

# **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.

#### Purpose

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

#### Operating environment and industry outlook

An overview of trends impacting Australian tourism and TA's 2021-2022 operating model are outlined below. Further detail is available in the *Tourism Australia Corporate Plan 2021-2022*.

EXTERNAL CHANGES IMPACTING TOURISM		IMPLICATIONS FOR TA
Economic	<ul style="list-style-type: none"> <li>COVID-19 protection measures significantly impacted economic activity in 2020. Vaccine approvals have raised hopes, with projections that global GDP will grow 5.5 per cent (IMF, 2021).</li> <li>Australia has managed the health and general economic impacts of COVID-19 relatively well. The overall economic outlook is positive, with GDP forecast to grow 4.5 per cent in 2021 (IMF, 2021).</li> </ul>	<ul style="list-style-type: none"> <li>Overall improving macro-economic environment, and higher levels of consumer confidence and sentiment for travel.</li> <li>Maintaining a balanced market portfolio remains relevant, while adjusting our approach to ensure best use of resources.</li> <li>Remaining in domestic tourism marketing for the short-term to tap into demand for travel by Australians and support for city and regional tourism operators while international borders remain closed.</li> </ul>

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EXTERNAL CHANGES IMPACTING TOURISM (CONTINUED)	IMPLICATIONS FOR TA (CONTINUED)
<p>Travel industry</p> <ul style="list-style-type: none"> <li>• Australia's tourism industry has been severely impacted – from an industry worth \$152 billion to Australia in 2019, a loss of around \$98 billion is forecast (Deloitte Access Economics, 2021).</li> <li>• Major impacts on aviation, with international capacity falling by more than 90 per cent. With the re-opening of state borders, domestic capacity is showing signs of recovery – at 40 per cent of pre-COVID-19 levels in January 2021.</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>• Continued industry outreach and provision of timely, accurate information and insights to inform strategy development and recovery efforts.</li> <li>• Recalibration of TA's organisational strategy and marketing activity including focusing effort through seven key priorities; development of an aviation recovery strategy in partnership with airports and airlines; and expansion of our domestic programs across leisure, business events and distribution.</li> </ul>
<p>Marketing channels</p> <ul style="list-style-type: none"> <li>• Importance of digital, video and content have increased, 'virtually' inspiring consumers while international borders remain closed.</li> <li>• Increasing competition from other destinations. It is likely other countries/our competitors will reopen international borders to travellers before Australia.</li> </ul>	<ul style="list-style-type: none"> <li>• While international borders remain closed, we have continued to focus on keeping Australia top of mind in our overseas markets, through PR, content partnerships, advocacy, social, digital and trade engagement.</li> </ul>
<p>Consumer</p> <ul style="list-style-type: none"> <li>• Travel sentiment remains down across most of our international target markets.</li> <li>• Australia's relatively low rate of COVID-19 cases and its effective management of the pandemic are having a positive impact on consumer perception of travel to Australia, while longer-term consideration of Australia for a holiday is steady (TA, 2021).</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 and travel sentiment, forward bookings and searches has been continuous, to inform delivery of the right messaging, at the right time. We also continue to monitor the segments and markets most likely to return early so we can plan and be ready to act when the time is right.</li> <li>• Continuing to support industry by sharing their stories and connecting travellers to experiences. This includes continued development of immersive video content on <a href="https://australia.com">australia.com</a> to help Australians plan domestic holidays; as well as content partnerships to inspire holiday dreaming.</li> </ul>

## Strategies

### Target audiences and markets

We have worked closely with Boston Consulting Group on a review of prospective target audiences and markets. This resulted in an update to our target audiences and our market framework in the short-term, as shown in the tables below. Domestically, we will promote and encourage holidaying and hosting business events in Australia; while in international markets, we will prime markets to return, ready for when international borders re-open.

