



Budget

2018-19

Portfolio Budget Statements 2018-19 **Budget Related Paper No. 1.3**

Communications and the Arts Portfolio

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

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MINISTER FOR COMMUNICATIONS
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MINISTER FOR REGIONAL COMMUNICATIONS
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 2018-19 Budget for the Communications and the Arts 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

MITCH FIFIELD

Senator the Hon Mitch Fifield
Minister for Communications
Minister for the Arts

BRIDGET MCKENZIE

Senator the Hon Bridget McKenzie
Minister for Regional Communications

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nfp	not for publication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

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

ENQUIRIES

Should you have any enquiries regarding this publication please contact the Chief Financial Officer, Financial Services Branch, Department of Communications and the Arts on (02) 6271 1058.

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

**USER GUIDE
TO THE
PORTFOLIO BUDGET STATEMENTS**

USER GUIDE

The purpose of the *2018–19 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) 2018–19 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2018–19 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 Enhanced Commonwealth Performance Framework

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

Enhanced Commonwealth Performance Framework
- key components of relevant publications

Portfolio Budget Statements (May)
Portfolio based

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

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

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

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

Corporate Plan (August)
Entity based

Primary planning document of a Commonwealth entity.

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

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

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



Annual Performance Statement (October following year)
Entity based

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

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

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

CONTENTS

Communications and the Arts Portfolio overview	3
Entity resources and planned performance	9
Department of Communications and the Arts.....	15
Australia Council.....	49
Australian Broadcasting Corporation.....	69
Australian Communications and Media Authority.....	89
Australian Film, Television and Radio School	117
Australian National Maritime Museum.....	135
National Film and Sound Archive of Australia	155
National Gallery of Australia.....	173
National Library of Australia	193
National Museum of Australia	211
National Portrait Gallery of Australia	231
Old Parliament House.....	249
Screen Australia	267
Special Broadcasting Service Corporation.....	285
Portfolio glossary	301
Acronyms.....	305

PORTFOLIO OVERVIEW

COMMUNICATIONS AND THE ARTS PORTFOLIO OVERVIEW

Ministers and portfolio responsibilities

There are two Ministers with responsibility for the Communications and the Arts Portfolio. Senator the Hon Mitch Fifield is the Minister for Communications and the Minister for the Arts, and Senator the Hon Bridget McKenzie is the Minister for Regional Communications.

The Communications and the Arts Portfolio comprises the Department of Communications and the Arts (the Department) and 17 other entities with key responsibilities as outlined below:

- **Department of Communications and the Arts** – The Department of Communications and the Arts aims to promote innovative communications and cultural sectors through policy, program and service delivery to the benefit of all Australians.
- **Australia Council** – The Australia Council is the Australian Government’s arts funding and advisory body with a purpose to champion and invest in Australian arts. The Council has a national leadership role in supporting and building Australia’s arts ecology by fostering excellence in the arts, increasing national and international engagement with Australian art and artists, and promoting the appreciation, knowledge and understanding of the arts.
- **Australian Broadcasting Corporation (ABC)** – The ABC is a national broadcaster. It provides programming that informs, educates and entertains, and contributes to and reflects Australia’s national identity, including delivering such programming to overseas audiences. It encourages cultural diversity, fosters public debate, engages directly with local communities, and fosters the creative industries, music and the arts. The ABC is an integral part of the Australian media, providing radio, television and digital media services to all Australians, including independent news and information services.
- **Australian Communications and Media Authority (ACMA)** – The ACMA is responsible for regulating in accordance with legislation related to broadcasting, radiocommunications, telecommunications and online content. The ACMA works with all stakeholders to maximise the public benefit, including the extent to which the regulatory framework addresses the broad concerns of the community, meets the needs of industry, and maintains community and national interest safeguards.
- **Australian Film, Television and Radio School (AFTRS)** – The AFTRS is the leading institution for specialist education and training for Australia’s screen arts and broadcast sector. The AFTRS’ purpose is to provide high-quality education and training at a range of levels to advance the skills and knowledge of talented individuals and meet the evolving needs of Australia’s screen and broadcast

Portfolio overview

industries. The AFTRS educates and inspires the storytellers of the future and encourages innovative engagement with technology to disseminate those stories to audiences. The AFTRS conducts leading research relevant to industry, holds forums and disseminates ideas to stimulate conversation about the converging screen and broadcast industries.

- **Australian National Maritime Museum (ANMM)** – The ANMM is responsible for leading the promotion and conservation of Australia’s maritime heritage and culture. This is done through developing and sharing its collections, knowledge and expertise; motivating learning through research, educational programs and products; supporting community participation to retain Australia’s maritime heritage; and exploring contemporary issues of public interest and maritime relevance.
- **Australian Postal Corporation (Australia Post)** – Australia Post is a Government Business Enterprise, wholly owned by the Australian Government. It provides a mail and delivery service to all Australians and a range of parcel and logistics services.
- **Bundanon Trust** – Bundanon Trust cares for the Boyd art collection and supports arts practice and engagement with the arts through its residency, education, exhibition and performance programs. In preserving the natural and cultural heritage of its site Bundanon Trust promotes the value of landscape in all our lives.
- **Creative Partnerships Australia (legally constituted as the Australia Business Arts Foundation Ltd)** – The role of Creative Partnerships Australia is to create a culture of private sector support for the arts. It aims to grow the culture of giving, investment, partnership and volunteering, bringing donors, businesses, artists and arts organisations together to foster a more sustainable and vibrant arts sector for the benefit of all Australians.
- **National Film and Sound Archive of Australia (NFSA)** – The NFSA is Australia’s premier audiovisual archive. It develops and preserves a collection of significant Australian film, recorded sound, broadcast works and new media, and shares the collection with audiences across Australia and overseas.
- **National Gallery of Australia (NGA)** – The purpose of the NGA is to develop and maintain a national collection of works of art; exhibit, or make available for exhibition by others, works of art from the national collection or works of art that are otherwise in the possession of the NGA; and to make the most advantageous use of the national collection in the national interest.
- **National Library of Australia (NLA)** – The NLA ensures that documentary resources of national significance relating to Australia and the Australian people, as well as significant non-Australian library materials, are collected, preserved and made accessible either through the library or through collaborative arrangements with other libraries.
- **National Museum of Australia (NMA)** – The NMA brings to life the rich and diverse stories of the nation through researching, developing, preserving, digitising

and exhibiting a significant national collection, creating programs and partnerships for national and international audiences.

- **National Portrait Gallery of Australia (NPGA)** – The purpose of the NPGA is to present the face of Australia. We use portraiture to tell their stories and to increase the understanding and appreciation of the Australian people – their identity, history, culture, creativity and diversity. The NPGA develops, preserves, maintains, promotes and provides access to a national collection of portraits.
- **NBN Co Limited (nbn)** – nbn is a Government Business Enterprise, wholly owned by the Australian Government. It is planning, rolling out and operating Australia's new broadband network, which will provide all Australians with access to very fast broadband.
- **Old Parliament House (OPH)** – Old Parliament House was the home of the Federal Parliament from 1927 to 1988 and is an icon of national significance. It now houses the Museum of Australian Democracy, which provides dynamic exhibitions, education programs, galleries and experiences that explore Australia's democratic traditions and the factors and people that shaped that journey.
- **Screen Australia** – Screen Australia works to support bold, enduring and culturally significant Australian storytelling that resonates with local audiences and succeeds in a global marketplace, created by a skilled and entrepreneurial screen industry. Screen Australia co-finances its projects with private financing sources.
- **Special Broadcasting Service Corporation (SBS)** – The SBS is a national broadcaster. It provides multicultural and multilingual services that inform, educate and entertain all Australians. Its mission is to contribute to a more cohesive, equitable and harmonious Australia through its television, radio and online services.

A summary of the Portfolio structure is at Figure 1. Further detail about the responsibilities of each agency appears in individual agency chapters.

Australia Post, Bundanon Trust, Creative Partnerships Australia and nbn do not appear in the 2018–19 Portfolio Budget Statements. Australia Post and nbn are not included as they are not part of the General Government Sector (GGS). While Bundanon Trust and Creative Partnerships Australia are part of the GGS, they are not included as they do not receive direct appropriation funding.

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

Figure 1: Communications and the Arts portfolio structure and outcomes

Minister for Communications Minister for the Arts Senator the Hon Mitch Fifield	Minister for Regional Communications Senator the Hon Bridget McKenzie
Department of Communications and the Arts Secretary: Mr Mike Mrdak AO	
Outcome 1: Promote an innovative and competitive communications sector, through policy development, advice and program delivery, so all Australians can realise the full potential of digital technologies and communications services.	
Outcome 2: Participation in, and access to, Australia’s arts and culture through developing and supporting cultural expression.	
Australia Council Chief Executive Officer: Mr Tony Grybowski	
Outcome 1: Supporting Australian artists and arts organisations to create and present excellent art that is accessed by audiences across Australia and abroad.	
Australian Broadcasting Corporation Managing Director: Ms Michelle Guthrie	
Outcome 1: Informed, educated and entertained audiences—throughout Australia and overseas—through innovative and comprehensive media and related services.	
Australian Communications and Media Authority Chief Executive Officer: Ms Nerida O’Loughlin	
Outcome 1: A communications and media environment that balances the needs of the industry and the Australian community through regulation, education and advice.	
Australian Film, Television and Radio School Chief Executive Officer: Mr Neil Peplow	
Outcome 1: Support the development of a professional screen arts and broadcast culture in Australia including through the provision of specialist industry-focused education, training and research.	
Australian National Maritime Museum Director: Mr Kevin Sumption PSM	
Outcome 1: Increased knowledge, appreciation and enjoyment of Australia’s maritime heritage by managing the National Maritime Collection and staging programs, exhibitions and events.	

