assets</b>	<b>3,148</b>	<b>2,498</b>	<b>2,498</b>	<b>2,498</b>	<b>2,498</b>
<b>Total assets administered on behalf of Government</b>	<b>3,148</b>	<b>2,498</b>	<b>2,498</b>	<b>2,498</b>	<b>2,498</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	16,359	16,359	16,359	16,359	16,359
Grants	20,990	20,990	20,990	20,990	20,990
Other payables	68	68	68	68	68
<b>Total payables</b>	<b>37,417</b>	<b>37,417</b>	<b>37,417</b>	<b>37,417</b>	<b>37,417</b>
<b>Provisions</b>					
Employee provisions	2,012	2,012	2,012	2,012	2,012
Other provisions	4,691	4,691	4,691	4,691	4,691
<b>Total provisions</b>	<b>6,703</b>	<b>6,703</b>	<b>6,703</b>	<b>6,703</b>	<b>6,703</b>
<b>Total liabilities administered on behalf of Government</b>	<b>44,120</b>	<b>44,120</b>	<b>44,120</b>	<b>44,120</b>	<b>44,120</b>
<b>Net assets/(liabilities)</b>	<b>(40,972)</b>	<b>(41,622)</b>	<b>(41,622)</b>	<b>(41,622)</b>	<b>(41,622)</b>

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Net GST received	197	-	-	-	-
<b>Total cash received</b>	<b>197</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Grant	202,675	599,153	193,495	131,005	131,005
Suppliers	20,039	295,635	1,852	1,852	1,852
Employees	5,412	5,043	5,043	5,043	5,043
Other	1,738	-	-	-	-
<b>Total cash used</b>	<b>229,864</b>	<b>899,831</b>	<b>200,390</b>	<b>137,900</b>	<b>137,900</b>
<b>Net cash from/(used by) operating activities</b>	<b>(229,667)</b>	<b>(899,831)</b>	<b>(200,390)</b>	<b>(137,900)</b>	<b>(137,900)</b>
<b>Net increase/(decrease) in cash held</b>	<b>(229,667)</b>	<b>(899,831)</b>	<b>(200,390)</b>	<b>(137,900)</b>	<b>(137,900)</b>
Cash and cash equivalents at beginning of reporting period	-	650	-	-	-
Cash from Official Public Account for:					
- Appropriations	231,356	899,831	200,390	137,900	137,900
<b>Total cash from Official Public Account</b>	<b>231,356</b>	<b>899,831</b>	<b>200,390</b>	<b>137,900</b>	<b>137,900</b>
Cash to Official Public Account for:					
- Appropriations	(1,039)	(650)	-	-	-
<b>Total cash to Official Public Account</b>	<b>(1,039)</b>	<b>(650)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents at end of reporting period</b>	<b>650</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

**AUSTRALIAN CENTRE FOR  
INTERNATIONAL AGRICULTURAL  
RESEARCH (ACIAR)**

**ENTITY RESOURCES AND PLANNED  
PERFORMANCE**



# AUSTRALIAN CENTRE FOR INTERNATIONAL AGRICULTURAL RESEARCH

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# **AUSTRALIAN CENTRE FOR INTERNATIONAL AGRICULTURAL RESEARCH**

## **Section 1: Entity overview and resources**

### **1.1 STRATEGIC DIRECTION STATEMENT**

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

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

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

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

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

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

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

### *ACIAR Budget Statements*

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

Around 65 per cent of our research expenditure is implemented through bilateral arrangements between ACIAR and partner countries in the Indo-Pacific region. In 2020-21, ACIAR will continue to develop long-term agreements for research collaboration in the Indo-Pacific region, with a focus on the Pacific. In most countries and regions, these agreements will put into effect a program of research collaboration that is more consolidated geographically and thematically. They will also detail the intent for co-investment by some countries. We will continue to maintain permanent representation in 10 countries.

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

In 2020-21 the COVID-19 pandemic will influence the prioritisation and execution of our activities, in order to prevent the health crisis precipitating a food crisis. Informed by a rapid assessment of food system risks and resilience in the region, ACIAR will target investment to critical gaps and opportunities, and will adapt its delivery modalities in response to current disruptions and constraints, particularly in international travel.

## 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 or cash available) basis, whilst the 'Budgeted expenses by Outcome 1' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

**Table 1.1: ACIAR resource statement — Budget estimates for 2020-21 as at Budget October 2020**

	2019-20 <i>Estimated actual</i> \$'000	2020-21 Estimate \$'000
<b>Departmental</b>		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	3,243	3,472
Departmental appropriation (c)	9,312	9,352
s74 External Revenue (d)	2,196	2,534
Departmental capital budget (e)	243	245
<b>Total departmental resourcing</b>	<b>14,994</b>	<b>15,603</b>
<b>Administered</b>		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	2,370	2,896
Outcome 1	98,677	87,346
Total administered annual appropriations	<b>101,047</b>	<b>90,242</b>
Special accounts (d)		
Opening balance	8,851	7,508
Appropriation receipts	11,460	8,348
Total special account receipts	<b>20,311</b>	<b>15,856</b>
<b>Total administered resourcing</b>	<b>121,358</b>	<b>106,098</b>
<b>Total resourcing for ACIAR</b>	<b>136,352</b>	<b>121,701</b>
	2019-20	2020-21
<b>Average staffing level (number)</b>	<b>77</b>	<b>78</b>

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

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

(a) Appropriation Bill (No. 1) 2020-21

(b) Excludes \$0.416m subject to administrative quarantine by Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act 2013)*

(c) Excludes Departmental Capital Budget (DCB).

(d) Estimated External Revenue receipts under section 74 of the *PGPA Act 2013*.

(e) Departmental Capital Budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

## SECTION 2: OUTCOMES AND PLANNED PERFORMANCE

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

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

**Note:**

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

The most recent corporate plan for ACIAR can be found at:

<https://aciarc.gov.au/publication/corporate-publications/corporate-plan-2020-21>

The most recent annual performance statement can be found at:

<https://aciarc.gov.au/publication/corporate-publications/annual-report-2018-19>

## 2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

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

### Linked programs

<b>Department of Foreign Affairs and Trade</b>
<b>Programs</b> Program 1.2 – Official Development Assistance
<b>Contribution to Outcome 1 made by linked program</b> ACIAR manages a range of co-investments with DFAT including research and capacity building. These investments enable ACIAR to leverage resources and access complementary expertise. ACIAR overseas offices are located within Australian High Commissions and Embassies and work in close collaboration with DFAT.

### Budgeted expenses for Outcome 1

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

**Table 2.1.1: Budgeted expenses for Outcome 1**

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
<b>Program 1.1: (Insert program name)</b>					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	98,677	87,346	87,194	88,444	89,964
Special accounts	12,802	13,804	3,138	527	200
<b>Administered total</b>	<b>111,479</b>	<b>101,150</b>	<b>90,332</b>	<b>88,971</b>	<b>90,164</b>
Departmental expenses					
Departmental appropriations <sup>74</sup> External Revenue (a)	9,312	9,352	9,334	9,341	9,377
Expenses not requiring appropriation in the Budget year (b)	2,196	2,534	2,142	1,954	1,956
	1,444	1,459	1,475	1,440	1,298
<b>Departmental total</b>	<b>12,952</b>	<b>13,345</b>	<b>12,951</b>	<b>12,735</b>	<b>12,631</b>
<b>Total expenses for program 1.1</b>	<b>124,431</b>	<b>114,495</b>	<b>103,283</b>	<b>101,706</b>	<b>102,795</b>
<b>Outcome 1 Totals by appropriation type</b>					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	98,677	87,346	87,194	88,444	89,964
Special accounts	12,802	13,804	3,138	527	200
<b>Administered total</b>	<b>111,479</b>	<b>101,150</b>	<b>90,332</b>	<b>88,971</b>	<b>90,164</b>
Departmental expenses					
Departmental appropriations <sup>74</sup> External Revenue (a)	9,312	9,352	9,334	9,341	9,377
Expenses not requiring appropriation in the Budget year (b)	2,196	2,534	2,142	1,954	1,956
	1,444	1,459	1,475	1,440	1,298
<b>Departmental total</b>	<b>12,952</b>	<b>13,345</b>	<b>12,951</b>	<b>12,735</b>	<b>12,631</b>
<b>Total expenses for Outcome 1</b>	<b>124,431</b>	<b>114,495</b>	<b>103,283</b>	<b>101,706</b>	<b>102,795</b>
<b>Average staffing level (number)</b>					
	77	78			

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

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

**Table 2.1.3: Performance criteria for Outcome 1**

Table 2.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2020-21 Budget measures have created new programs or materially changed existing programs.