2021-22 TARGET AUDIENCES			
Leisure		Business Events	
Domestic	<ul style="list-style-type: none"> <li>• Willing travellers</li> </ul>	Domestic	<ul style="list-style-type: none"> <li>• Event planners, corporate meeting decision-makers</li> </ul>
International	<ul style="list-style-type: none"> <li>• Long stay, less impacted by travel risk (Working Holiday Makers, Visiting Friends and Relatives)</li> <li>• Prospective travellers in low-risk travel corridors</li> </ul>	International	<ul style="list-style-type: none"> <li>• Incentive and Association decision-makers</li> </ul>

2021-22 TARGET MARKETS	
Leisure	Business Events
<ul style="list-style-type: none"> <li>• Domestic</li> <li>• International short-term: New Zealand and other markets where Australia has agreed to a low-risk travel corridor</li> <li>• International long-term: China, Japan, India, Singapore, South Korea, the UK, the USA, Germany, Indonesia, Malaysia, France, Canada and Italy</li> </ul>	<ul style="list-style-type: none"> <li>• Domestic</li> <li>• International: New Zealand, Greater China, South Southeast Asia, UK/Europe, North America</li> </ul>

## **Strategic priorities and enabling factors**

To aid the recovery of our industry, we will focus our effort through seven strategic priorities:

1. Driving opportunistic conversion in the short term, concentrating on specific audiences (long stay) and markets (low risk travel corridors);
2. Expediting recovery for aviation and distribution, working with distribution and aviation partners to keep them focused on Australia and ready to convert demand and return capacity fast;
3. Being a unifying voice for industry, providing direction, leadership and guidance to the Australian travel industry;
4. Elevating and championing Indigenous tourism, facilitating a greater understanding of Indigenous heritage and driving the uptake of Indigenous tourism experiences;
5. Driving awareness of, and capability for sustainable travel, advocating for Australia's sustainable tourism offering in a way that meets increased consumer desire and increases industry readiness;
6. Generating long-term demand and growth, ensuring the Australian tourism industry remains competitive in the future by continuing to drive long-term demand today; and
7. Bolstering the business events industry, driving demand to increase conversion of new events and encourage more delegates to confirmed events.

The following enabling factors will be important to delivery of our strategic priorities:

- insights-driven strategies and decision-making;
- engaged and supportive stakeholders;
- motivated staff;
- agile resourcing;
- tight but flexible financial management; and
- robust governance.



## 1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to Tourism Australia 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 Tourism Australia'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: Tourism Australia resource statement — Budget estimates for 2021-22 as at Budget May 2021**

	2020-21 Estimated actual \$'000	2021-22 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	139,445	135,347
Total annual appropriations	<b>139,445</b>	<b>135,347</b>
Amounts received from related entities		
Amounts from portfolio department (b)	52,423	19,981
Total amounts received from related entities	<b>52,423</b>	<b>19,981</b>
<b>Total funds from Government</b>	<b>191,868</b>	<b>155,328</b>
<b>Funds from industry sources</b>		
Funds from industry sources	9,700	7,800
<b>Total funds from industry sources</b>	<b>9,700</b>	<b>7,800</b>
<b>Funds from other sources</b>		
Interest	100	100
<b>Total funds from other sources</b>	<b>100</b>	<b>100</b>
<b>Total net resourcing for Tourism Australia</b>	<b>201,668</b>	<b>163,228</b>
	2020-21	2021-22
<b>Average staffing level (number) (c)</b>	207	207

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

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

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

(b) Funding provided by the portfolio department (Asia Marketing Fund) 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 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 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 Australian 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>Australian Trade and Investment Commission (Austrade)</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>Program 1.2 - Programs to promote Australia's export 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 the DIBP 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 2.4 - 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 increasing international visitor arrivals and expenditure, and growing demand for Australia as a destination for tourism and business events.
<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> 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.