<p style="text-align: center;">Australian Postal Corporation Group Chief Executive Officer and Managing Director: Ms Christine Holgate</p>
<p>Mission: Australia Post is required by law to provide a universal letter service which is reasonably accessible to all Australians and, in addition, to provide a standard letter service at a uniform price from anywhere to anywhere in the country.</p>
<p style="text-align: center;">Bundanon Trust Chief Executive Officer: Ms Deborah Ely</p>
<p>Mission: Bundanon Trust supports arts practice and engagement with the arts through its residency, education, exhibition and performance programs. In preserving the natural and cultural heritage of its site Bundanon promotes the value of landscape in all our lives.</p>
<p style="text-align: center;">Creative Partnerships Australia Chief Executive Officer: Ms Fiona Menzies</p>
<p>Mission: A cultural environment that enriches the lives of all Australians with an arts sector that has strong connections to business and donors.</p>
<p style="text-align: center;">National Film and Sound Archive of Australia Chief Executive Officer: Mr Jan Müller</p>
<p>Outcome 1: Increased engagement with Australia's audiovisual culture past and present through developing, preserving, maintaining and promoting the national audiovisual collection of historic and cultural significance.</p>
<p style="text-align: center;">National Gallery of Australia Director: Dr Gerard Vaughan AM to 1 July 2018 Director: Mr Nick Mitzevich from 2 July 2018</p>
<p>Outcome 1: Increased understanding, knowledge and enjoyment of the visual arts by providing access to, and information about, works of art locally, nationally and internationally.</p>
<p style="text-align: center;">National Library of Australia Director-General: Dr Marie-Louise Ayres</p>
<p>Outcome 1: Enhanced learning, knowledge creation, enjoyment and understanding of Australian life and society by providing access to a national collection of library material.</p>
<p style="text-align: center;">National Museum of Australia Director: Dr Mathew Trinca</p>
<p>Outcome 1: Increased awareness and understanding of Australia's history and culture by managing the National Museum's collections and providing access through public programs and exhibitions.</p>

Portfolio overview

<p style="text-align: center;">National Portrait Gallery of Australia Director: Mr Angus Trumble</p>
<p>Outcome 1: Enhanced understanding and appreciation of Australian identity, culture and diversity through portraiture by engaging the public in education programs and exhibitions, and by developing and preserving the national portrait collection.</p>
<p style="text-align: center;">NBN Co Limited Chief Executive Officer: Mr Bill Morrow</p>
<p>Mission: To complete the National Broadband Network ensuring all Australians have access to very fast broadband as soon as possible, at affordable prices, and at least cost to taxpayers.</p>
<p style="text-align: center;">Old Parliament House Director: Ms Daryl Karp</p>
<p>Outcome 1: An enhanced appreciation and understanding of the political and social heritage of Australia for members of the public, through activities including the conservation and upkeep of, and the provision of access to, Old Parliament House and the development of its collections, exhibitions and educational programs.</p>
<p style="text-align: center;">Screen Australia Chief Executive Officer: Mr Graeme Mason</p>
<p>Outcome 1: Promote engaged audiences and support a creative, innovative and commercially sustainable screen industry through the funding and promotion of diverse Australian screen product.</p>
<p style="text-align: center;">Special Broadcasting Service Corporation Chief Executive Officer and Managing Director: Mr Michael Ebeid</p>
<p>Outcome 1: Provide multilingual and multicultural services that inform, educate and entertain all Australians and in so doing reflect Australia's multicultural society.</p>

ENTITY RESOURCES AND PLANNED PERFORMANCE

Department of Communications and the Arts	11
Australia Council	45
Australian Broadcasting Corporation	65
Australian Communications and Media Authority	85
Australian Film, Television and Radio School	113
Australian National Maritime Museum	131
National Film and Sound Archive of Australia	151
National Gallery of Australia.....	169
National Library of Australia.....	189
National Museum of Australia	207
National Portrait Gallery of Australia	227
Old Parliament House	245
Screen Australia	263
Special Broadcasting Service Corporation	281

**DEPARTMENT OF
COMMUNICATIONS AND THE ARTS**

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

DEPARTMENT OF COMMUNICATIONS AND THE ARTS

Section 1: Entity overview and resources	15
1.1 Strategic direction statement	15
1.2 Entity resource statement	17
1.3 Budget measures.....	19
Section 2: Outcomes and planned performance.....	20
2.1 Budgeted expenses and performance for Outcome 1.....	21
2.2 Budgeted expenses and performance for Outcome 2.....	26
Section 3: Budgeted financial statements	31
3.1 Budgeted financial statements.....	31
3.2 Budgeted financial statements tables	32

DEPARTMENT OF COMMUNICATIONS AND THE ARTS

SECTION 1: ENTITY OVERVIEW AND RESOURCES

1.1 STRATEGIC DIRECTION STATEMENT

The Department of Communications and the Arts aims to create an environment in which diverse communications services and artistic and cultural experiences can be accessed.

Communications technology connectivity is fundamental to economic growth and productivity, enabling business and government service transformation. Connectivity also allows new ways to broaden the accessibility of creative and cultural products of Australia, which contributes to the health of Australian society. However, these technologies are also contributing to the disruption of traditional business models and models of work, changing social communication and how we experience our culture and that of others.

Australia's creative sectors will continue to compete for audiences in an increasingly global marketplace over the next four years. Some of the ways that Australia's creative output has been accessed in the past, such as the traditional television media, are coming under pressure due to new access pathways opening up through technological innovation. Australia's cultural institutions will continue adapting to take advantage of new technology, while preserving their important collections for future generations.

The Department's role in this complex environment is to develop the policy and regulatory settings to ensure investment in the latest technology, so that communications businesses can operate efficiently, consumers are appropriately protected and cultural objectives are achieved. The Department works in collaboration with active and engaged stakeholders and portfolio agencies to effectively deliver on the Government's policy agenda. An important part of our work is delivering policy and programs that address the needs of regional and remote Australia.

Through two programs, the Department works to achieve two outcomes:

- **Outcome 1:** Promote an innovative and competitive communications sector, through policy development, advice and program delivery, so all Australians can realise the full potential of digital technologies and communications services (**Program 1.1**).
- **Outcome 2:** Participation in, and access to, Australia's arts and culture through developing and supporting cultural expression (**Program 2.1**).

In the next four years, the Department will have a particular focus on:

- continuing our support of the National Broadband Network rollout, with an increasing focus on investment in the network and the consumer experience being delivered by the communications sector

Department of Communications and the Arts Budget Statements

- the introduction of 5G mobile technology and the delivery of other communications infrastructure, as well as the continuation of the Mobile Black Spot Program
- creating a contemporary policy framework that supports international competitiveness and delivers in the national interest by implementing:
 - the Government's reform agenda, including for classification, copyright, and spectrum
 - universal service, with the establishment of the Universal Service Guarantee, and sustainability of national postal services.
- ensuring regulation is efficient, promotes investment and meets community expectations of consumer experience, public interest protections and public safety
- contributing to the broader Government agenda of encouraging productivity, growth and innovation, including supporting the links between innovation, arts and creativity and strengthening the role of our creative industries in contributing to economic prosperity
- collaborating to build the sustainability and recognition of Australia's:
 - creative industries, through supporting Australian literature, Indigenous arts centres, and screen production including animation and post, digital and visual effects
 - cultural sectors, including supporting the performing and visual arts, Indigenous arts, language and repatriation, and national arts training.

Together these will provide a powerful platform to enable enhanced accessibility and connectivity, innovation and productivity, and creativity and cultural expression. The performance sections of these statements provide further detail on specific activities conducted under each stream of work. For more information on the Department's strategic direction, please refer to the 2018-19 Corporate Plan, which will be published by the end of August 2018 at www.communications.gov.au/who-we-are/department/corporate-plan.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the Department 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 (appropriations/cash available) basis, while 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 Communications and the Arts resource statement—Budget estimates for 2018–19 as at Budget May 2018

	2017–18 Estimated actual \$'000	2018–19 Estimate \$'000
Departmental		
Annual appropriations—ordinary annual services		
Prior year appropriations available	21,891	17,493
Departmental appropriation ^(a)	104,179	106,212
s 74 retained revenue receipts ^(b)	1,561	514
Departmental capital budget ^(c)	3,558	3,547
Annual appropriations—other services—non-operating ^(d)		
Prior year appropriations available	150	-
Total departmental annual appropriations	131,339	127,766
Special accounts ^(e)		
Opening balance	2,731	1,461
Appropriation receipts ^(f)	4,242	4,242
Non-appropriation receipts	4,269	5,068
Total special accounts	11,242	10,771
less departmental appropriations drawn from annual/special appropriations and credited to special accounts	4,242	4,242
Total departmental resourcing	138,339	134,295
Administered		
Annual appropriations—ordinary annual services ^(a)		
Outcome 1	238,544	195,922
Outcome 2	212,341	208,209
Administered capital budget ^(g)	1,636	1,608
Payments to corporate entities ^(h)	1,762,898	1,774,530
Annual appropriations—other services—non-operating ^(d)		
Prior year appropriations available	2,034,555	2,548,445
Administered assets and liabilities	6,610,372	5,055,869
Payments to corporate entities ^(h)	40,601	49,040
Total administered annual appropriations	10,900,947	9,833,623

Department of Communications and the Arts Budget Statements

	2017–18 Estimated actual \$'000	2018–19 Estimate \$'000
Special accounts ^(e)		
Opening balance	26,711	-
Appropriation receipts ^(f)	96,454	96,454
Non-appropriation receipts	227,200	263,646
Total special account receipts	350,365	360,100
less administered appropriations drawn from annual/special appropriations and credited to special accounts	96,454	96,454
Total administered resourcing	11,154,858	10,097,269
Total resourcing for the Department	11,293,197	10,231,564

	2017–18	2018–19
Average staffing level (number)	547	550

Third party payments from and on behalf of other entities

	2017–18 Estimated actual \$'000	2018–19 Estimate \$'000
Payments made to corporate entities within the Portfolio		
Australia Council	209,393	208,186
Australian Broadcasting Corporation	1,043,680	1,045,911
Australian Film, Television and Radio School	22,683	22,584
Australian National Maritime Museum	28,707	29,236
National Film and Sound Archive of Australia	25,830	27,443
National Gallery of Australia	47,415	53,279
National Library of Australia	61,399	65,071
National Museum of Australia	43,365	47,076
National Portrait Gallery of Australia	11,002	11,876
Old Parliament House	18,573	19,847
Screen Australia	11,394	11,335
Special Broadcasting Service Corporation	280,058	281,726
Total third party payments	1,803,499	1,823,570

- (a) Appropriation Bill (No.1) 2018–19.
 (b) Estimated retained revenue receipts under section 74 of the PGPA Act.
 (c) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
 (d) Appropriation Bill (No.2) 2018–19.
 (e) For further information on special appropriations and special accounts, please refer to *Budget Paper No. 4—Agency Resourcing*. Please also see Tables 2.1.1 and 2.2.1 for further information on outcome and program expenses broken down by various funding sources, for example, annual appropriations, special appropriations and special accounts.
 (f) Amounts credited to the special accounts from annual and special appropriations.
 (g) Administered Capital Budgets (ACBs) 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'.
 (h) 'Corporate entities' are corporate Commonwealth entities and Commonwealth companies as defined under the PGPA Act.