Outcome 1 – To achieve more productive and sustainable agricultural systems for the benefit of developing countries and Australia through international agricultural research and training partnerships		
Program 1 – International agricultural research for development for more productive and sustainable agriculture		
Delivery	ACIAR is an investor, broker, facilitator and manager of strategic partnerships in agricultural research for development, and an evaluator and communicator of research findings. The partnership model ensures that partner countries have input into and ownership of research priorities and the delivery of research programs. This approach maximises the relevance of the research undertaken and the likelihood that research outputs and findings will be used and will make a difference to those countries and to Australia. ACIAR has a well-established Impact Evaluation Program that helps us to refine our priorities, learn lessons from current and past projects, and report accurately to the Minister, the Parliament and the wider Australian public.	
Performance information		
Year	Performance criteria (a)	Targets
2019-20	Delivery in line with the ACIAR 10 Year Strategy 2018-2027 of: <ul style="list-style-type: none"><li>• Bilateral country research partnerships through ten research programs</li><li>• Multilateral research collaborations and co-investment with development partners through the Global Program</li><li>• Capacity building programs targeted to agricultural researchers in partner countries</li></ul>	Through case studies (quantitative and qualitative), mid- and end-project reviews, long-term adoption studies and impact pathway analyses, ACIAR will measure the extent to which these performance criteria are: <ul style="list-style-type: none"><li>• Achieved</li><li>• On track</li><li>• Not on track</li></ul>
2020-21	Delivery of programs in line with the ACIAR 10-Year Strategy 2018–2027: <ul style="list-style-type: none"><li>• global research collaborations</li><li>• bilateral and regional research projects through 10 research programs</li><li>• scientific and policy capacity building activities</li></ul>	Through annual project progress reports, mid- and end-project reviews, long-term adoption studies and impact pathway analyses, case studies (quantitative and qualitative), and financial activity indicators, as appropriate to each performance criteria, ACIAR will measure the extent to which these criteria are: <ul style="list-style-type: none"><li>• exceeding expectations</li><li>• meeting expectations</li><li>• not meeting expectations</li></ul>
2021-22 and beyond	As per 2020-21	As per 2020-21
Purpose	To contribute to reducing poverty and improving the livelihoods of many in the Indo-Pacific region through more productive and sustainable agriculture emerging from collaborative international research.	



## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements, which provide a comprehensive snapshot of entity finances for the 2020-21 budget year, including the impact of budget measures and resourcing on financial statements.

### **3.1 BUDGETED FINANCIAL STATEMENTS**

#### **3.1.1 Differences between entity resourcing and financial statements**

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

#### **3.1.2 Explanatory notes and analysis of budgeted financial statements**

##### **Departmental financial statements**

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

##### **Budgeted departmental comprehensive income statement**

The total budgeted revenue from government in 2020-21 is \$9.4 million as shown in Table 3.1.

The Income Statement shows a budgeted deficit in 2020-21 of \$0.6 million due to the removal of appropriation funding for depreciation and amortisation funding under the Net Cash funding arrangements.

##### **Budgeted departmental balance sheet**

The statement discloses the estimated end of year financial position for ACIAR. ACIAR's budgeted net asset position of \$3.2 million at the end of 2020-21 represents a decrease of \$0.7 million from the 2019-20 estimate actual in table 3.2. This is mainly due to the variation between capital program funding (\$0.3 million) and estimated depreciation expense (\$0.6 million).

**Departmental statement of changes in equity – summary of movement**

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

Total equity at the end of 2020-21 is estimated to be \$3.2 million, a decrease of \$0.8 million mainly due to the variation between capital program funding (\$0.3 million) and estimated depreciation expense (\$0.6 million).

**Budgeted departmental statement of cashflows**

This statement shows the extent and nature of cash flows as a result of ACIAR's operating, investing and financing activities. ACIAR's cash balance at the end of 2020-21 is estimated to be \$0.01 million.

**Departmental capital budget statement**

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

**Departmental statements of asset movements**

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

**Schedule of administered activity**

In 2020-21 ACIAR will receive administered appropriation of \$87.4 million for programs administered on behalf of the government. The expenditure is for 'International Development Assistance'.

**Schedule of budgeted assets and liabilities administered on behalf of government**

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

Total administered assets and liabilities for 2020-2021 are estimated at \$2.6 million and \$8.6 million respectively.

**Schedule of budgeted administered cash flows**

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

### 3.2. Budgeted financial statements tables

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
<b>EXPENSES</b>					
Employee benefits	7,510	7,223	7,347	7,568	7,710
Suppliers	2,961	3,813	3,279	2,877	2,773
Grants					
Depreciation and amortisation (a)	1,410	1,427	1,443	1,408	1,266
Finance costs	80	80	72	65	58
Other expenses	1	-	-	-	-
<b>Total expenses</b>	<b>11,962</b>	<b>12,543</b>	<b>12,141</b>	<b>11,918</b>	<b>11,807</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Sale of goods and rendering of services	656	838	369	91	44
Other	1,575	1,728	1,805	1,895	1,944
<b>Total own-source revenue</b>	<b>2,231</b>	<b>2,566</b>	<b>2,174</b>	<b>1,986</b>	<b>1,988</b>
<b>Gains</b>					
Sale of assets	12	-	-	-	-
<b>Total gains</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total own-source income</b>	<b>2,243</b>	<b>2,566</b>	<b>2,174</b>	<b>1,986</b>	<b>1,988</b>
<b>Net (cost of)/contribution by services</b>	<b>(9,719)</b>	<b>(9,977)</b>	<b>(9,967)</b>	<b>(9,932)</b>	<b>(9,819)</b>
Revenue from Government	9,312	9,352	9,334	9,341	9,377
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>(407)</b>	<b>(625)</b>	<b>(633)</b>	<b>(591)</b>	<b>(442)</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>(407)</b>	<b>(625)</b>	<b>(633)</b>	<b>(591)</b>	<b>(442)</b>

Table continued on the following page.

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

**Note: Impact of net cash appropriation arrangements**

	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000
<b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets</b>	<b>319</b>	<b>101</b>	<b>150</b>	<b>212</b>	<b>232</b>
less: Depreciation/amortisation expenses previously funded through revenue appropriations (a)	610	627	643	675	631
less: depreciation/amortisation expenses for ROU assets (b)	800	800	800	733	635
add: Principal repayments on leased assets (b)	684	701	660	605	592
<b>Total comprehensive income/(loss) - as per the statement of comprehensive income</b>	<b>(407)</b>	<b>(625)</b>	<b>(633)</b>	<b>(591)</b>	<b>(442)</b>

Prepared on Australian Accounting Standards basis.

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

(b) Application of AASB 16 Leases.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	12	12	12	12	12
Trade and other receivables	3,499	3,600	3,750	3,962	4,194
<b>Total financial assets</b>	<b>3,511</b>	<b>3,612</b>	<b>3,762</b>	<b>3,974</b>	<b>4,206</b>
<b>Non-financial assets</b>					
Land and buildings	7,453	6,517	5,577	4,700	3,952
Property, plant and equipment	819	647	493	339	229
Intangibles	1,537	1,463	1,359	1,227	1,065
Other non-financial assets	71	31	31	31	31
<b>Total non-financial assets</b>	<b>9,880</b>	<b>8,658</b>	<b>7,460</b>	<b>6,297</b>	<b>5,277</b>
<b>Total assets</b>	<b>13,391</b>	<b>12,270</b>	<b>11,222</b>	<b>10,271</b>	<b>9,483</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	209	209	249	249	249
Other payables	204	164	124	124	124
<b>Total payables</b>	<b>413</b>	<b>373</b>	<b>373</b>	<b>373</b>	<b>373</b>
<b>Interest bearing liabilities</b>					
Loans					
Leases	6,592	5,891	5,231	4,626	4,034
<b>Total interest bearing liabilities</b>	<b>6,592</b>	<b>5,891</b>	<b>5,231</b>	<b>4,626</b>	<b>4,034</b>
<b>Provisions</b>					
Employee provisions	1,913	1,913	1,913	1,913	1,913
Other provisions	518	518	518	518	518
<b>Total provisions</b>	<b>2,431</b>	<b>2,431</b>	<b>2,431</b>	<b>2,431</b>	<b>2,431</b>
<b>Total liabilities</b>	<b>9,436</b>	<b>8,695</b>	<b>8,035</b>	<b>7,430</b>	<b>6,838</b>
<b>Net assets</b>	<b>3,955</b>	<b>3,575</b>	<b>3,187</b>	<b>2,841</b>	<b>2,645</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	2,836	3,081	3,326	3,571	3,817
Reserves	231	231	231	231	231
Retained surplus (accumulated deficit)	888	263	(370)	(961)	(1,403)
<b>Total parent entity interest</b>	<b>3,955</b>	<b>3,575</b>	<b>3,187</b>	<b>2,841</b>	<b>2,645</b>
<b>Total equity</b>	<b>3,955</b>	<b>3,575</b>	<b>3,187</b>	<b>2,841</b>	<b>2,645</b>

Prepared on Australian Accounting Standards basis.