## 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: Grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets</b>					
	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
<b>Program 1.1: Supporting Outcome 1</b>					
Revenue from Government					
Ordinary annual services					
(Appropriation Bill No. 1)	139,445	135,347	136,319	137,391	140,103
Amounts from portfolio department (a)	52,423	19,981	20,040	20,100	20,161
Revenues from industry sources	9,700	7,800	7,800	7,800	7,800
Revenues from other independent sources	100	100	100	100	100
Expenses not requiring appropriation in the Budget year (b)	7,098	30,000	-	-	-
<b>Total expenses for Program 1.1</b>	<b>208,766</b>	<b>193,228</b>	<b>164,259</b>	<b>165,391</b>	<b>168,164</b>
<b>Outcome 1 totals by resource type</b>					
Revenue from Government					
Ordinary annual services					
(Appropriation Bill No. 1)	139,445	135,347	136,319	137,391	140,103
Payment from related entities	52,423	19,981	20,040	20,100	20,161
Revenues from industry sources	9,700	7,800	7,800	7,800	7,800
Revenues from other independent sources	100	100	100	100	100
Expenses not requiring appropriation in the Budget year (b)	7,098	30,000	-	-	-
<b>Total expenses for Outcome 1</b>	<b>208,766</b>	<b>193,228</b>	<b>164,259</b>	<b>165,391</b>	<b>168,164</b>
<b>Average staffing level (number)</b>					
	207	207			

(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, audit fees.

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

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

**Program 1.1: Supporting Outcome 1**

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
<b>1.1.1 - Component 1: Grow Demand</b>					
Annual departmental expenses:					
Programme Support	156,575	144,921	123,194	124,043	126,123
<b>Total component 1 expenses</b>	<b>156,575</b>	<b>144,921</b>	<b>123,194</b>	<b>124,043</b>	<b>126,123</b>
<b>1.1.2 - Component 2: Industry Development</b>					
Annual departmental expenses:					
Programme Support	52,191	48,307	41,065	41,348	42,041
<b>Total component 2 expenses</b>	<b>52,191</b>	<b>48,307</b>	<b>41,065</b>	<b>41,348</b>	<b>42,041</b>
<b>Total program expenses</b>	<b>208,766</b>	<b>193,228</b>	<b>164,259</b>	<b>165,391</b>	<b>168,164</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 2021-22 Budget measures have created new programs or materially changed existing programs.

Outcome 1 – Grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets		
Programs 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	<p>Target audiences in Australia and key international markets: Leisure travellers (willing travellers (mass market), visiting friends and relatives, working holiday makers) and business events decision-makers.</p> <ul style="list-style-type: none"><li>• Consumer research to build knowledge about what motivates target audiences when choosing a travel destination;</li><li>• Marketing activities to stimulate target audiences, 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; and</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> <p>Business Events decision-makers in Australia and key international markets:</p> <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; and</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 familiarisations (delivered virtually while international borders are closed).</li></ul>	
Performance information		
Year	Performance criteria (a)	Targets
2020-21	<i>Key Metric</i> <i>Total tourism expenditure</i> <i>Domestic tourism expenditure</i> <i>International tourism expenditure</i> <i>International leisure expenditure</i> <i>Business Events expenditure</i> <i>Destination brand – awareness</i> <i>Destination brand – consideration</i> <i>Destination brand – intention</i>	<i>Estimated performance</i> \$46.8b \$46.4b \$0.4b \$0.2b \$0.1b 39 per cent 34 per cent 22 per cent
2021-22	<i>Key Metric</i> <i>Total tourism expenditure</i>  <i>Other metrics as outlined in Tourism Australia's 2021-25 Corporate Plan</i>	<i>Target</i> \$71.4b

<b>Outcome 1 – Grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets</b>		
<b>Programs component 1.1.1 Grow Demand</b> Objective: Identify and target best prospect consumers both in Australia and in our target markets, inspire them to travel to and throughout Australia.		
2022-23 and beyond	<i>Key Metric</i> <i>Total tourism expenditure</i>  <i>Other metrics as outlined in Tourism Australia's 2021-25 Corporate Plan</i>	<i>Target</i> \$93.9b
<b>Purposes (b)</b>	Grow demand to enable a competitive and sustainable Australian tourism industry.	