Please note: 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.

1.3 BUDGET MEASURES

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

Table 1.2: Department of Communications and the Arts 2018–19 Budget measures

Part 1: Measures announced since the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Expense measures						
250th Anniversary of James Cook's Voyage - commemoration						
	2.1					
		-	514	2,168	3,223	-
		-	996	499	503	-
		-	1,510	2,667	3,726	-
Total						
Funding for Australian Film and Television Content and the National Broadcasters						
	2.1					
		-	2,971	-	-	-
		-	12	-	-	-
		-	2,983	-	-	-
Total						
Location Incentive Funding Program ^(a)						
	2.1					
		-	-	35,000	35,000	35,000
		-	-	35,000	35,000	35,000
Total						
Total expense measures						
		-	3,485	37,168	38,223	35,000
		-	1,008	499	503	-
		-	4,493	37,667	38,726	35,000
Total						

(a) Funding for this measure also includes \$35.0 million in 2022–23.

(b) This measure includes total Administered funding for the Department of \$0.514 million in 2018–19, \$2.463 million in 2019–20 and \$3.726 million for the Department in 2020–21. Figures represented in this table differ from these amounts reflecting that a partial provision for this funding was included in the Contingency Reserve.

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

SECTION 2: OUTCOMES AND PLANNED PERFORMANCE

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

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

Note:

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

The most recent corporate plan for the Department can be found at:
www.communications.gov.au/who-we-are/department/corporate-plan.

The most recent annual performance statement can be found in the 2016-17 Annual Report at:
www.communications.gov.au/who-we-are/department/annual-reports.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Promote an innovative and competitive communications sector, through policy development, advice and program delivery, so all Australians can realise the full potential of digital technologies and communications services.

Linked programs

Australian Communications and Media Authority (ACMA)

Programs

- Program 1.1: Communications regulation, planning and licensing
- Program 1.2: Consumer safeguards, education and information

Contributions to Outcome 1 made by linked programs

The ACMA is responsible for determining and collecting telecommunications carriers' contributions to the Telecommunications Industry Levy, and for enforcing compliance with the United Service Obligation (USO) and emergency call service requirements under the *Telecommunications (Industry Levy) Amendment Act 2015*.

The Australian Government's online safety measures, including the Women's Safety Package, are delivered by the Office of the eSafety Commissioner, which is an independent statutory office within the ACMA.

The ACMA recoups the cost of the Consumer Representation Grants Program allocated to the Australian Communications Consumer Action Network (ACCAN) under section 593 of the *Telecommunications Act 1997*, from licenced carriers under the *Telecommunications (Carrier Licence Charges) Act 1997*.

The Treasury

Program 1.9: National Partnership Payments to the States

Contribution to Outcome 1 made by linked programs

The Government will make a National Partnership Payment to the NSW Government to provide the Government's program for WiFi and mobile coverage on the rail corridor between Sydney and the Central Coast.

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
Program 1.1: Digital Technologies and Communications Services					
Administered expenses					
Ordinary annual services (Appropriation Bill No.1)					
Cadetship Program and Scholarship Program					
	-	5,200	5,200	-	-
Community Broadcasting Program					
	21,590	19,492	19,750	20,049	16,339
Consumer Representation Grants Program					
	2,261	2,296	2,324	2,367	2,409
Digital Television Switchover					
	11,096	11,265	7,784	-	-
Intellectual Property					
	250	250	250	250	250
International Organisation Contributions					
	3,745	3,611	3,611	3,722	3,836
Mobile Black Spot Program					
	86,816	41,092	26,003	-	-
Spectrum Pricing Transitional Support					
	6,199	6,199	6,199	6,199	6,199
Supporting Underrepresented Sports					
	7,500	7,500	7,500	7,500	-
Women's Safety Package					
	406	-	-	-	-
Special accounts					
Public Interest Telecommunications Services Special Account					
National Relay Service					
	31,700	27,700	22,000	22,000	22,000
Universal Service Obligation					
	270,000	270,000	270,000	270,000	270,000
Other Public Interest Services					
	57,900	35,400	24,100	24,100	24,100
Payments to corporate entities					
	1,323,738	1,327,637	1,332,652	1,335,076	1,345,211
Expenses not requiring appropriation in the Budget year ^(a)					
International Organisation Contributions					
	2,791	2,885	2,808	2,808	2,894
Regional Backbone Blackspots Program					
	8,033	8,033	8,033	8,033	8,033
Regional Broadband Scheme					
	-	563,989	699,835	760,000	794,719
Administered total	1,834,025	2,332,549	2,438,049	2,462,104	2,495,990
Departmental expenses					
Departmental appropriation ^(b)					
	81,115	80,906	80,828	81,525	82,183
s74 Retained revenue receipts ^(c)					
	95	95	95	95	95
Special Accounts					
Public Interest Telecommunications Services Special Account					
	4,046	4,046	4,046	4,046	4,046
Expenses not requiring appropriation in the Budget year ^(a)					
	10,370	4,532	4,532	4,532	4,532
Departmental total	95,626	89,579	89,501	90,198	90,856
Total expenses for program 1.1	1,929,651	2,422,128	2,527,550	2,552,302	2,586,846

Department of Communications and the Arts Budget Statements

Table 2.1.1: Budgeted expenses for Outcome 1 continued

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	139,863	96,905	78,621	40,087	29,033
Special accounts	359,600	333,100	316,100	316,100	316,100
Payments to corporate entities	1,323,738	1,327,637	1,332,652	1,335,076	1,345,211
Expenses not requiring appropriation in the Budget year ^(a)	10,824	574,907	710,676	770,841	805,646
Administered total	1,834,025	2,332,549	2,438,049	2,462,104	2,495,990
Departmental expenses					
Departmental appropriation ^(b)	81,115	80,906	80,828	81,525	82,183
s74 Retained revenue receipts ^(c)	95	95	95	95	95
Special accounts	4,046	4,046	4,046	4,046	4,046
Expenses not requiring appropriation in the Budget year ^(a)	10,370	4,532	4,532	4,532	4,532
Departmental total	95,626	89,579	89,501	90,198	90,856
Total expenses for Outcome 1	1,929,651	2,422,128	2,527,550	2,552,302	2,586,846
Movement of administered funds between years ^(d)					
Annual administered expenses:					
<i>Mobile Black Spot Program</i>	(11,476)	11,476	-	-	-
Total movement of administered funds	(11,476)	11,476	-	-	-
Average staffing level (number)					
	2017-18	2018-19			
	402	405			

Programs for which Treasury is appropriated under the Federal Financial Relations framework

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
Annual administered expenses:					
<i>National Partnership for WiFi and Mobile Coverage on Trains</i>	2,000	8,000	2,000	-	-
Total program expenses	2,000	8,000	2,000	-	-
Movement of administered funds between years ^(d)					
Annual administered expenses:					
<i>National Partnership for WiFi and Mobile Coverage on Trains</i>	(3,000)	3,000	-	-	-
Total movement of administered funds	(3,000)	3,000	-	-	-

(a) Expenses not requiring appropriation in the Budget year are made up of issuing indefeasible rights of use, depreciation expenses, amortisation expenses, foreign exchange, and audit fees.

(b) Expenses from 'ordinary annual services (Appropriation Bill No. 1)'.

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

(d) 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: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

Outcome 1—Promote an innovative and competitive communications sector, through policy development, advice and program delivery, so all Australians can realise the full potential of digital technologies and communications services		
Program 1.1—Digital Technologies and Communications Services		
This program contributes to Outcome 1 by providing high-quality, strategic advice to the Government on communications infrastructure and markets, consumer protections and regulatory reform opportunities; and through the effective delivery of related programs and services.		
Delivery		
The Department will focus on the following in delivering this outcome:		
<ul style="list-style-type: none"> • Strategic advice and policy development—providing Government with the best policy advice on issues relating to communications and the arts, including the delivery of services to regional Australia. The Department’s advice is evidence-based and is informed by research and critical analysis of sectoral developments and market trends. • Effective program and grants management—delivering efficient and effective programs, grants and services to achieve the Government’s policy outcomes. The Department adheres to the highest standards of public administration. • Regulatory management—administering portfolio legislation efficiently and effectively. The Department reviews and shapes regulatory frameworks. It also assists the Minister for Communications and the Minister for Regional Communications to fulfil their Parliamentary obligations. • Collaborative stakeholder engagement—working with portfolio agencies, government stakeholders, international organisations, industry, research institutions and the community to generate innovative advice and ensure that the advice and services the Department delivers are effective and meet the needs of the community. 		
Performance information		
Year	Performance criteria ^(a)	Targets
2017–18	Facilitate consumer access to affordable, competitive and reliable communications services	<p>Expected to meet criterion</p> <p>Delivery of Mobile Black Spot Program</p> <p>Universal Service Obligation reform in response to Productivity Commission report</p> <p>Minister’s shareholder oversight of NBN Co.’s delivery of the NBN</p> <p>Consumer experiences using public data and research</p> <p>Stakeholder engagement to support improving consumer experience, including migration to the NBN</p>
	Enable the effective operation of consumer protections and safeguards, so that Australians can interact safely in a trusted digital environment	<p>Expected to meet criterion</p> <p>Progress of review of framework for consumer safeguards</p> <p>Engagement across Government and industry to support effective consumer protections and safeguards</p> <p>Information published on consumer protections</p>