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

**Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2020-21)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2020</b>				
Balance carried forward from previous period	888	231	2,836	3,955
<b>Adjusted opening balance</b>	<b>888</b>	<b>231</b>	<b>2,836</b>	<b>3,955</b>
<b>Comprehensive income</b>				
Surplus/(deficit) for the period	(625)	-	-	(625)
<b>Total comprehensive income</b>	<b>(625)</b>	<b>-</b>	<b>-</b>	<b>(625)</b>
of which:				
Attributable to the Australian Government	(625)	-	-	(625)
Departmental Capital Budget (DCB)	-	-	245	245
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>245</b>	<b>245</b>
<b>Estimated closing balance as at 30 June 2021</b>	<b>263</b>	<b>231</b>	<b>3,081</b>	<b>3,575</b>
<b>Closing balance attributable to the Australian Government</b>	<b>263</b>	<b>231</b>	<b>3,081</b>	<b>3,575</b>

Prepared on Australian Accounting Standards basis.

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

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	9,083	9,251	9,184	9,129	9,145
Sale of goods and rendering of services	2,196	2,534	2,142	1,954	1,956
Net GST received	348	-	-	-	-
<b>Total cash received</b>	<b>11,627</b>	<b>11,785</b>	<b>11,326</b>	<b>11,083</b>	<b>11,101</b>
<b>Cash used</b>					
Employees	7,108	7,223	7,347	7,568	7,710
Suppliers	3,254	3,781	3,247	2,845	2,741
Net GST paid	348	-	-	-	-
Interest payments on lease liability	80	80	72	65	58
<b>Total cash used</b>	<b>10,790</b>	<b>11,084</b>	<b>10,666</b>	<b>10,478</b>	<b>10,509</b>
<b>Net cash from/(used by) operating activities</b>	<b>837</b>	<b>701</b>	<b>660</b>	<b>605</b>	<b>592</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	33	-	-	-	-
<b>Total cash received</b>	<b>33</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	429	245	245	245	246
<b>Total cash used</b>	<b>429</b>	<b>245</b>	<b>245</b>	<b>245</b>	<b>246</b>
<b>Net cash from/(used by) investing activities</b>	<b>(396)</b>	<b>(245)</b>	<b>(245)</b>	<b>(245)</b>	<b>(246)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	243	245	245	245	246
<b>Total cash received</b>	<b>243</b>	<b>245</b>	<b>245</b>	<b>245</b>	<b>246</b>
<b>Cash used</b>					
Principal payments on lease liability	684	701	660	605	592
<b>Total cash used</b>	<b>684</b>	<b>701</b>	<b>660</b>	<b>605</b>	<b>592</b>
<b>Net cash from/(used by) financing activities</b>	<b>(441)</b>	<b>(456)</b>	<b>(415)</b>	<b>(360)</b>	<b>(346)</b>
<b>Net increase/(decrease) in cash held</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	12	12	12	12	12
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Capital budget - Bill 1 (DCB)	243	245	245	245	246
<b>Total new capital appropriations</b>	<b>243</b>	<b>245</b>	<b>245</b>	<b>245</b>	<b>246</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations (a)	243	245	245	245	246
<b>TOTAL</b>	<b>243</b>	<b>245</b>	<b>245</b>	<b>245</b>	<b>246</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	243	245	245	245	246
<b>Total cash used to acquire assets</b>	<b>243</b>	<b>245</b>	<b>245</b>	<b>245</b>	<b>246</b>

Prepared on Australian Accounting Standards basis.

- a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2020-21 for depreciation/amortisation expenses, DCBs or other operational expenses.



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

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2020</b>				
Gross book value	792	819	2,082	3,693
Gross book value - ROU assets	7,461	-	-	7,461
Accumulated depreciation/amortisation and impairment	-	-	(545)	(545)
Accumulated depreciation/amortisation and impairment - ROU assets	(800)	-	-	(800)
<b>Opening net book balance</b>	<b>7,453</b>	<b>819</b>	<b>1,537</b>	<b>9,809</b>
<b>Capital asset additions</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase - appropriation ordinary annual services (a)	20	75	150	245
<b>Total additions</b>	<b>20</b>	<b>75</b>	<b>150</b>	<b>245</b>
<b>Other movements</b>				
Depreciation/amortisation expense	(156)	(247)	(224)	(627)
Depreciation/amortisation on ROU assets	(800)	-	-	(800)
<b>Total other movements</b>	<b>(956)</b>	<b>(247)</b>	<b>(224)</b>	<b>(1,427)</b>
<b>As at 30 June 2021</b>				
Gross book value	812	894	2,232	3,938
Gross book value - ROU assets	7,461	-	-	7,461
Accumulated depreciation/amortisation and impairment	(156)	(247)	(769)	(1,172)
Accumulated depreciation/amortisation and impairment - ROU assets	(1,600)	-	-	(1,600)
<b>Closing net book balance</b>	<b>6,517</b>	<b>647</b>	<b>1,463</b>	<b>8,627</b>

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2020-21 for depreciation/amortisation expenses, DCBs or other operational expenses.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>EXPENSES</b>					
Employee benefits	4,039	4,302	4,371	4,437	4,526
Suppliers	100,148	96,665	86,147	84,443	85,638
<b>Total expenses administered on behalf of Government</b>	<b>104,187</b>	<b>100,967</b>	<b>90,518</b>	<b>88,880</b>	<b>90,164</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
<b>Non-taxation revenue</b>					
Sale of goods and rendering of services	12,941	9,677	3,324	436	200
<b>Total non-taxation revenue</b>	<b>12,941</b>	<b>9,677</b>	<b>3,324</b>	<b>436</b>	<b>200</b>
<b>Total comprehensive income/(loss)</b>	<b>91,246</b>	<b>91,290</b>	<b>87,194</b>	<b>88,444</b>	<b>89,964</b>

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	7,519	2,062	1,372	1,449	1,449
Taxation receivables	499	499	499	499	499
Trade and other receivables	10	10	10	10	10
<b>Total financial assets</b>	<b>8,028</b>	<b>2,571</b>	<b>1,881</b>	<b>1,958</b>	<b>1,958</b>
<b>Non-financial assets</b>					
Other non-financial assets	26	26	26	26	26
<b>Total non-financial assets</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>
<b>Total assets administered on behalf of Government</b>	<b>8,054</b>	<b>2,597</b>	<b>1,907</b>	<b>1,984</b>	<b>1,984</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	1,830	1,830	1,830	1,830	1,830
Other payables	7,914	6,401	5,711	5,788	5,788
<b>Total payables</b>	<b>9,744</b>	<b>8,231</b>	<b>7,541</b>	<b>7,618</b>	<b>7,618</b>
<b>Provisions</b>					
Employee provisions	345	345	345	345	345
<b>Total provisions</b>	<b>345</b>	<b>345</b>	<b>345</b>	<b>345</b>	<b>345</b>
<b>Total liabilities administered on behalf of Government</b>	<b>10,089</b>	<b>8,576</b>	<b>7,886</b>	<b>7,963</b>	<b>7,963</b>
<b>Net assets/(liabilities)</b>	<b>(2,035)</b>	<b>(5,979)</b>	<b>(5,979)</b>	<b>(5,979)</b>	<b>(5,979)</b>

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Net GST received	5,811	5,000	5,000	5,000	5,000
Other	11,829	8,164	2,634	513	200
<b>Total cash received</b>	<b>17,640</b>	<b>13,164</b>	<b>7,634</b>	<b>5,513</b>	<b>5,200</b>
<b>Cash used</b>					
Suppliers	101,287	96,665	86,147	84,443	85,638
Net GST paid	5,811	5,000	5,000	5,000	5,000
Employees	3,509	4,242	4,310	4,375	4,462
Other	-	60	61	62	64
<b>Total cash used</b>	<b>110,607</b>	<b>105,967</b>	<b>95,518</b>	<b>93,880</b>	<b>95,164</b>
<b>Net cash from/(used by) operating activities</b>	<b>(92,967)</b>	<b>(92,803)</b>	<b>(87,884)</b>	<b>(88,367)</b>	<b>(89,964)</b>
<b>Net increase/(decrease) in cash held</b>	<b>(92,967)</b>	<b>(92,803)</b>	<b>(87,884)</b>	<b>(88,367)</b>	<b>(89,964)</b>
Cash and cash equivalents at beginning of reporting period	8,861	7,519	2,062	1,372	1,449
Cash from Official Public Account for:					
- Appropriations	98,677	87,346	87,194	88,444	89,964
<b>Total cash from Official Public Account</b>	<b>98,677</b>	<b>87,346</b>	<b>87,194</b>	<b>88,444</b>	<b>89,964</b>
Cash to Official Public Account for:					
- Appropriations	(7,052)	-	-	-	-
<b>Total cash to Official Public Account</b>	<b>(7,052)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents at end of reporting period</b>	<b>7,519</b>	<b>2,062</b>	<b>1,372</b>	<b>1,449</b>	<b>1,449</b>

Prepared on Australian Accounting Standards basis.