Outcome 1 – Grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets		
Program 1.1.2 Industry development		
Objective: An Australian tourism industry that is competitive and sustainable and delivers on the needs of the target customer.		
Delivery	Target audiences: The Australian tourism industry and trade and distribution partners in key international markets Key activities: <ul style="list-style-type: none"><li>Driving industry recovery through programs and platforms for the distribution system to do business.</li><li>Supporting supply-side industry goals<ul style="list-style-type: none"><li>dissemination of insights and engagement of industry stakeholders.</li></ul></li></ul>	
Performance information		
Year	Performance criteria (a)	Targets
2020-21	Key Metric Industry stakeholder NPS Qualified Aussie Specialist Agents Event satisfaction of participants Business Events Bid Fund program, economic impact of converted events	Estimated Performance 40 27,000 98 per cent \$150m
2021-22	Key Metric Industry stakeholder NPS  Other metrics as outlined in Tourism Australia's 2021-25 Corporate Plan	Target 38
2022-23 and beyond	Key Metric Industry stakeholder NPS  Other metrics as outlined in Tourism Australia's 2021-25 Corporate Plan	Target 43
Purposes (b)	Grow demand to enable a competitive and sustainable Australian tourism industry.	

## **Section 3: Budgeted financial statements**

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

### **3.1 Budgeted financial statements**

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

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 2021-22 is estimated at \$163.2 million and is made up of government funding of \$155.3 million, and revenue from other sources of \$7.9 million. Government funding includes (1) appropriations of \$135.3 million, (2) \$20.0 million for the Asian Marketing Fund.

The change from 2021-22 includes:

- Appropriation for 2021-22 reflects normal level of funding for Tourism Australia adjusted for foreign exchange movements, domestic inflation and the efficiency dividend.
- One budget measure: the Asian Marketing Fund.

Corresponding total expenses are estimated to be \$193.2 million.

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

Tourism Australia is budgeting a net asset position of \$22.5 million in 2021-22. Net assets are projected to remain the same beyond 2021-22.



### 3.2. Budgeted financial statements tables

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
<b>EXPENSES</b>					
Employee benefits	35,614	37,000	37,647	38,304	38,974
Suppliers	161,856	146,887	115,049	115,362	117,405
Depreciation and amortisation (a)	11,200	9,242	11,460	11,620	11,678
Finance costs	96	99	103	105	107
Other expenses	-	-	-	-	-
<b>Total expenses</b>	<b>208,766</b>	<b>193,228</b>	<b>164,259</b>	<b>165,391</b>	<b>168,164</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Interest	100	100	100	100	100
Rental income	1,200	1,300	1,300	1,300	1,300
Other	8,500	6,500	6,500	6,500	6,500
<b>Total own-source revenue</b>	<b>9,800</b>	<b>7,900</b>	<b>7,900</b>	<b>7,900</b>	<b>7,900</b>
<b>Net (cost of)/contribution by services</b>	<b>(198,966)</b>	<b>(185,328)</b>	<b>(156,359)</b>	<b>(157,491)</b>	<b>(160,264)</b>
Revenue from Government	189,266	155,328	156,359	157,491	160,264
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>(9,700)</b>	<b>(30,000)</b>	-	-	-
<b>Total comprehensive income/(loss)</b>	<b>(9,700)</b>	<b>(30,000)</b>	-	-	-
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>(9,700)</b>	<b>(30,000)</b>	-	-	-