Department of Communications and the Arts Budget Statements

Performance information		
Year	Performance criteria ^(a)	Targets
2017–18 continued	<p>Work with the sectors so that policy and regulatory frameworks support domestic and international competitiveness and the national interest</p> <p>Engage with portfolio agencies and sectoral institutions to support their governance, sustainability and achievement of Government objectives</p>	<p>Expected to meet criterion</p> <p>Progress of reforms, including media, spectrum and copyright</p> <p>Expected to meet criterion</p> <p>Oversight of portfolio agencies' annual corporate plan compliance, financials and achievements</p>
2018–19	<p>Facilitate consumer access to affordable, competitive and reliable communications services</p> <p>Enable the effective operation of consumer protections and safeguards, so that Australians can interact safely in a trusted digital environment</p> <p>Work with the sectors so that policy and regulatory frameworks support domestic and international competitiveness and the national interest</p> <p>Engage with portfolio agencies and sectoral institutions to support their governance, sustainability and achievement of Government objectives</p>	<p>Delivery of Mobile Black Spot Program</p> <p>Universal Service Obligation reform in response to Productivity Commission report</p> <p>Minister's shareholder oversight of NBN Co's delivery of the NBN</p> <p>Consumer experiences using public data and research</p> <p>Stakeholder engagement to support improving consumer experience, including migration to the NBN</p> <p>Progress of review of framework for consumer safeguards</p> <p>Engagement across Government and industry to support effective consumer protections and safeguards</p> <p>Information published on consumer protections</p> <p>Progress of reforms, including media, spectrum and copyright</p> <p>Oversight of portfolio agencies' annual corporate plan compliance, financials and achievements</p>
2019–20 and beyond	It is expected that criteria and targets will be reviewed for 2019–20 and beyond	It is expected that criteria and targets will be reviewed for 2019–20 and beyond
<p>Purpose</p> <p>The purpose of the Department of Communications and the Arts is to create an environment in which diverse communications services and artistic and cultural experiences can be accessed.</p>		

(a) Performance criteria and targets for 2017–18 have been updated so that descriptions are consistent with the Department of Communications and the Arts' 2017–18 Corporate Plan. The scope and outcomes of work for 2017–18 have not been changed.

2.2 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 2

Outcome 2: Participation in, and access to, Australia's arts and culture through developing and supporting cultural expression

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
Program 2.1: Arts and Cultural Development					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	211,841	207,709	216,824	216,687	214,537
Special accounts					
National Cultural Heritage Account	500	500	500	500	500
Payments to corporate entities	439,160	446,893	445,143	437,131	440,629
Expenses not requiring appropriation in the Budget year ^(a)	1,605	1,638	1,627	1,616	1,632
Administered total	653,106	656,740	664,094	655,934	657,298
Departmental expenses					
Departmental appropriation ^(b)	19,018	21,260	21,422	18,124	17,768
Special accounts					
Art Rental Special Account	3,500	3,600	3,350	3,350	3,350
Cultural Special Account	567	392	392	392	392
Indigenous Repatriation Special Account	1,668	1,495	1,495	1,495	1,495
Expenses not requiring appropriation in the Budget year ^(a)	642	647	641	641	578
Departmental total	25,395	27,394	27,300	24,002	23,583
Total expenses for program 2.1	678,501	684,134	691,394	679,936	680,881
Outcome 2 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	211,841	207,709	216,824	216,687	214,537
Special accounts	500	500	500	500	500
Payments to corporate entities	439,160	446,893	445,143	437,131	440,629
Expenses not requiring appropriation in the Budget year ^(a)	1,605	1,638	1,627	1,616	1,632
Administered total	653,106	656,740	664,094	655,934	657,298
Departmental expenses					
Departmental appropriation ^(b)	19,018	21,260	21,422	18,124	17,768
Special accounts	5,735	5,487	5,237	5,237	5,237
Expenses not requiring appropriation in the Budget year ^(a)	642	647	641	641	578
Departmental total	25,395	27,394	27,300	24,002	23,583
Total expenses for Outcome 2	678,501	684,134	691,394	679,936	680,881

Department of Communications and the Arts Budget Statements

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
Movement of administered funds between years ^(c)					
Annual administered expenses:					
Indigenous Languages and Arts	(2,559)	2,559	-	-	-
Total movement of administered funds	(2,559)	2,559	-	-	-

	2017-18	2018-19
Average staffing level (number)	145	145

- (a) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses and audit fees.
- (b) Expenses from 'ordinary annual services (Appropriation Bill No. 1)'.
- (c) Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

Table 2.2.2: Performance criteria for Outcome 2

Table 2.2.2 below details the performance criteria for each program associated with Outcome 2. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

Outcome 2—Participation in, and access to, Australia’s arts and culture through developing and supporting cultural expression		
Program 2.1—Arts and Cultural Development		
This program contributes to Outcome 2 by administering a range of activities that support excellence in the arts and culture, develop and promote access to cultural activities including in regional and remote Australia, support and develop Aboriginal and Torres Strait Islander arts and culture, support Australian screen production, and protect Australia’s movable cultural heritage.		
Delivery		
The Department will focus on the following in delivering this outcome:		
<ul style="list-style-type: none"> • Strategic advice and policy development—providing Government with the best policy advice on issues relating to communications and the arts, including the delivery of services to regional Australia. The Department’s advice is evidence-based and is informed by research and critical analysis of sectoral developments and market trends. • Effective program and grants management—delivering efficient and effective programs, grants and services to achieve the Government’s policy outcomes. The Department adheres to the highest standards of public administration. • Regulatory management—administering portfolio legislation efficiently and effectively. The Department reviews and shapes regulatory frameworks. It also assists the Minister for the Arts to fulfil Parliamentary legislative obligations. • Collaborative stakeholder engagement—working with portfolio agencies, government stakeholders, international organisations, industry, research institutions and the community to generate innovative advice and ensure that the advice and services the Department delivers are effective and meet the needs of the community. 		
Performance information		
Year	Performance criteria ^(a)	Targets
2017–18	Facilitate access to Australian arts, cultural experiences and related skills development opportunities Engage with portfolio agencies and sectoral institutions to support their governance, sustainability and achievement of Government objectives	<p>Expected to meet criterion</p> <p>Information on consumer engagement with National Cultural Institutions and artistic and cultural activities</p> <p>Information on access to the objects in the national collections (on display, on tour and online)</p> <p>Expected to meet criterion</p> <p>Oversight of portfolio agencies’ annual corporate plan compliance, financials and achievements</p> <p>Information on Commonwealth, state and territory, and philanthropic funding to the arts</p> <p>Elite training institutions’ development of the next generation of arts performers and participants</p>

Department of Communications and the Arts Budget Statements

Performance information		
Year	Performance criteria ^(a)	Targets
2017–18 continued	<p>Assist the arts in building sustainability and resilience and identifying opportunities for innovation</p> <p>Work with the sectors to create and promote content that reflects Australia's identity, character and cultural diversity</p> <p>Collaborate with the sectors to protect, preserve and promote Australian culture, including Indigenous arts, language and repatriation</p>	<p>Expected to meet criterion</p> <p>Analysis of contribution of arts and cultural education to employment outcomes</p> <p>Analysis of contribution of arts and culture to the economy</p> <p>Expected to meet criterion</p> <p>Information provided through the Australia Council, Screen Australia, the Australian Broadcasting Corporation, the Special Broadcasting Service Corporation and departmental grant programs</p> <p>Progress of the Australian and Children's Screen Content Review</p> <p>Expected to meet criterion</p> <p>Information from the Indigenous Languages and Arts Program on Indigenous languages revived or maintained</p> <p>Access to cultural experiences and skills development opportunities in regional and remote areas including by, and for, Aboriginal and Torres Strait Islander peoples</p> <p>Information on Indigenous repatriation</p> <p>Information on international cultural activities and exchanges</p>
2018–19	<p>Facilitate access to Australian arts, cultural experiences and related skills development opportunities</p> <p>Engage with portfolio agencies and sectoral institutions to support their governance, sustainability and achievement of Government objectives</p> <p>Assist the arts in building sustainability and resilience and identifying opportunities for innovation</p>	<p>Information on consumer engagement with National Cultural Institutions and artistic and cultural activities</p> <p>Information on access to the objects in the national collections (on display, on tour and online)</p> <p>Oversight of portfolio agencies' annual corporate plan compliance, financials and achievements</p> <p>Information on Commonwealth, state and territory, and philanthropic funding to the arts</p> <p>Elite training institutions' development of the next generation of arts performers and participants</p> <p>Analysis of contribution of arts and cultural education to employment outcomes</p> <p>Analysis of contribution of arts and culture to the economy</p>

Department of Communications and the Arts Budget Statements

Performance information		
Year	Performance criteria ^(a)	Targets
2018–19 continued	<p>Work with the sectors to create and promote content that reflects Australia's identity, character and cultural diversity</p> <p>Collaborate with the sectors to protect, preserve and promote Australian culture, including Indigenous arts, language and repatriation</p>	<p>Information provided through the Australia Council, Screen Australia, the Australian Broadcasting Corporation, the Special Broadcasting Service Corporation and departmental grant programs</p> <p>Progress of the Australian and Children's Screen Content Review</p> <p>Information from the Indigenous Languages and Arts Program on Indigenous languages revived or maintained</p> <p>Access to cultural experiences and skills development opportunities in regional and remote areas including by, and for, Aboriginal and Torres Strait Islander peoples</p> <p>Information on Indigenous repatriation</p> <p>Information on international cultural activities and exchanges</p>
2019–20 and beyond	It is expected that criteria and targets will be reviewed for 2019–20 and beyond	It is expected that criteria and targets will be reviewed for 2019–20 and beyond
<p>Purpose</p> <p>The purpose of the Department of Communications and the Arts is to create an environment in which diverse communications services and artistic and cultural experiences can be accessed.</p>		

(a) Performance criteria and targets for 2017–18 have been updated so that descriptions are consistent with the Department of Communications and the Arts' 2017–18 Corporate Plan. The scope and outcomes of work for 2017–18 have not been changed

SECTION 3: BUDGETED FINANCIAL STATEMENTS

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of the Department's finances for the 2018-19 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Explanatory notes and analysis of budgeted financial statements

Departmental and Administered financial statements

Departmental Revenue from Government in 2018-19 is \$106.2 million and includes funding for the commemoration of the 250th Anniversary of James Cook's Voyage to the Pacific for the years from 2018-19 to 2020-21.