# **AUSTRALIAN SECRET INTELLIGENCE SERVICE (ASIS)**

## **ENTITY RESOURCES AND PLANNED PERFORMANCE**



# AUSTRALIAN SECRET INTELLIGENCE SERVICE

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## AUSTRALIAN SECRET INTELLIGENCE SERVICE

### Section 1: Entity overview and resources

#### 1.1 STRATEGIC DIRECTION STATEMENT

In 2020-21 the Australian Secret Intelligence Service (ASIS) will continue to enhance Government understanding of the overseas environment affecting Australia's vital interests. ASIS will take appropriate action, consistent with applicable legislation, to protect and promote Australia's vital interests through the provision of unique foreign intelligence services as directed by the Government.

The primary functions of ASIS are:

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

## 1.2 ENTITY RESOURCE STATEMENT

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

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by departmental (for the entity's operations) classification.

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

**Table 1.1: ASIS resource statement — Budget estimates for 2020-21 as at Budget October 2020**

	2019-20 Estimated actual \$'000	2020-21 Estimate \$'000
<b>Departmental</b>		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	142,300	168,657
Departmental appropriation (b)	326,558	306,866
s74 External Revenue (c)	97,200	94,000
Departmental capital budget (d)	18,762	17,540
Annual appropriations - other services - non-operating (e)		
Equity injection	53,503	43,261
Total departmental annual appropriations	<b>638,323</b>	<b>630,324</b>
<b>Total departmental resourcing</b>	<b>638,323</b>	<b>630,324</b>
<b>Total resourcing for ASIS</b>	<b>638,323</b>	<b>630,324</b>

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

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

(a) Appropriation Bill (No. 1) 2020-21.

(b) Excludes Departmental Capital Budget (DCB).

(c) Estimated External Revenue receipts under section 74 of the *PGPA Act 2013*.

(d) Departmental Capital Budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. For accounting purposes, this amount has been designated as a 'contribution by owner'.

(e) Appropriation Bill (No. 2) 2020-21.

## Section 2: Outcomes and planned performance

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

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

## 2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

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

### Budgeted expenses for Outcome 1

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

**Table 2.1.1: Budgeted expenses for Outcome 1**

<b>Outcome 1: Enhanced understanding for the Government of the overseas environment affecting Australia's interests through the provision of covert intelligence services about the capabilities, intentions or activities of people or organisations outside Australia</b>					
	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
<b>Program 1.1: Secret Intelligence</b>					
Departmental expenses					
Departmental appropriation	237,590	230,149	235,190	230,482	231,070
s74 External Revenue (a)	72,900	70,500	71,250	65,250	68,250
Expenses not requiring appropriation in the Budget year (b)	29,189	25,969	34,517	37,191	39,827
<b>Departmental total</b>	<b>339,679</b>	<b>326,618</b>	<b>340,957</b>	<b>332,923</b>	<b>339,147</b>
<b>Total expenses for program 1.1</b>	<b>339,679</b>	<b>326,618</b>	<b>340,957</b>	<b>332,923</b>	<b>339,147</b>
Departmental expenses					
Departmental appropriation	79,196	76,717	78,397	76,827	77,024
s74 External Revenue (a)	24,300	23,500	23,750	21,750	22,750
Expenses not requiring appropriation in the Budget year (b)	9,729	8,656	11,505	12,397	13,275
<b>Departmental total</b>	<b>113,225</b>	<b>108,873</b>	<b>113,652</b>	<b>110,974</b>	<b>113,049</b>
<b>Total expenses for program 1.2</b>	<b>113,225</b>	<b>108,873</b>	<b>113,652</b>	<b>110,974</b>	<b>113,049</b>
<b>Outcome 1 Totals by appropriation type</b>					
Departmental expenses					
Departmental appropriation	316,786	306,866	313,587	307,309	308,094
s74 External Revenue (a)	97,200	94,000	95,000	87,000	91,000
Expenses not requiring appropriation in the Budget year (b)	38,918	34,625	46,022	49,588	53,102
<b>Departmental total</b>	<b>452,904</b>	<b>435,491</b>	<b>454,609</b>	<b>443,897</b>	<b>452,196</b>
<b>Total expenses for Outcome 1</b>	<b>452,904</b>	<b>435,491</b>	<b>454,609</b>	<b>443,897</b>	<b>452,196</b>

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

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

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

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements, which provide a comprehensive snapshot of ASIS' finances for the 2020-21 budget year, including the impact of budget measures and resourcing on financial statements.

### 3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>EXPENSES</b>					
<b>Total expenses (a)</b>	<b>452,904</b>	<b>435,491</b>	<b>454,609</b>	<b>443,897</b>	<b>452,196</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Other	97,200	94,000	95,000	87,000	91,000
<b>Total own-source revenue</b>	<b>97,200</b>	<b>94,000</b>	<b>95,000</b>	<b>87,000</b>	<b>91,000</b>
<b>Total own-source income</b>	<b>97,200</b>	<b>94,000</b>	<b>95,000</b>	<b>87,000</b>	<b>91,000</b>
<b>Net (cost of)/contribution by services</b>	<b>(355,704)</b>	<b>(341,491)</b>	<b>(359,609)</b>	<b>(356,897)</b>	<b>(361,196)</b>
Revenue from Government	326,558	306,866	313,587	307,309	308,094
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>(29,146)</b>	<b>(34,625)</b>	<b>(46,022)</b>	<b>(49,588)</b>	<b>(53,102)</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>(29,146)</b>	<b>(34,625)</b>	<b>(46,022)</b>	<b>(49,588)</b>	<b>(53,102)</b>

**Note: Impact of net cash appropriation arrangements**

	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000
<b>Total comprehensive income/(loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriations, principal repayments on leased assets</b>	<b>9,772</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
less: Depreciation/amortisation expenses previously funded through revenue appropriations (b)	38,918	34,625	46,022	49,588	53,102
<b>Total comprehensive income/(loss) - as per the statement of comprehensive income</b>	<b>(29,146)</b>	<b>(34,625)</b>	<b>(46,022)</b>	<b>(49,588)</b>	<b>(53,102)</b>

Prepared on Australian Accounting Standards basis.

(a) Includes depreciation on ROU assets.

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

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>ASSETS</b>					
Financial assets	178,376	178,732	179,316	179,987	180,744
Non-financial assets	324,936	351,112	346,719	338,751	326,077
<b>Total assets</b>	<b>503,312</b>	<b>529,844</b>	<b>526,035</b>	<b>518,738</b>	<b>506,821</b>
<b>LIABILITIES</b>					
Payables (a)	103,279	103,279	103,462	103,713	104,032
Provisions	59,051	59,407	59,808	60,228	60,666
<b>Total liabilities</b>	<b>162,330</b>	<b>162,686</b>	<b>163,270</b>	<b>163,941</b>	<b>164,698</b>
<b>Net assets</b>	<b>340,982</b>	<b>367,158</b>	<b>362,765</b>	<b>354,797</b>	<b>342,123</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	440,094	500,895	542,524	584,144	624,572
Reserves	81,105	81,105	81,105	81,105	81,105
Retained surplus (accumulated deficit)	(180,217)	(214,842)	(260,864)	(310,452)	(363,554)
<b>Total parent entity interest</b>	<b>340,982</b>	<b>367,158</b>	<b>362,765</b>	<b>354,797</b>	<b>342,123</b>
<b>Total equity</b>	<b>340,982</b>	<b>367,158</b>	<b>362,765</b>	<b>354,797</b>	<b>342,123</b>

Prepared on Australian Accounting Standards basis.