Table continued on the 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**

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
<b>less depreciation/amortisation</b>	<b>(8,450)</b>	<b>(29,851)</b>	<b>156</b>	<b>160</b>	<b>-</b>
plus: depreciation/amortisation expenses for ROU (b)	6,500	5,600	6,960	7,120	7,178
less: principal repayments on leased assets (b)	5,250	5,451	6,804	6,960	7,178
<b>Total comprehensive income/(loss) - as per the Statement of comprehensive income</b>	<b>(9,700)</b>	<b>(30,000)</b>	<b>-</b>	<b>-</b>	<b>-</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 Leases.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	56,858	21,096	21,252	21,412	21,412
Trade and other receivables	3,986	3,986	3,986	3,986	3,986
<b>Total financial assets</b>	<b>60,844</b>	<b>25,082</b>	<b>25,238</b>	<b>25,398</b>	<b>25,398</b>
<b>Non-financial assets</b>					
Land and buildings	10,341	11,614	18,874	11,754	4,576
Property, plant and equipment	600	500	500	500	500
Intangibles	2,947	8,958	8,958	8,958	8,958
Other non-financial assets	2,600	2,600	2,600	2,600	2,600
<b>Total non-financial assets</b>	<b>16,488</b>	<b>23,672</b>	<b>30,932</b>	<b>23,812</b>	<b>16,634</b>
<b>Total assets</b>	<b>77,332</b>	<b>48,754</b>	<b>56,170</b>	<b>49,210</b>	<b>42,032</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	6,440	6,440	6,440	6,440	6,440
Other payables	4,238	4,238	4,238	4,238	4,238
<b>Total payables</b>	<b>10,678</b>	<b>10,678</b>	<b>10,678</b>	<b>10,678</b>	<b>10,678</b>
<b>Interest bearing liabilities</b>					
<b>Lease Liability</b>					
Lease liabilities - Adjustments	4,827	6,873	14,220	-	-
Lease liabilities - Opening Balance	9,959	9,536	10,958	18,374	11,414
Lease liabilities - Principal payments	(5,250)	(5,451)	(6,804)	(6,960)	(7,178)
<b>Total interest bearing liabilities</b>	<b>9,536</b>	<b>10,958</b>	<b>18,374</b>	<b>11,414</b>	<b>4,236</b>
<b>Provisions</b>					
Employee provisions	3,500	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>4,571</b>	<b>4,571</b>	<b>4,571</b>	<b>4,571</b>	<b>4,571</b>
<b>Total liabilities</b>	<b>24,785</b>	<b>26,207</b>	<b>33,623</b>	<b>26,663</b>	<b>19,485</b>
<b>Net assets</b>	<b>52,547</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)	47,760	17,760	17,760	17,760	17,760
<b>Total parent entity interest</b>	<b>52,547</b>	<b>22,547</b>	<b>22,547</b>	<b>22,547</b>	<b>22,547</b>
<b>Total equity</b>	<b>52,547</b>	<b>22,547</b>	<b>22,547</b>	<b>22,547</b>	<b>22,547</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 2021-22)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2021</b>					
Balance carried forward from previous period	47,760	3,244	-	1,543	52,547
<b>Adjusted opening balance</b>	<b>47,760</b>	<b>3,244</b>	<b>-</b>	<b>1,543</b>	<b>52,547</b>
<b>Comprehensive income</b>					
Other comprehensive income	(30,000)	-	-	-	(30,000)
<b>Total comprehensive income</b>	<b>(30,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(30,000)</b>
of which:					
Attributable to the Australian Government	(30,000)	-	-	-	(30,000)
<b>Estimated closing balance as at 30 June 2022</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)**