The Schedule of Budgeted Income and Expenses administered on behalf of Government (Table 3.7) includes the impact of expenses for the Regional Broadband Scheme against Subsidies from 2018-19. The Grants expenses decline across the forward estimates reflecting the overall movement in programs administered by the Department (further details on programs are in Tables 2.1.1 and 2.2.1).

Administered non-taxation revenue largely relates to the agreed interest relating to the Government's loan of up to \$19.5 billion to nbn and forecast dividend payments from Australia Post.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
EXPENSES					
Employee benefits	71,160	72,733	72,787	73,687	73,726
Suppliers	37,536	36,571	35,759	35,762	36,025
Grants	1,736	2,912	3,504	-	-
Depreciation and amortisation	5,345	4,691	4,685	4,685	4,622
Finance costs	62	66	66	66	66
Losses from asset sales	5,182	-	-	-	-
Total expenses	121,021	116,973	116,801	114,200	114,439
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	3,345	3,495	3,395	3,445	3,445
Other	2,485	2,087	1,937	1,887	1,887
Total own-source revenue	5,830	5,582	5,332	5,332	5,332
Gains					
Other	16,983	488	488	488	488
Total gains	16,983	488	488	488	488
Total own-source income	22,813	6,070	5,820	5,820	5,820
Net (cost of)/contribution by services	(98,208)	(110,903)	(110,981)	(108,380)	(108,619)
Revenue from Government	104,179	106,212	106,296	103,695	103,997
Surplus/(deficit) attributable to the Australian Government	5,971	(4,691)	(4,685)	(4,685)	(4,622)
OTHER COMPREHENSIVE INCOME					
Total other comprehensive income	-	-	-	-	-
Total comprehensive income/(loss)	5,971	(4,691)	(4,685)	(4,685)	(4,622)
Total comprehensive income/(loss) attributable to the Australian Government	5,971	(4,691)	(4,685)	(4,685)	(4,622)
Note: Impact of net cash appropriation arrangements					
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	11,316	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations	5,345	4,691	4,685	4,685	4,622
Total comprehensive income/(loss)—as per the statement of comprehensive income	5,971	(4,691)	(4,685)	(4,685)	(4,622)

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	3,398	3,398	3,398	3,398	3,398
Trade and other receivables	19,417	19,163	18,502	18,502	18,502
Total financial assets	22,815	22,561	21,900	21,900	21,900
Non-financial assets					
Land and buildings	2,983	2,645	2,300	1,970	1,644
Property, plant and equipment	15,318	15,251	15,181	15,130	15,162
Heritage and cultural assets	36,274	36,126	35,984	35,842	35,700
Intangibles	6,560	5,969	5,395	4,825	4,259
Other non-financial assets	1,608	1,586	1,586	1,586	1,586
Total non-financial assets	62,743	61,577	60,446	59,353	58,351
Total assets	85,558	84,138	82,346	81,253	80,251
LIABILITIES					
Payables					
Suppliers	2,913	2,882	2,961	2,961	2,961
Lease Incentives	279	96	96	96	96
Other payables	2,332	2,344	2,344	2,344	2,344
Total payables	5,524	5,322	5,401	5,401	5,401
Provisions					
Employee provisions	25,496	25,869	25,869	25,869	25,869
Other provisions	277	342	342	342	342
Total provisions	25,773	26,211	26,211	26,211	26,211
Total liabilities	31,297	31,533	31,612	31,612	31,612
Net assets	54,261	52,605	50,734	49,641	48,639
EQUITY					
Parent entity interest					
Contributed equity	69,981	73,528	77,082	80,674	84,294
Reserves	7,439	7,439	7,439	7,439	7,439
Retained surplus (accumulated deficit)	(23,159)	(28,362)	(33,787)	(38,472)	(43,094)
Total parent entity interest	54,261	52,605	50,734	49,641	48,639
Total equity	54,261	52,605	50,734	49,641	48,639

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity—summary of movement (Budget year 2018–19)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	(23,671)	7,439	69,981	53,749
Adjusted opening balance	(23,671)	7,439	69,981	53,749
Comprehensive income				
Surplus/(deficit) for the period	(4,691)	-	-	(4,691)
Total comprehensive income	(4,691)	-	-	(4,691)
of which:				
Attributable to the Australian Government	(4,691)	-	-	(4,691)
Transactions with owners				
Contributions by owners				
Departmental capital budget (DCB)	-	-	3,547	3,547
Sub-total transactions with owners	-	-	3,547	3,547
Estimated closing balance as at 30 June 2019	(28,362)	7,439	73,528	52,605
Closing balance attributable to the Australian Government	(28,362)	7,439	73,528	52,605

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	108,060	106,475	106,957	103,695	103,997
Sale of goods and rendering of services	1,561	514	95	95	95
Other	4,219	5,005	5,171	5,171	5,171
Total cash received	113,840	111,994	112,223	108,961	109,263
Cash used					
Employees	72,840	72,360	72,787	73,687	73,726
Suppliers	39,264	36,722	35,932	35,274	35,537
Grants	1,736	2,912	3,504	-	-
Total cash used	113,840	111,994	112,223	108,961	109,263
Net cash from/(used by) operating activities	-	-	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	3,558	3,547	3,554	3,592	3,620
Total cash used	3,558	3,547	3,554	3,592	3,620
Net cash from/(used by) investing activities	(3,558)	(3,547)	(3,554)	(3,592)	(3,620)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	3,558	3,547	3,554	3,592	3,620
Total cash received	3,558	3,547	3,554	3,592	3,620
Total cash used	-	-	-	-	-
Net cash from/(used by) financing activities	3,558	3,547	3,554	3,592	3,620
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	3,398	3,398	3,398	3,398	3,398
Cash and cash equivalents at the end of the reporting period	3,398	3,398	3,398	3,398	3,398

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget—Bill 1 (DCB)	3,558	3,547	3,554	3,592	3,620
Total new capital appropriations	3,558	3,547	3,554	3,592	3,620
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	3,558	3,547	3,554	3,592	3,620
Total items	3,558	3,547	3,554	3,592	3,620
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation—DCB	3,558	3,547	3,554	3,592	3,620
TOTAL	3,558	3,547	3,554	3,592	3,620
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	3,558	3,547	3,554	3,592	3,620
Total cash used to acquire assets	3,558	3,547	3,554	3,592	3,620

Prepared on Australian Accounting Standards basis.

Department of Communications and the Arts Budget Statements

Table 3.6: Statement of asset movements (Budget year 2018–19)

	Land and Buildings	Other property, plant and equipment	Heritage and cultural	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018					
Gross book value	7,882	19,155	36,657	15,809	79,503
Accumulated depreciation/ amortisation and impairment	(4,899)	(3,837)	(383)	(9,249)	(18,368)
Opening net book balance	2,983	15,318	36,274	6,560	61,135
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase—appropriation ordinary annual services ^(a)	1,037	2,120	-	390	3,547
Total additions	1,037	2,120	-	390	3,547
Other movements					
Depreciation/amortisation expense	(1,375)	(2,187)	(148)	(981)	(4,691)
Total other movements	(1,375)	(2,187)	(148)	(981)	(4,691)
As at 30 June 2019					
Gross book value	8,919	21,275	36,657	16,199	83,050
Accumulated depreciation/ amortisation and impairment	(6,274)	(6,024)	(531)	(10,230)	(23,059)
Closing net book balance	2,645	15,251	36,126	5,969	59,991

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2018–19 for depreciation/amortisation expenses, DCBs or other operational expenses.

Prepared on Australian Accounting Standards basis.

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
EXPENSES					
Suppliers	381,941	355,350	338,638	339,065	339,479
Subsidies	6,199	570,188	706,034	766,199	800,918
Grants	318,838	272,404	262,946	223,734	209,999
Depreciation and amortisation	9,638	9,671	9,660	9,649	9,665
Payments to corporate entities	1,762,898	1,774,530	1,777,795	1,772,207	1,785,840
Other expenses	7,617	7,146	7,070	7,184	7,387
Total expenses administered on behalf of Government	2,487,131	2,989,289	3,102,143	3,118,038	3,153,288
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Sale of goods and rendering of services	3,677	3,309	2,978	2,680	2,412
Interest	73,391	401,836	663,544	772,111	-
Dividends	78,472	71,800	77,300	92,000	95,000
Rental income	1,529	1,529	1,529	1,529	1,529
Other revenue	641	389	129	-	-
Total non-taxation revenue	157,710	478,863	745,480	868,320	98,941
Total own-source revenue administered on behalf of Government	157,710	478,863	745,480	868,320	98,941
Total gains administered on behalf of Government	-	-	-	-	-
Total own-sourced income administered on behalf of Government	157,710	478,863	745,480	868,320	98,941
Net (cost of)/contribution by services	(2,329,421)	(2,510,426)	(2,356,663)	(2,249,718)	(3,054,347)
Surplus/(deficit) before income tax	(2,329,421)	(2,510,426)	(2,356,663)	(2,249,718)	(3,054,347)
Income tax expense	-	-	-	-	-
Surplus/(deficit) after income tax	(2,329,421)	(2,510,426)	(2,356,663)	(2,249,718)	(3,054,347)
OTHER COMPREHENSIVE INCOME					
Total other comprehensive income	-	-	-	-	-
Total comprehensive income/(loss)	(2,329,421)	(2,510,426)	(2,356,663)	(2,249,718)	(3,054,347)

Prepared on Australian Accounting Standards basis.