(a) Includes interest-bearing liabilities.

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

**Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2020-21)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2020</b>					
Balance carried forward from previous period	(180,217)		81,105	440,094	340,982
<b>Adjusted opening balance</b>	<b>(180,217)</b>	<b>-</b>	<b>81,105</b>	<b>440,094</b>	<b>340,982</b>
<b>Comprehensive income</b>					
Surplus/(deficit) for the period	(34,625)				(34,625)
<b>Total comprehensive income</b>	<b>(34,625)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(34,625)</b>
of which:					
Attributable to the Australian Government	(34,625)	-	-	-	(34,625)
<b>Transactions with owners</b>					
<b>Contributions by owners</b>					
Equity injection - Appropriation	-	-	-	43,261	43,261
Departmental Capital Budget (DCB)	-	-	-	17,540	17,540
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>60,801</b>	<b>60,801</b>
<b>Estimated closing balance as at 30 June 2021</b>	<b>(214,842)</b>	<b>-</b>	<b>81,105</b>	<b>500,895</b>	<b>367,158</b>
<b>Closing balance attributable to the Australian Government</b>	<b>(214,842)</b>	<b>-</b>	<b>81,105</b>	<b>500,895</b>	<b>367,158</b>

Prepared on Australian Accounting Standards basis.



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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	298,747	306,510	313,003	306,638	307,336
Other	101,927	94,000	95,000	87,000	91,000
<b>Total cash received</b>	<b>400,674</b>	<b>400,510</b>	<b>408,003</b>	<b>393,638</b>	<b>398,336</b>
<b>Cash used</b>					
Other	397,045	400,510	408,003	393,638	398,336
<b>Total cash used</b>	<b>397,045</b>	<b>400,510</b>	<b>408,003</b>	<b>393,638</b>	<b>398,336</b>
<b>Net cash from/(used by) operating activities</b>	<b>3,629</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Other	490	-	-	-	-
<b>Total cash received</b>	<b>490</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Other	77,535	60,801	41,629	41,620	40,428
<b>Total cash used</b>	<b>77,535</b>	<b>60,801</b>	<b>41,629</b>	<b>41,620</b>	<b>40,428</b>
<b>Net cash from/(used by) investing activities</b>	<b>(77,045)</b>	<b>(60,801)</b>	<b>(41,629)</b>	<b>(41,620)</b>	<b>(40,428)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Other	67,653	60,801	41,629	41,620	40,428
<b>Total cash received</b>	<b>67,653</b>	<b>60,801</b>	<b>41,629</b>	<b>41,620</b>	<b>40,428</b>
<b>Net cash from/(used by) financing activities</b>	<b>67,653</b>	<b>60,801</b>	<b>41,629</b>	<b>41,620</b>	<b>40,428</b>
<b>Net increase/(decrease) in cash held</b>	<b>(5,763)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	61,214	55,451	55,451	55,451	55,451
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>55,451</b>	<b>55,451</b>	<b>55,451</b>	<b>55,451</b>	<b>55,451</b>

Prepared on Australian Accounting Standards basis.



# **TOURISM AUSTRALIA**

## **ENTITY RESOURCES AND PLANNED PERFORMANCE**



# TOURISM AUSTRALIA

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# TOURISM AUSTRALIA

## Section 1: Entity overview and resources

### 1.1 STRATEGIC DIRECTION STATEMENT

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

TA's purpose is to grow demand and to foster a competitive and sustainable tourism industry.

This purpose has never been more pertinent as Australia's tourism industry remains in the grips of its toughest ever crisis, with the impacts of drought, the worst bushfire season on record and the complete shutdown of global travel because of COVID-19. To address these challenges, TA has received specific additional funding and carryover of funding. This record funding will allow TA to stimulate demand from the domestic market whilst international borders remain closed.

#### *Operating environment and industry outlook*

An overview of trends impacting Australian tourism and TA's operating model for 2020-21 are outlined below. Further detail is available in our Corporate Plan 2020-24.

EXTERNAL CHANGES IMPACTING AUSTRALIAN TOURISM		IMPLICATIONS FOR TA
Economic	<ul style="list-style-type: none"> <li>Bushfires of early 2020 decimated tourism communities, with news coverage impacting Australia's reputation as a tourism destination.</li> <li>COVID-19 protection measures severely damaged economic activity – global GDP is forecast to decline 5 per cent in 2020 and Australia's GDP to decline 6 per cent.<sup>1</sup></li> <li>Forty-seven per cent of tourism jobs are in regional Australia. The bushfires and COVID-19 have had significant impacts on Australia's regional and rural communities.</li> </ul>	<ul style="list-style-type: none"> <li>Overall negative macro-economic environment, with low levels of consumer confidence.</li> <li>Maintaining a balanced market portfolio remains relevant, while adjusting our approach by market to ensure best use of resources.</li> <li>A return to domestic tourism marketing, tapping into demand for travel by Australians, after months in lockdown, as well as a desire to support regional Australia.</li> </ul>
Travel industry	<ul style="list-style-type: none"> <li>A deluge of information about the crises, which was not always accurate</li> </ul>	<ul style="list-style-type: none"> <li>Significant crisis management and industry outreach, timely, accurate information and direct industry engagement to inform our strategy and recovery efforts.</li> </ul>

<sup>1</sup> International Monetary Fund (June 2020), World Economic Outlook

## Tourism Australia Budget Statements

	<ul style="list-style-type: none"> <li>• From an industry worth \$152 billion in 2019, tourism spend is forecast to decline by 40 per cent in 2020-21<sup>2</sup></li> <li>• Significant impacts on tourism jobs – with one in three jobs lost<sup>3</sup></li> <li>• Major impacts on aviation, with international capacity falling by more than 90 per cent<sup>4</sup></li> <li>• Many operators who had focused on international markets have moved into the domestic market.</li> </ul>	<ul style="list-style-type: none"> <li>• Ramp-up and sharing of our analysis and insights with industry and STOs</li> <li>• Development of an aviation recovery strategy in partnership with airports and airlines; expansion of our domestic programs across leisure, business events and distribution.</li> </ul>
Marketing channels	<ul style="list-style-type: none"> <li>• While travel bans are in place, it is not appropriate to undertake tactical marketing.</li> <li>• Importance of digital, video and content have increased, by ‘virtually’ inspiring consumers during their time in lock-down.</li> <li>• Increasing competition from other destinations, particularly those that have reopened their international borders to travellers.</li> </ul>	<ul style="list-style-type: none"> <li>• We have recalibrated our promotional activity, including pausing our international brand campaign. Most of our international activity has been paused due to COVID-19 travel restrictions.</li> <li>• With much of the world in lockdown, we are concentrating effort on ‘travel dreaming’ delivered through digital, video and content, and programmatic media buying.</li> </ul>
Consumer	<ul style="list-style-type: none"> <li>• While there has been a softening in consideration of Australia for a holiday by prospective international travellers, longer-term consideration of Australia is positive. It is anticipated that Australia’s relatively low rate of coronavirus cases and its effective management of the pandemic will have a positive impact on consumer perception of travel to Australia.</li> <li>• Research into the travel plans of Australians regarding domestic travel found that a third of Australians are planning a trip.<sup>5</sup></li> <li>• With social distancing becoming the ‘new normal’, preference for self-drive, outdoor and nature experiences are increasing, along with a renewed preference for booking via travel agents.</li> </ul>	<ul style="list-style-type: none"> <li>• Monitoring of consumer sentiment, tracking of forward bookings and searches has been continuous, to inform delivery of the right messaging, at the right time. We are also monitoring the segments and markets that are most likely to return early so we are ready to take action.</li> <li>• We continue to make the most of consumer and technology trends, supporting industry by sharing their stories and connecting travellers to experiences. This includes continued development of immersive video content on Australia.com to help Australians plan their Aussie holiday; as well as content partnerships to inspire holiday dreaming.</li> </ul>

<sup>2</sup> Tourism Research Australia, 2020

<sup>3</sup> Tourism Research Australia, 2020

<sup>4</sup> LEK Consulting (2020). Modelling by LEK Consulting indicates it may take until 2023-24 for Australian airports and airlines to recover to 2019 passenger levels.