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	136,843	135,347	136,319	137,391	140,103
Appropriation provided by portfolio department	52,423	19,981	20,040	20,100	20,161
Interest	100	100	100	100	100
Sale of goods and rendering of services	2,700	3,800	3,800	3,800	3,800
Other	9,602	4,000	4,000	4,000	4,000
<b>Total cash received</b>	<b>201,668</b>	<b>163,228</b>	<b>164,259</b>	<b>165,391</b>	<b>168,164</b>
<b>Cash used</b>					
Employees	36,728	37,000	37,647	38,304	38,974
Suppliers	166,897	146,887	115,049	115,362	117,405
Interest payments on lease liability	96	99	103	105	107
<b>Total cash used</b>	<b>203,721</b>	<b>183,986</b>	<b>152,799</b>	<b>153,771</b>	<b>156,486</b>
<b>Net cash from/(used by) operating activities</b>	<b>(2,053)</b>	<b>(20,758)</b>	<b>11,460</b>	<b>11,620</b>	<b>11,678</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	4,500	9,553	4,500	4,500	4,500
<b>Total cash used</b>	<b>4,500</b>	<b>9,553</b>	<b>4,500</b>	<b>4,500</b>	<b>4,500</b>
<b>Net cash from/(used by) investing activities</b>	<b>(4,500)</b>	<b>(9,553)</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	5,250	5,451	6,804	6,960	7,178
<b>Total cash used</b>	<b>5,250</b>	<b>5,451</b>	<b>6,804</b>	<b>6,960</b>	<b>7,178</b>
<b>Net cash from/(used by) financing activities</b>	<b>(5,250)</b>	<b>(5,451)</b>	<b>(6,804)</b>	<b>(6,960)</b>	<b>(7,178)</b>
<b>Net increase/(decrease) in cash held</b>	<b>(11,803)</b>	<b>(35,762)</b>	<b>156</b>	<b>160</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	68,661	56,858	21,096	21,252	21,412
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>56,858</b>	<b>21,096</b>	<b>21,252</b>	<b>21,412</b>	<b>21,412</b>

Prepared on Australian Accounting Standards basis.

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

	2020-21	2021-22	2022-23	2023-24	2024-25
	Estimated	Budget	Forw ard	Forw ard	Forw ard
	actual		estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded internally from departmental resources (a)	4,500	9,553	4,500	4,500	4,500
<b>TOTAL</b>	<b>4,500</b>	<b>9,553</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	4,500	9,553	4,500	4,500	4,500
<b>Total cash used to acquire assets</b>	<b>4,500</b>	<b>9,553</b>	<b>4,500</b>	<b>4,500</b>	<b>4,500</b>

Prepared on Australian Accounting Standards basis.

(a) Includes current Bill 1 appropriations and internally developed assets.

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

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2021</b>				
Gross book value	11,347	3,642	53,242	68,233
Gross book value - ROU assets	20,679	-	-	20,679
Accumulated depreciation/ amortisation and impairment	(8,986)	(3,042)	(50,295)	(62,323)
Accumulated depreciation/amortisation and impairment - ROU assets	(12,701)	-	-	(12,701)
<b>Opening net book balance</b>	<b>10,341</b>	<b>600</b>	<b>2,947</b>	<b>13,888</b>
<b>Capital asset additions</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase - appropriation ordinary annual services (a)	500	100	8,953	9,553
By purchase - appropriation ordinary annual services (a) - ROU assets	6,873	-	-	6,873
<b>Total additions</b>	<b>7,373</b>	<b>100</b>	<b>8,953</b>	<b>16,426</b>
<b>Other movements</b>				
Depreciation/amortisation expense	(500)	(200)	(2,942)	(3,642)
Depreciation/amortisation on ROU assets	(5,600)	-	-	(5,600)
<b>Total other movements</b>	<b>(6,100)</b>	<b>(200)</b>	<b>(2,942)</b>	<b>(9,242)</b>
<b>As at 30 June 2022</b>				
Gross book value	11,849	3,742	62,195	77,786
Gross book value - ROU assets	27,552	-	-	27,552
Accumulated depreciation/ amortisation and impairment	(9,486)	(3,242)	(53,237)	(65,965)
Accumulated depreciation/amortisation and impairment - ROU assets	(18,301)	-	-	(18,301)
<b>Closing net book balance</b>	<b>11,614</b>	<b>500</b>	<b>8,958</b>	<b>21,072</b>

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2021-22 for depreciation/amortisation expenses, DCB's or other operational requirements.