Department of Communications and the Arts Budget Statements

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	26,711	26,711	26,711	26,711	26,711
Trade and other receivables	6,768,667	14,754,100	19,396,807	37,586	37,586
Other investments	25,246,406	25,271,723	25,289,025	25,292,580	25,301,030
Total financial assets	32,041,784	40,052,534	44,712,543	25,356,877	25,365,327
Non-financial assets					
Land and buildings	58,110	58,080	58,057	58,059	58,056
Property, plant and equipment	148,102	140,069	132,036	124,003	115,970
Other non-financial assets	4,443	6,288	6,543	6,884	7,228
Total non-financial assets	210,655	204,437	196,636	188,946	181,254
Total assets administered on behalf of Government	32,252,439	40,256,971	44,909,179	25,545,823	25,546,581
LIABILITIES					
Payables					
Subsidies	-	563,989	699,835	760,000	794,719
Suppliers	335,350	335,350	335,350	335,350	335,350
Grants	39,452	39,452	39,452	39,452	39,452
Other payables	19,846	18,317	16,788	15,259	13,730
Total payables	394,648	957,108	1,091,425	1,150,061	1,183,251
Total liabilities administered on behalf of Government	394,648	957,108	1,091,425	1,150,061	1,183,251
Net assets/(liabilities)	31,857,791	39,299,863	43,817,754	24,395,762	24,363,330

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	3,677	3,309	2,978	2,680	2,412
Interest	73,028	401,735	663,858	772,261	-
Dividends	78,472	71,800	77,300	92,000	95,000
Total cash received	155,177	476,844	744,136	866,941	97,412
Cash used					
Grant	318,838	272,404	262,946	223,734	209,999
Subsidies paid	6,199	6,199	35,188	36,034	36,199
Suppliers	345,431	382,028	355,893	339,406	339,825
Payments to corporate entities	1,762,898	1,774,530	1,777,795	1,772,207	1,785,840
Other	7,617	7,146	7,070	7,184	7,385
Total cash used	2,440,983	2,442,307	2,438,892	2,378,565	2,379,248
Net cash from/(used by) operating activities	(2,285,806)	(1,965,463)	(1,694,756)	(1,511,624)	(2,281,836)
INVESTING ACTIVITIES					
Cash received					
Repayments of advances and loans	20,000	20,000	20,000	19,509,071	-
Total cash received	20,000	20,000	20,000	19,509,071	-
Cash used					
Advances and loans made	6,682,000	8,005,000	4,663,000	150,000	-
Corporate entity investments	2,075,156	49,040	41,307	36,623	31,452
Other	1,636	1,608	1,604	1,618	1,631
Total cash used	8,758,792	8,055,648	4,705,911	188,241	33,173
Net cash from/(used by) investing activities	(8,738,792)	(8,035,648)	(4,685,911)	19,320,830	(33,173)
FINANCING ACTIVITIES					
Cash received					
Other	227,200	263,646	266,135	249,981	250,146
Total cash received	227,200	263,646	266,135	249,981	250,146
Net cash from/(used by) financing activities	227,200	263,646	266,135	249,981	250,146
Net increase/(decrease) in cash held	(10,797,398)	(9,737,465)	(6,114,532)	18,059,187	(2,064,863)

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
Cash and cash equivalents at beginning of reporting period	26,711	26,711	26,711	26,711	26,711
Cash from Official Public Account for:					
- Appropriations	452,521	405,739	396,566	357,995	344,893
- Payments to Corporate Commonwealth Entities	3,838,054	1,823,570	1,819,102	1,808,830	1,817,382
- Loans to Corporate Commonwealth Entities	6,682,000	8,005,000	4,663,000	150,000	-
<i>Total cash from Official Public Account</i>	<i>10,972,575</i>	<i>10,234,309</i>	<i>6,878,668</i>	<i>2,316,825</i>	<i>2,162,275</i>
Cash to Official Public Account for:					
- Dividends	78,472	71,800	77,300	92,000	95,000
- Loan Repayments	20,000	20,000	20,000	19,509,071	-
- Other Receipts	76,705	405,044	666,836	774,941	2,412
<i>Total cash to Official Public Account</i>	<i>175,177</i>	<i>496,844</i>	<i>764,136</i>	<i>20,376,012</i>	<i>97,412</i>
Cash and cash equivalents at end of reporting period	26,711	26,711	26,711	26,711	26,711

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget—Bill 1 (ACB) ^(a)	1,636	1,608	1,604	1,618	1,631
Administered Assets and Liabilities—Bill 2	9,158,817	5,055,869	3,998,519	84,896	-
Total new capital appropriations	9,160,453	5,057,477	4,000,123	86,514	1,631
Provided for:					
Purchase of non-financial assets	1,636	1,608	1,604	1,618	1,631
Other Items	9,158,817	5,054,847	3,998,519	84,896	-
Total items	9,160,453	5,056,455	4,000,123	86,514	1,631
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation— ACB ^(a)	1,636	1,608	1,604	1,618	1,631
TOTAL	1,636	1,608	1,604	1,618	1,631
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total accrual purchases	1,636	1,608	1,604	1,618	1,631
Total cash used to acquire assets	1,636	1,608	1,604	1,618	1,631

(a) Administered Capital Budget (ACB)

Prepared on Australian Accounting Standards basis.

Department of Communications and the Arts Budget Statements

Table 3.11: Statement of administered asset movements (Budget year 2018–19)

	Buildings \$'000	Property, Plant and Equipment \$'000	Total \$'000
As at 1 July 2018			
Gross book value	62,598	166,252	228,850
Accumulated depreciation/amortisation and impairment	(4,488)	(18,150)	(22,638)
Opening net book balance	58,110	148,102	206,212
CAPITAL ASSET ADDITIONS			
Estimated expenditure on new or replacement assets			
By purchase—appropriation equity	1,608	-	1,608
Total additions	1,608	-	1,608
Other movements			
Depreciation/amortisation expense	(1,638)	(8,033)	(9,671)
Total other movements	(1,638)	(8,033)	(9,671)
As at 30 June 2019			
Gross book value	64,206	166,252	230,458
Accumulated depreciation/amortisation and impairment	(6,126)	(26,183)	(32,309)
Closing net book balance	58,080	140,069	198,149

Prepared on Australian Accounting Standards basis

AUSTRALIA COUNCIL

ENTITY RESOURCES AND PLANNED PERFORMANCE

AUSTRALIA COUNCIL

Section 1: Entity overview and resources	49
1.1 Strategic direction statement	49
1.2 Entity resource statement	51
1.3 Budget measures.....	52
Section 2: Outcomes and planned performance	53
2.1 Budgeted expenses and performance for Outcome 1	54
Section 3: Budgeted financial statements	57
3.1 Budgeted financial statements.....	57

AUSTRALIA COUNCIL

SECTION 1: ENTITY OVERVIEW AND RESOURCES

1.1 STRATEGIC DIRECTION STATEMENT

The Australia Council (the Council) is the Australian Government's arts funding and advisory body. The Council is the national advocate for the arts and its purpose is to champion and invest in Australian arts. The Council invests in and strengthens Australia's artistic and cultural life by fostering excellence in the arts, increasing national and international engagement with Australian arts, and promoting the appreciation, knowledge and understanding of the arts.

The Council's overarching outcome is: supporting Australian artists and arts organisations to create and present excellent art that is accessed by audiences across Australia and abroad.

The Council achieves this by:

- delivering Australian Government directed initiatives and frameworks that support the government's broader priorities for Australian arts and culture
- providing funding to support artists and arts organisations across a range of art forms
- undertaking strategic research and analysis to build the evidence base for the arts
- delivering strategic investment to build markets and audiences nationally and internationally and promote the reputation of Australian arts
- advocating for Australian arts and artists.

The Council's corporate plan for 2017 to 2021 has four goals to achieve a vision of Australia as a culturally ambitious nation and is approved by the Minister for the Arts. The Council's strategic goals are informed by the functions outlined in the *Australia Council Act 2013*, and reflect the needs and aspirations of Australia's diverse and vibrant arts sector. The Council's strategic goals and objectives are:

- Australian arts are without borders
 - Australian artists are enabled to discover and develop across borders.
 - Global audiences are captivated by diverse and excellent Australian work.
 - The profile and influence of Australian arts internationally is strengthened.

Australia Council Budget Statements

- Australia is known for its great art and artists
 - Australian artists and arts organisations lead in innovation, risk-taking and experimentation, and vibrancy.
 - Australia is well known for diverse, excellent artistic practice.
- The arts enrich daily life for all
 - Australian life is enriched through the arts.
 - Australian audiences are captivated by artistic experiences.
 - More Australians have access to and engage with the arts.
- Australians cherish Aboriginal and Torres Strait Islander arts and cultures
 - More Australians experience Aboriginal and Torres Strait Islander arts and cultures, and international collaborations strengthen connections.
 - Investment supports Aboriginal and Torres Strait Islander works of artistic excellence.
 - Younger Aboriginal and Torres Strait Islander people practise and experience their culture.
 - Australians understand and respect the role of Aboriginal and Torres Strait Islander elders and master artists in arts and culture.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the Council 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 Australia Council's operations) classification.

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

Table 1.1: Australia Council resource statement—Budget estimates for 2018–19 as at Budget May 2018

	2017–18 estimated actual \$'000	2018–19 estimate \$'000
Opening balance/cash reserves at 1 July	10,210	4,890
Funds from Government		
Annual appropriations—ordinary annual services ^(a)		
Outcome 1	209,393	208,186
<i>Total annual appropriations</i>	<i>209,393</i>	<i>208,186</i>
Total funds from Government	209,393	208,186
Funds from other sources		
Interest	1,300	1,300
Rental income	725	740
Other	950	1,000
Total funds from other sources	2,975	3,040
Total net resourcing for Australia Council	222,578	216,116
	2017–18	2018–19
Average staffing level (number)	109	108

(a) Appropriation Bill (No.1) 2018–19.

Australia Council is not directly appropriated as it is a Corporate Commonwealth Entity. Appropriations are made to the Department of Communications and the Arts (a Non-Corporate Commonwealth Entity), which are then paid to Australia Council and are considered "departmental" for all purposes.

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

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

1.3 BUDGET MEASURES

Budget measures in Part 1 relating to Australia Council since the 2017–18 Budget are summarised below.

Table 1.2: Australia Council 2018–19 Budget measures

Part 1: Measures announced since the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO)

There are no measures relating to the Australia Council announced since the 2017–18 MYEFO.

Part 2: Other measures not previously reported in a portfolio statement

	Program	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Expense measures						
Creative Partnerships Australia— continuation ^(a)	1.1					
Departmental expenses		-	(1,780)	(1,810)	(1,841)	(1,878)
Total		-	(1,780)	(1,810)	(1,841)	(1,878)
Total expense measures						
Departmental		-	(1,780)	(1,810)	(1,841)	(1,878)
Total		-	(1,780)	(1,810)	(1,841)	(1,878)

(a) This measure was published in the 2017–18 Mid-Year Economic and Fiscal Outlook Statement. Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

SECTION 2: OUTCOMES AND PLANNED PERFORMANCE

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the 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 Australia Council can be found at:
www.australiacouncil.gov.au/about/strategic-plan-and-corporate-plan/.