<sup>5</sup> Tourism Research Australia, 2020



### *Tourism 2020*

*Tourism 2020* is a government and industry long-term strategy to build the resilience and competitiveness of Australia's tourism industry and grow its contribution to Australia's economy. The industry set a goal to increase overnight tourism expenditure from \$70.0 billion in 2009 to more than \$115.0 billion in 2020. Prior to the summer bushfires and COVID-19, Australian tourism was a solid performer, with significant growth since the launch of *Tourism 2020*. At year ending 31 December 2019, total overnight visitor expenditure reached \$126.1 billion, up 9 per cent.

In 2020-21, our efforts will concentrate on delivering the Australian Government's Recovery Plan, working in partnership with Austrade, state and territory governments and the Australian tourism industry. It is anticipated that return to the development of a long-term strategy for tourism will be undertaken at a later stage.

### *Strategies*

**INDUSTRY RECOVERY:** *Guide industry and help prepare for recovery, remaining solutions focused while adapting and responding to the needs of the industry.* To guide our effort, TA has implemented a dedicated engagement and communications framework to understand what is happening 'on the ground' and to ensure industry has access to the information and support they need. We will continue to share this intelligence with Government to inform potential policy and funding decisions.

**DOMESTIC CUSTOMER:** *Target Australians who holiday or want a short break / Target Australian business events decision-makers.* Our domestic leisure target customers are all Australian holiday makers and day trippers. This includes specific audiences such as nomads, youth and families. Our business events target customers are decision-makers in corporate meetings, events, exhibition and association conferences.

**INTERNATIONAL CUSTOMER:** *Target high value leisure travellers and business events decision-makers.* TA will continue to target high value travellers (HVTs) in both the leisure and business events segments. These travellers prioritise travel above all other things in their life and usually travel long haul on a regular basis. Activity targeting youth / Working Holiday Makers will continue. Our business events target customers are decision-makers in the incentive and association sectors.

**DOMESTIC MARKET:** *Encourage Australians to support communities and tourism businesses affected by the bushfires and coronavirus to turnaround the immediate downturn in tourism.*

**INTERNATIONAL MARKETS:** *Invest in markets with the best potential to drive Australia's tourism recovery.* An outline of TA's international market categories and is provided in Table 1. Initial planning in 2020-21 will use this approach, but we will undertake a review of this framework, recognising our approach by market will need to be adjusted to meet the needs of the post-COVID-19 environment.

TABLE 1: 2020-21 MARKET CATEGORIES - INTERNATIONAL				
LEISURE MARKETING				
CATEGORY	Stars	Solid deliverers	Distribution focused	Rising stars
VALUE BY 2025 <sup>6</sup>	>\$6 billion	>\$2 billion	>\$2 billion	>\$1.6 billion
MARKETS	China, UK, USA	Germany, Hong Kong, Japan, Malaysia, Singapore	Canada, France, Italy, South Korea	India, Indonesia
BUSINESS EVENTS MARKETING				
CATEGORY	Incentive		Association	
MARKETS	Greater China, USA, NZ		UK/Europe, USA	

**RESOURCES:** *Ensure marketing resources are only spent where and when the funds will be most effective.* This will be informed by our Green Light project, a strategic framework to assist in identifying our approach and timing of re-investment in key markets.

**DOMESTIC LEISURE MARKETING:** *Holiday here this year.* Marketing activity will aim to drive patriotism to holiday at home, dialing up rural and regional experiences to encourage and promote dispersal across Australia.

**INTERNATIONAL LEISURE MARKETING:** *Invite the world to experience the Australian way of life.* We will initially concentrate on social media and content initiatives, inspiring ‘holiday dreaming’, while continuing to position Australia as the most desirable and memorable destination on Earth. As we move into recovery, marketing will focus on brand and partnership activity to promote bookings and travel to and around Australia.

**DOMESTIC BUSINESS EVENTS MARKETING:** *Event here this year.* Activity will focus on education, along with brand and content initiatives to encourage Australian event planners and decision makers to event in Australia.

**INTERNATIONAL BUSINESS EVENTS MARKETING:** *Grow demand for Australian business events experiences and destinations.* TA will continue to deliver differentiated partnership marketing and trade programs that target key decision-makers in the international associations and incentives sectors. The aim is to drive awareness, intention and booking of business events in Australia.

**PARTNERSHIP:** *Partnerships will be a supporting tactic for extending the reach of TA’s campaigns through partner marketing channels and direct access to booking channels.* This includes partnering with state and territory tourism organisations to deliver campaigns with commercial partners.

**DISTRIBUTION:** *Heighten knowledge and expertise.* Our distribution efforts will aim to ensure target customers have the right information and can easily access and book quality Australian tourism products. This will be delivered by continuing to educate frontline travel sellers through the Aussie Specialist Program and Corroboree events and

<sup>6</sup> Forecast value prior to COVID-19 impacts

familiarisations and providing platforms for distributors to meet with Australian industry through events, missions and familiarisations (when borders re-open)

**Aviation development:** *Lead sustainable return to growth.* TA will lead a Team Australia approach to the recovery of the aviation sector from the impacts of COVID-19. This will be achieved by motivating carriers to re-establish these routes through commercial partnerships, creating demand through destination marketing and building aviation capacity and frequency.

## 1.2 ENTITY RESOURCE STATEMENT

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

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

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

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

**Table 1.1: Tourism Australia resource statement — Budget estimates for 2020-21 as at Budget October 2020**

	2019-20 Estimated actual \$'000	2020-21 Estimate \$'000
<b>Opening balance/cash reserves at 1 July (a)</b>	-	-
<b>Funds from Government</b>		
Annual appropriations - ordinary annual services (a)		
Outcome 1	139,534	139,445
Total annual appropriations	139,534	139,445
Amounts received from related entities		
Amounts from portfolio department (b)	60,000	52,423
Total amounts received from related entities	60,000	52,423
<b>Total funds from Government</b>	<b>199,534</b>	<b>191,868</b>
<b>Funds from industry sources</b>		
Funds from industry sources	13,873	13,700
<b>Total funds from industry sources</b>	<b>13,873</b>	<b>13,700</b>
<b>Funds from other sources</b>		
Interest	665	400
<b>Total funds from other sources</b>	<b>665</b>	<b>400</b>
<b>Total net resourcing for Tourism Australia</b>	<b>214,072</b>	<b>205,968</b>
	2019-20	2020-21
<b>Average staffing level (number) (c)</b>	<b>207</b>	<b>207</b>

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

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

(a) Appropriation Bill (No. 1) 2020-21.

(b) Funding provided by the portfolio department (Asia Marketing Fund, Support for the International Cricket Council T20 World Cup and Bushfire Response Package) as payment to Tourism Australia (from portfolio department's administered programs).

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

## Section 2: Outcomes and planned performance

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

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

**Note:**

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

The most recent corporate plan for (Tourism Australia) can be found at: <https://www.tourism.australia.com/en/about/our-organisation/our-performance-and-reporting.html>

The most recent annual performance statement can be found at: <https://www.tourism.australia.com/en/about/our-organisation/our-performance-and-reporting.html>

## 2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

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

### Linked programs

<b>Department of Foreign Affairs and Trade</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>Program 1.7 – Programs to Promote Australia’s International Tourism Interests</li> </ul>
<b>Contribution to Outcome 1 made by linked programs</b> The program provides funding to Tourism Australia to deliver Outcome 1.
<b>Austrade</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>Program 1.2 – Programs to promote Australia’s exports and other international economic interests</li> </ul>
<b>Contribution to Outcome 1 made by linked programs</b> Austrade provides research and policy support to Tourism Australia’s activities by promoting the export of Australian tourism services. These exports contribute to Australia’s prosperity.
<b>Department of Home Affairs</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>Program 3.2 – Trade facilitation and industry engagement</li> </ul>
<b>Contribution to Outcome 1 made by linked programs</b> Tourism Australia works with Home Affairs by providing advice on visa and traveller facilitation policy relevant to the Australian tourism industry.
<b>Department of Infrastructure, Transport, Regional Development and Communications</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>Program 2.3 – Air Transport</li> </ul>
<b>Contribution to Outcome 1 made by linked programs</b> An efficient, sustainable, competitive, safe and secure air transport system contributes to increasing international visitor arrivals and expenditure, and growing demand for Australia as a destination for tourism and business events.