The most recent annual performance statement can be found at:
www.australiacouncil.gov.au/about/annual-report-2016-17/.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Supporting Australian artists and arts organisations to create and present excellent art that is accessed by audiences across Australia and abroad

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
Program 1.1: To champion and invest in Australian arts					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	209,393	208,186	211,829	215,220	218,237
Expenses not requiring appropriation in the budget year	900	-	-	-	-
Revenues from other independent sources	2,975	3,040	1,880	2,300	1,700
Total expenses for Program 1.1	213,268	211,226	213,709	217,520	219,937
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	209,393	208,186	211,829	215,220	218,237
Expenses not requiring appropriation in the budget year	900	-	-	-	-
Revenues from other independent sources	2,975	3,040	1,880	2,300	1,700
Total expenses for Outcome 1	213,268	211,226	213,709	217,520	219,937
Average staffing level (number)					
	2017–18	2018–19			
	109	108			

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

Outcome 1—Supporting Australian artists and arts organisations to create and present excellent art that is accessed by audiences across Australia and abroad		
Program 1.1 —To champion and invest in Australian arts through grants and initiatives that foster and develop Australia’s arts sector and raise the profile of Australian arts nationally and internationally		
Delivery Administering the National Framework for Governments’ support of the Major Performing Arts Sector Administering Government programs including National Regional Touring Programs and the Visual Arts and Craft Strategy Undertaking research and knowledge management activity to inform policy and program analysis and awareness of Australia’s arts sector. Delivering an integrated suite of programs that support artists and arts organisations across the arts sector, including: <ul style="list-style-type: none"> • Peer assessed grant funding for individual artists, groups and arts organisations • Four Year core program funding for small-to-medium arts organisations • Strategic national and international market, audience and artistic development activity • Capacity building activity for arts leaders and organisations • Aboriginal and Torres Strait Islander Arts initiatives 		
Performance information		
Year	Performance criteria	Targets
2017–18	<p>Engage, educate and inspire—continue to increase engagement with national and international visitors through innovative exhibitions and programs that are accessed in a variety of ways.</p> <p>Lead and collaborate—continue being leaders in the sector and fostering long-term relationships through partnerships and collaborations with key stakeholder and similar organisations/institutions nationally and internationally.</p>	<p>Expected to meet criterion 11 million attendances at Australia Council supported arts activities 150 culturally diverse projects or events funded with total funding of \$10 million provided</p> <p>Expected to meet criterion 5,700 new Australian artwork projects supported with total funding of \$7.5 million provided 4,500 artistic works exhibited, performed, published 30 initiatives that strengthen ties with other countries 50 countries presented in</p>

Australia Council Budget Statements

Performance information		
Year	Performance criteria	Targets
2018–19	<p>Engage, educate and inspire—continue to increase engagement with national and international visitors through innovative exhibitions and programs that are accessed in a variety of ways</p> <p>Lead and collaborate—continue being leaders in the sector and fostering long-term relationships through partnerships and collaborations with key stakeholder and similar organisations/institutions nationally and internationally.</p>	<p>13 million attendances at Australia Council supported arts activities</p> <p>150 culturally diverse applications with total funding of \$10 million provided</p> <p>5,700 new Australian artworks supported</p> <p>\$7.5 million provided in support of projects creating new Australian art work</p> <p>4,500 new Australian artistic works with a public outcome (performed, exhibited, published or recorded)</p> <p>30 initiatives that strengthen ties with other countries</p> <p>50 countries where Australia Council supported arts activities were delivered</p>
2019–20 and beyond	As per 2018–19	As per 2018–19
Purposes	To champion and invest in Australian arts.	

SECTION 3: BUDGETED FINANCIAL STATEMENTS

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of the Council's finances for the 2018–19 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Explanatory notes and analysis of budgeted financial statements

The Council's 2018–19 Budget has been built on the underlying principle of a balanced, breakeven budget, that is, annual expense matches the annual revenue forecast to be received.

A technical operating loss of \$0.9 million has been approved for 2017–18 as a result of an accounting entry to impair computer software (refer details below).

Comprehensive income statement

The Council's base appropriation will decrease by \$1.2 million, from \$209.4 million in 2017–18 to \$208.2 million in 2018–19 due to a combination of the following:

- an increase to the 2017–18 appropriation of \$5.0 million (in addition to \$5.0 million provided in 2016–17) enabled by the Council utilising its reserves in both years to support the small to medium arts sector
- the measure (refer Table 1.2) redirecting funding from Australia Council to support Creative Partnerships Australia commencing in 2018–19
- the 2015–16 Budget measure relating to the Book Council which terminates in 2017–18
- indexation, net of the applicable annual efficiency dividend.

Other revenue for 2018–19 includes:

- returned grant monies, rental income and interest income
- income received from third parties for the Venice Biennale exhibition of \$0.7 million (2017–18 income is \$0.1 million). The next exhibition will be held in the 2019 calendar year with consequent higher income expected in 2018–19.

The Council's total expenses are budgeted at \$211.2 million, compared to \$213.2 million in 2017–18, reflecting:

- grant expenditure of \$187.1 million budgeted to support individual artists, major performing arts companies, small to medium arts organisations and for initiatives to increase national and international audiences and markets for Australian arts. The budgeted expenditure in 2018–19 is \$1.5 million lower than 2017–18 primarily due to lower government appropriation income, as mentioned above.
- one off charge in 2017–18 for impairment of computer software of \$0.9 million. A decision was taken in 2017–18 to replace Council's current online grants

management system with a new cloud-based system, which will be implemented in 2018-19.

- employee benefits expense increased by \$0.1 million while average staffing reduced to 108 from 109 in 2017-18 primarily as a result of an agreed salary uplift for those staff employed under the Council's Enterprise Agreement 2017-2020.

Budgeted departmental balance sheet

Financial assets are budgeted to remain relatively flat at \$12.5 million, with cash and cash equivalents balance expected to be \$5.0 million by the end of the year.

Non-financial assets are also budgeted to remain relatively flat at \$10.8 million, with total capital expenditure of \$0.7 million.

The capital expenditure investment includes components to assist the Council in efficient delivery of its strategic objectives including ongoing development of its core operating and online systems.

Reserves (other than retained surplus), remain level at \$8.0 million at 30 June 2019 and comprise \$6.3 million of private sector donation income received for the rebuild of the Venice Pavilion (completed in 2015), \$1.6 million in the asset revaluation reserve and \$0.1 million in Venice Biennale Donation Fund Reserve.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
EXPENSES					
Employee benefits	12,943	13,067	13,195	13,311	13,850
Suppliers	10,003	10,237	8,860	9,460	9,300
Grants	188,592	187,092	190,824	193,919	195,957
Depreciation and amortisation	830	830	830	830	830
Write-down and impairment of assets	900	-	-	-	-
Total expenses	213,268	211,226	213,709	217,520	219,937
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	1,300	1,300	1,300	1,300	1,300
Rental income	725	740	180	-	-
Other	950	1,000	400	1,000	400
Total own-source revenue	2,975	3,040	1,880	2,300	1,700
Total own-source income	2,975	3,040	1,880	2,300	1,700
Net (cost of)/contribution by services	(210,293)	(208,186)	(211,829)	(215,220)	(218,237)
Revenue from Government	209,393	208,186	211,829	215,220	218,237
Surplus/(deficit) attributable to the Australian Government	(900)	-	-	-	-
Total comprehensive income/(loss)	(900)	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	(900)	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	4,890	5,020	5,150	5,280	5,410
Trade and other receivables	7,523	7,523	7,523	7,523	7,523
Total financial assets	12,413	12,543	12,673	12,803	12,933
Non-financial assets					
Land and buildings	8,333	8,178	8,024	7,879	7,734
Property, plant and equipment	1,278	1,258	1,237	1,207	1,177
Intangibles	855	900	945	990	1,035
Prepayments	502	502	502	502	502
Total non-financial assets	10,968	10,838	10,708	10,578	10,448
Assets held for sale	384	384	384	384	384
Total assets	23,765	23,765	23,765	23,765	23,765
LIABILITIES					
Payables					
Suppliers	1,928	1,928	1,928	1,928	1,928
Grants	4,153	4,153	4,153	4,153	4,153
Other payables	898	898	898	898	898
Total payables	6,979	6,979	6,979	6,979	6,979
Provisions					
Employee provisions	2,179	2,179	2,179	2,179	2,179
Other provisions	2,096	2,096	2,096	2,096	2,096
Total provisions	4,275	4,275	4,275	4,275	4,275
Total liabilities	11,254	11,254	11,254	11,254	11,254
Net assets	12,511	12,511	12,511	12,511	12,511
EQUITY					
Contributed equity	-	-	-	-	-
Reserves	8,014	8,014	8,014	8,014	8,014
Retained surplus (accumulated deficit)	4,497	4,497	4,497	4,497	4,497
Total equity	12,511	12,511	12,511	12,511	12,511

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity—summary of movement (Budget year 2018–19)

	Retained earnings	Asset revaluation reserve	Other reserves	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	4,497	1,625	6,389	12,511
Adjusted opening balance	4,497	1,625	6,389	12,511
Closing balance attributable to the Australian Government	4,497	1,625	6,389	12,511

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	209,393	208,186	211,829	215,220	218,237
Interest	1,300	1,300	1,300	1,300	1,300
Rental income	725	815	198	-	-
Net GST received	-	16,500	16,500	16,500	16,500
Other ^(a)	950	1,100	440	1,100	440
Total cash received	212,368	227,901	230,267	234,120	236,477
Cash used					
Employees	12,943	13,067	13,195	13,311	13,850
Suppliers	10,003	11,005	9,525	10,170	10,000
s74 Retained revenue receipts transferred to OPA	5,000	-	-	-	-
Grants	188,592	202,929	206,647	209,739	211,727
Total cash used	216,538	227,001	229,367	233,220	235,577
Net cash from/(used by) operating activities	(4,170)	900	900	900	900
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	1,150	770	770	770	770
Total cash used	1,150	770	770	770	770
Net cash from/(used by) investing activities	(1,150)	(770)	(770)	(770)	(770)
Net increase/(decrease) in cash held	(5,320)	130	130	130	130
Cash and cash equivalents at the beginning of the reporting period	10,210	4,890	5,020	5,150	5,280
Cash and cash equivalents at the end of the reporting period	4,890	5,020	5,150	5,280	5,410

(a) Other cash receipts includes returned grants and income received from third parties for the Venice Biennale exhibition. The Venice Biennale exhibition is held every two years and the next exhibition will be held in 2019 calendar year with consequential higher income expected in 2018–19.