**Linked programs (continued)**

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

## Budgeted expenses for Outcome 1

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

**Table 2.1.1: Budgeted expenses for Outcome 1**

<b>Outcome 1: Grow demand and foster a competitive and sustainable tourism industry through partnership marketing to targeted global consumers in key markets</b>					
	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
<b>Program 1.1: Supporting Outcome 1</b>					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	139,534	139,445	137,048	138,211	138,974
Amounts from portfolio department (a)	60,000	52,423	19,981	20,040	20,100
Revenues from industry sources	13,873	13,700	16,400	16,400	16,400
Revenues from other independent sources	665	400	400	400	400
<b>Total expenses for Program 1.1</b>	<b>214,072</b>	<b>205,968</b>	<b>173,829</b>	<b>175,051</b>	<b>175,874</b>
<b>Outcome 1 totals by resource type</b>					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	139,534	139,445	137,048	138,211	138,974
Payment from related entities	60,000	52,423	19,981	20,040	20,100
Revenues from industry sources	13,873	13,700	16,400	16,400	16,400
Revenues from other independent sources	665	400	400	400	400
<b>Total expenses for Outcome 1</b>	<b>214,072</b>	<b>205,968</b>	<b>173,829</b>	<b>175,051</b>	<b>175,874</b>
	2019-20	2020-21			
<b>Average staffing level (number) (b)</b>	<b>207</b>	<b>207</b>			

(a) Asia Marketing Fund, Support for the International Cricket Council T20 World Cup and Bushfire Response Package.

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

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



**Table 2.1.2: Program components of Outcome 1**

<b>Program 1.1: Supporting Outcome 1</b>					
	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
<b>1.1.1 - Component 1: Grow Demand</b>					
Annual departmental expenses:					
Programme Support	171,258	154,476	130,372	131,288	131,906
<b>Total component 1 expenses</b>	<b>171,258</b>	<b>154,476</b>	<b>130,372</b>	<b>131,288</b>	<b>131,906</b>
<b>1.1.2 - Component 2: Industry Development</b>					
Annual departmental expenses:					
Programme Support	42,814	51,492	43,457	43,763	43,968
<b>Total component 2 expenses</b>	<b>42,814</b>	<b>51,492</b>	<b>43,457</b>	<b>43,763</b>	<b>43,968</b>
<b>Total program expenses</b>	<b>214,072</b>	<b>205,968</b>	<b>173,829</b>	<b>175,051</b>	<b>175,874</b>

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

**Table 2.1.3: Performance criteria for Outcome 1**

Table 2.1.3 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2020-21 Budget measures have created new programs or materially changed existing programs.

Outcome 1 – Grow demand and foster a competitive and sustainable tourism industry through partnership marketing to targeted global consumers in key markets		
Program 1.1: Supporting Outcome 1		
Component 1.1.1: Grow Demand		
Objective: Identify and target best prospect consumers both in Australia and in our target markets, inspire them to travel to and throughout Australia.		
Delivery	Target groups: high value leisure travellers and business events decision-makers in Australia and key international markets.  Leisure travellers: <ul style="list-style-type: none"><li>• Consumer research to build knowledge about what motivates the target customer when choosing a travel destination</li><li>• Marketing activities to stimulate target customers, focusing on 'dreaming' initially, then moving to full marketing activity as we move into recovery (brand advertising and promotions, broadcasts, public relations, international media hosting, content development and social media)</li><li>• Campaigns, supported by state and territory tourism organisations and commercial partners</li><li>• Work in partnership with government and industry to align efforts and activities increasing Australia's collective share of voice to achieve efficiency and effectiveness.</li></ul> Business Events decision-makers: <ul style="list-style-type: none"><li>• Consumer research to build knowledge of the needs of incentive and association decision-makers when choosing destinations for corporate and association meetings</li><li>• Marketing activities to promote Australia as a business events destination, including brand advertising, content and public relations, trade events and buyer and agent familiarisation visits.</li></ul>	
Performance information		
Year	Performance criteria (a)	Targets
2019-20	Key Metrics Tourism 2020: overnight tourism expenditure International tourism expenditure International tourism visitors BE expenditure from TA markets Destination brand – consideration Destination NPS – visitors recommend Australia	<i>Estimated performance</i> \$93 billion \$32 billion \$6.7 million \$1.33 billion 34% 39
2020-21	Key Metrics Overnight tourism expenditure  Other metrics as outlined in Tourism Australia's 2020-21 Corporate Plan	<i>Target</i> \$14 billion
2021-22 and beyond	Key Metrics Overnight tourism expenditure  Other metrics as outlined in Tourism Australia's 2020-21 Corporate Plan	<i>Target</i> \$82 billion

**Table 2.1.3: Performance criteria for Outcome 1 (continued)**

<b>Program 1.1 (continued): Supporting Outcome 1</b>		
<b>Component 1.1.2: Industry development</b>		
Objective: An Australian tourism industry that is competitive and sustainable and delivers on the needs of the target customer		
<b>Delivery</b>	Target group: The Australian tourism industry and trade and distribution partners in key international markets Key activities: <ul style="list-style-type: none"><li>• Development of the distribution system</li><li>• Provision of platforms to do business</li><li>• Support of supply-side industry goals</li><li>• Dissemination of insights and engagement of industry stakeholders.</li></ul>	
<b>Performance information</b>		
<b>Year</b>	<b>Performance criteria (a)</b>	<b>Targets</b>
2019-20	Key Metric Stakeholders indicate TA adds value to their business Stakeholder NPS	<i>Performance</i> >95%  64 <sup>7</sup>
2020-21	Key Metric Stakeholders indicate TA adds value to their business Stakeholder NPS	<i>Target</i> >90%  48
2021-22 and beyond	Key Metric Stakeholders indicate TA adds value to their business Stakeholder NPS	<i>Target</i> >90%  49

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<sup>7</sup> Stakeholder NPS score in 2019-20 was high, showing strong support for TA's activity during COVID-19. As we return to normal, it is anticipated Stakeholder NPS scores will also revert to normal levels.

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements, which provide a comprehensive snapshot of entity finances for the 2020-21 budget year, including the impact of budget measures and resourcing on financial statements.

### **3.1 BUDGETED FINANCIAL STATEMENTS**

#### **3.1.1 Differences between entity resourcing and financial statements**

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

#### **3.1.2 Explanatory notes and analysis of budgeted financial statements**

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

Total operating revenue for 2020-21 is estimated at \$206.0 million and is made up of the Government funding of \$191.9 million, and revenue from other sources of \$14.1 million. The Government funding includes (1) appropriations of \$139.5 million, (2) \$14.0 million for the Asian Marketing Fund; (3) \$3.0 million for Support for the International Cricket Council T20 World Cup; and (4) \$29.5 million for the Bushfire Response Package.

The change from 2020-21 includes:

- Appropriation for 2020-21 reflects normal level of funding for Tourism Australia adjusted for foreign exchange movements, domestic inflation and the efficiency dividend.
- Three budget measures: the Asian Marketing Fund, the Support for the International Cricket Council T20 World Cup and the Bushfire Response Package are protected from indexation and the efficiency dividend (that apply to appropriations).
- The Support for the International Cricket Council T20 World Cup is \$3.0 million in 2020-21 (\$2.0 million in 2019-20).
- The Bushfire Response Package is a new two-year commitment with \$41.5 million in 2019-20 and \$29.5 million in 2020-21.

Corresponding total expenses are also estimated to be \$245.7 million.

**Budgeted departmental balance sheet**

Tourism Australia is budgeting a net asset position of \$22.5 million in 2020-21. Net assets are projected to remain the same beyond 2020-21.

### 3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
<b>EXPENSES</b>					
Employee benefits	35,991	35,614	37,645	38,307	38,766
Suppliers	114,985	198,758	124,786	125,181	125,383
Depreciation and amortisation	14,686	11,200	11,299	11,460	11,620
Finance costs	86	96	99	103	105
Write-down and impairment of assets	7,862	-	-	-	-
Other expenses	730				
<b>Total expenses</b>	<b>174,340</b>	<b>245,668</b>	<b>173,829</b>	<b>175,051</b>	<b>175,874</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Interest	665	400	400	400	400
Rental income	1,673	1,200	1,400	1,400	1,400
Other	12,200	12,500	15,000	15,000	15,000
<b>Total own-source revenue</b>	<b>14,538</b>	<b>14,100</b>	<b>16,800</b>	<b>16,800</b>	<b>16,800</b>
<b>Gains</b>					
Other	-	-	-	-	-
<b>Total gains</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total own-source income</b>	<b>14,538</b>	<b>14,100</b>	<b>16,800</b>	<b>16,800</b>	<b>16,800</b>
<b>Net (cost of)/contribution by services</b>	<b>(159,802)</b>	<b>(231,568)</b>	<b>(157,029)</b>	<b>(158,251)</b>	<b>(159,074)</b>
Revenue from Government	199,534	191,868	157,029	158,251	159,074
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>39,732</b>	<b>(39,700)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss)</b>	<b>39,732</b>	<b>(39,700)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>39,732</b>	<b>(39,700)</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	68,661	29,256	29,405	29,561	29,721
Trade and other receivables	6,588	6,588	6,588	6,588	6,588
<b>Total financial assets</b>	<b>75,249</b>	<b>35,844</b>	<b>35,993</b>	<b>36,149</b>	<b>36,309</b>
<b>Non-financial assets</b>					
Land and buildings	12,014	5,514	718	885	8,352
Property, plant and equipment	841	600	600	600	600
Intangibles	2,906	2,947	2,947	2,947	2,947
Other non-financial assets (a)	2,559	2,600	2,600	2,600	2,600
<b>Total non-financial assets</b>	<b>18,320</b>	<b>11,661</b>	<b>6,865</b>	<b>7,032</b>	<b>14,499</b>
<b>Total assets</b>	<b>93,569</b>	<b>47,505</b>	<b>42,858</b>	<b>43,181</b>	<b>50,808</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	11,440	11,440	11,440	11,440	11,440
Other payables	4,238	4,238	4,238	4,238	4,238
<b>Total payables</b>	<b>15,678</b>	<b>15,678</b>	<b>15,678</b>	<b>15,678</b>	<b>15,678</b>
<b>Interest bearing liabilities</b>					
<b>Lease Liability</b>					
Lease liabilities - Adjustments	-	-	2,003	7,127	14,587
Lease liabilities - Opening Balance	9,959	9,959	4,709	62	385
Lease liabilities - Principal payments	-	(5,250)	(6,650)	(6,804)	(6,960)
<b>Total interest bearing liabilities</b>	<b>9,959</b>	<b>4,709</b>	<b>62</b>	<b>385</b>	<b>8,012</b>
<b>Provisions</b>					
Employee provisions	4,614	3,500	3,500	3,500	3,500
Other provisions	1,071	1,071	1,071	1,071	1,071
<b>Total provisions</b>	<b>5,685</b>	<b>4,571</b>	<b>4,571</b>	<b>4,571</b>	<b>4,571</b>
<b>Total liabilities</b>	<b>31,322</b>	<b>24,958</b>	<b>20,311</b>	<b>20,634</b>	<b>28,261</b>
<b>Net assets</b>	<b>62,247</b>	<b>22,547</b>	<b>22,547</b>	<b>22,547</b>	<b>22,547</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	1,543	1,543	1,543	1,543	1,543
Reserves	3,244	3,244	3,244	3,244	3,244
Retained surplus (accumulated deficit)	57,460	17,760	17,760	17,760	17,760
<b>Total parent entity interest</b>	<b>62,247</b>	<b>22,547</b>	<b>22,547</b>	<b>22,547</b>	<b>22,547</b>
<b>Total equity</b>	<b>62,247</b>	<b>22,547</b>	<b>22,547</b>	<b>22,547</b>	<b>22,547</b>

(a) Prepayments - Supplier and other.

\*'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 2020-21)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2019</b>					
Balance carried forward from previous period	17,760	3,244	-	1,543	22,547
<b>Adjusted opening balance</b>	<b>17,760</b>	<b>3,244</b>	<b>-</b>	<b>1,543</b>	<b>22,547</b>
<b>Comprehensive income</b>					
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
of which:					
Attributable to the Australian Government	-	-	-	-	-
<b>Estimated closing balance as at 30 June 2020</b>	<b>17,760</b>	<b>3,244</b>	<b>-</b>	<b>1,543</b>	<b>22,547</b>
<b>Closing balance attributable to the Australian Government</b>	<b>17,760</b>	<b>3,244</b>	<b>-</b>	<b>1,543</b>	<b>22,547</b>

Prepared on Australian Accounting Standards basis.



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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations (a)	139,534	139,445	137,048	138,211	138,974
Appropriation provided by portfolio department) (b)	60,000	52,423	19,981	20,040	20,100
Interest	684	400	400	400	400
Sale of goods and rendering of services	3,293	3,700	4,400	4,400	4,400
Other	17,558	10,000	12,000	12,000	12,000
<b>Total cash received</b>	<b>221,069</b>	<b>205,968</b>	<b>173,829</b>	<b>175,051</b>	<b>175,874</b>
<b>Cash used</b>					
Employees	36,017	36,728	37,645	38,307	38,766
Suppliers	109,794	198,703	124,687	125,078	125,278
Interest payments on lease liability	86	96	99	103	105
Other	(553)	-	-	-	-
<b>Total cash used</b>	<b>145,344</b>	<b>235,527</b>	<b>162,431</b>	<b>163,488</b>	<b>164,149</b>
<b>Net cash from/(used by) operating activities</b>	<b>75,725</b>	<b>(29,559)</b>	<b>11,398</b>	<b>11,563</b>	<b>11,725</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	10,241	4,500	4,500	4,500	4,500
<b>Total cash used</b>	<b>10,241</b>	<b>4,500</b>	<b>4,500</b>	<b>4,500</b>	<b>4,500</b>
<b>Net cash from/(used by) investing activities</b>	<b>(10,241)</b>	<b>(4,500)</b>	<b>(4,500)</b>	<b>(4,500)</b>	<b>(4,500)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash used</b>					
Principal payments on lease liability	6,440	5,250	6,650	6,804	6,960
<b>Total cash used</b>	<b>6,440</b>	<b>5,250</b>	<b>6,650</b>	<b>6,804</b>	<b>6,960</b>
<b>Net cash from/(used by) financing activities</b>	<b>(6,440)</b>	<b>(5,250)</b>	<b>(6,650)</b>	<b>(6,804)</b>	<b>(6,960)</b>
<b>Net increase/(decrease) in cash held</b>	<b>55,751</b>	<b>(39,405)</b>	<b>149</b>	<b>156</b>	<b>160</b>
Cash and cash equivalents at the beginning of the reporting period	13,640	68,661	29,256	29,405	29,561
Effect of exchange rate movements on cash and cash equivalents at the beginning of reporting period	(730)	-	-	-	-
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>68,661</b>	<b>29,256</b>	<b>29,405</b>	<b>29,561</b>	<b>29,721</b>

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded internally from departmental resources (a)	12,000	4,500	4,500	4,500	4,500
<b>TOTAL</b>	<b>12,000</b>	<b>4,500</b>	<b>4,500</b>	<b>4,500</b>	<b>4,500</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	12,000	4,500	4,500	4,500	4,500
<b>Total cash used to acquire assets</b>	<b>12,000</b>	<b>4,500</b>	<b>4,500</b>	<b>4,500</b>	<b>4,500</b>

Prepared on Australian Accounting Standards basis.

(a) Includes the following sources of funding:

- current Bill 1 appropriations; and
- internally developed assets.

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

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2020</b>				
Gross book value	10,677	3,283	49,601	63,561
Gross book value - ROU assets	15,852	-	-	15,852
Accumulated depreciation/ amortisation and impairment	(8,314)	(2,442)	(46,695)	(57,451)
Accumulated depreciation/amortisation and impairment - ROU assets	(6,201)	-	-	(6,201)
<b>Opening net book balance</b>	<b>12,014</b>	<b>841</b>	<b>2,906</b>	<b>15,761</b>
<b>Capital asset additions</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase - appropriation ordinary annual services (a)	500	359	3,641	4,500
By purchase - appropriation ordinary annual services (a) - ROU assets	-	-	-	-
<b>Total additions</b>	<b>500</b>	<b>359</b>	<b>3,641</b>	<b>4,500</b>
<b>Other movements</b>				
Depreciation/amortisation expense	(500)	(600)	(3,600)	(4,700)
Depreciation/amortisation on ROU assets	(6,500)	-	-	(6,500)
<b>Total other movements</b>	<b>(7,000)</b>	<b>(600)</b>	<b>(3,600)</b>	<b>(11,200)</b>
<b>As at 30 June 2021</b>				
Gross book value	11,177	3,642	53,242	68,061
Gross book value - ROU assets	15,852	-	-	15,852
Accumulated depreciation/ amortisation and impairment	(8,814)	(3,042)	(50,295)	(62,151)
Accumulated depreciation/amortisation and impairment - ROU assets	(12,701)	-	-	(12,701)
<b>Closing net book balance</b>	<b>5,514</b>	<b>600</b>	<b>2,947</b>	<b>9,061</b>

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2020-21 for depreciation/amortisation expenses, DCBs or other operational expenses.



## PORTFOLIO GLOSSARY

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

*Portfolio Glossary*

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

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