Prepared on Australian Accounting Standards basis.

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources ^(a)	1,150	770	770	770	770
TOTAL	1,150	770	770	770	770
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	1,150	770	770	770	770
Total cash used to acquire assets	1,150	770	770	770	770

(a) Funded from annual appropriations and may include donations and contributions, gifts, internally developed assets, and proceeds from sale of assets.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2018–19)

	Land	Buildings	Other property, plant and equipment	Computer software and intangibles	Other	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018						
Gross book value	149	12,547	2,153	5,699	396	20,944
Accumulated depreciation/amortisation and impairment	-	(4,363)	(875)	(4,844)	(12)	(10,094)
Opening net book balance	149	8,184	1,278	855	384	10,850
Capital asset additions						
Estimated expenditure on new or replacement assets						
By purchase—appropriation ordinary annual services ^(a)	-	45	155	500	-	700
Total additions	-	45	155	500	-	700
Other movements						
Depreciation/amortisation expense	-	(200)	(175)	(455)	-	(830)
Total other movements	-	(200)	(175)	(455)	-	(830)
As at 30 June 2019						
Gross book value	149	12,592	2,308	6,199	396	21,644
Accumulated depreciation/ amortisation and impairment	-	(4,563)	(1,050)	(5,299)	(12)	(10,924)
Closing net book balance	149	8,029	1,258	900	384	10,720

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2018–19 for depreciation/amortisation expenses, DCBs or other operational expenses.
Prepared on Australian Accounting Standards basis.

**AUSTRALIAN BROADCASTING
CORPORATION**

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

AUSTRALIAN BROADCASTING CORPORATION

Section 1: Entity overview and resources	69
1.1 Strategic direction statement	69
1.2 Entity resource statement	71
1.3 Budget measures.....	72
Section 2: Outcomes and planned performance	73
2.1 Budgeted expenses and performance for Outcome 1.....	74
Section 3: Budgeted financial statements	77
3.1 Budgeted financial statements.....	77
3.2 Budgeted financial statements tables	78

AUSTRALIAN BROADCASTING CORPORATION

SECTION 1: ENTITY OVERVIEW AND RESOURCES

1.1 STRATEGIC DIRECTION STATEMENT

The Australian Broadcasting Corporation (ABC) is one of the country's largest and most important cultural institutions. As the primary national public broadcaster, it reflects Australia's national identity and cultural diversity, informs and educates, facilitates public debate and fosters the performing arts.

The ABC plays a significant role in the lives of all Australians, not only through the broadcasting and digital media services it delivers, but also through direct engagement with local communities around the country. It also underpins the creative industries and Australia's wider economy by buying services from writers, directors, actors, production companies and the businesses that serve them.

The recent rapid growth of digital platforms has provided Australians with access to an abundance of global entertainment and information choices. The ABC provides a counterpoint to these services by producing high-quality Australian drama, entertainment for children, and trusted news services that offer local context and analysis not available on foreign platforms. To better meet the challenge represented by those services, the ABC is also investing in new technology that enables it to provide content to Australian audiences wherever, whenever and however they wish to consume it.

The ABC's place in the Australian media environment is distinctive because of its Charter (section 6 of the *Australian Broadcasting Corporation Act 1983* (the 'ABC Act')). The Charter and other provisions of the ABC Act give the Corporation particular responsibilities, such as providing independent news and information. The ABC Act guarantees the editorial and administrative independence of the ABC from the Government. The ABC Board is charged with a number of duties, including 'to ensure the functions of the Corporation are performed efficiently and with maximum benefit to the people of Australia', and 'to maintain the independence and integrity of the Corporation'.

The functions of the Corporation, set out in section 6(1) of the ABC Act, are:

- To provide, within Australia, innovative and comprehensive broadcasting services of a high standard as part of the Australian broadcasting system, consisting of national, commercial and community sectors and to provide:
 - broadcasting programs that contribute to a sense of national identity and inform and entertain, and reflect the cultural diversity of, the Australian community.
 - broadcasting programs of an educational nature.

Australian Broadcasting Corporation Budget Statements

- To transmit to countries outside Australia, broadcasting programs of news, current affairs, entertainment and cultural enrichment that will:
 - encourage awareness of Australia and an international understanding of Australian attitudes on world affairs
 - enable Australian citizens living or travelling outside Australia to obtain information about Australian affairs and Australian attitudes on world affairs.
- To provide digital media services.
- To encourage and promote the musical, dramatic and other performing arts in Australia.

The ABC provides unique and often critically important points of connection and support for communities throughout Australia. These include formal agreements with Federal and State and Territory authorities for the provision of emergency services information when local communities are affected by natural disasters.

The ABC Board will assess the Government's funding decisions, and the impact these will have on the Corporation's activities, and will confirm specific allocations in line with the strategic direction it has set for the future.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the ABC 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 ABC'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: ABC resource statement—Budget estimates for 2018–19 as at Budget May 2018

	2017–18 estimated actual \$'000	2018–19 estimate \$'000
Opening balance/cash reserves at 1 July	5,024	5,024
Funds from Government		
Annual appropriations—ordinary annual services ^(a)		
Outcome 1	1,043,680	1,045,911
<i>Total annual appropriations</i>	<i>1,043,680</i>	<i>1,045,911</i>
Total funds from Government	1,043,680	1,045,911
Funds from other sources		
Sale of goods and services	57,279	57,279
Interest	6,415	6,553
Other	19,506	8,006
Total funds from other sources	83,200	71,838
Total net resourcing for ABC	1,131,904	1,122,773
	2017–18	2018–19
Average staffing level (number)	4,111	4,141

(a) Appropriation Bill (No.1) 2018–19.

The ABC is not directly appropriated as it is a Corporate Commonwealth Entity. Appropriations are made to the Department of Communications and the Arts (a Non-Corporate Commonwealth Entity), which are then paid to the ABC and are considered "departmental" for all purposes.

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

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

1.3 BUDGET MEASURES

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

Table 1.2: ABC 2018–19 Budget measures

Part 1: Measures announced since the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2017–18 \$'000	2018–19 \$'000	2019– 20 \$'000	2020– 21 \$'000	2021– 22 \$'000
Expense measures						
Funding for Australian Film and Television Content and the National Broadcasters ^(a)						
	1.1					
	Departmental expenses	-	-	-	-	-
	Total	-	-	-	-	-
Total expense measures						
	Departmental	-	-	-	-	-
	Total	-	-	-	-	-

(a) This measure reduces funding to the ABC by \$14.623 million in 2019-20; \$27.842 million in 2020-21; and \$41.284 million in 2021-22.

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

SECTION 2: OUTCOMES AND PLANNED PERFORMANCE

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the 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 ABC can be found at:

<http://about.abc.net.au/reports-publications/abc-corporate-plan-2017-18/>.

The most recent annual performance statement can be found at:

www.abc.net.au/corp/annual-report/2017/annual-performance-statements.html.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Informed, educated and entertained audiences—throughout Australia and overseas—through innovative and comprehensive media and related services.

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 Departmental funding sources.

Table 2.1.1: Budgeted expenses for Outcome 1

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
Program 1.1: ABC General Operational Activities					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	865,459	865,063	864,264	864,214	865,739
Revenues from other independent sources	65,536	56,871	57,250	57,277	62,992
Total expenses for Program 1.1	930,995	921,934	921,514	921,491	928,731
Program 1.2: ABC Transmission and Distribution Services					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	178,221	180,848	183,699	186,776	190,272
Total expenses for Program 1.2	178,221	180,848	183,699	186,776	190,272
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	1,043,680	1,045,911	1,047,963	1,050,990	1,056,011
Revenues from other independent sources	65,536	56,871	57,250	57,277	62,992
Total expenses for Outcome 1	1,109,216	1,102,782	1,105,213	1,108,267	1,119,003
	2017–18	2018–19			
Average staffing level (number)	4,111	4,141			

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

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

Outcome 1—Informed, educated and entertained audiences—throughout Australia and overseas—through innovative and comprehensive media and related services		
Program 1.1—ABC General Operational Activities		
The ABC will provide Australian and international audiences with innovative and high-quality radio, television and digital media services.		
Delivery		
The ABC will provide radio, television and digital media services to satisfy diverse audience needs, nationally and internationally, including programs of wide appeal and more specialised interest. It will provide distinctive radio programs that serve all local and regional communities throughout Australia; television programs that contribute to the diversity, quality and innovation of the industry generally; and will engage audiences through digital media services, including on broadband and mobile platforms.		
Performance information		
Year	Performance criteria	Targets
2017–18	Net reach of ABC services in Australia	Expected to meet criterion
	Percentage of Australians who value the ABC	Maintain or improve on prior year Maintain or improve on prior year
2018–19	Net reach of ABC services in Australia	Maintain or improve on prior year
	Percentage of Australians who value the ABC	Maintain or improve on prior year
2019–20 and beyond	As per 2018–19	As per 2018–19
Purpose	The ABC's purpose is to fulfil its functions as set out in the ABC Act, particularly the ABC Charter.	

Australian Broadcasting Corporation Budget Statements

Program 1.2—ABC Transmission and Distribution Services		
The ABC will manage the broadcast and transmission of its radio and television services within Australia to maximise availability to audiences.		
Delivery		
The ABC will manage Transmission Service Agreements for the reliable and efficient provision of satellite and analog terrestrial radio transmission services, digital radio services, and digital terrestrial television services.		
Performance information		
Year	Performance criteria	Targets
2017–18	Percentage of the Australian population who are able to receive ABC analog radio transmissions Degree to which the five mainland state capital cities have access to ABC digital radio transmissions Percentage of Australian homes able to receive ABC digital television transmissions	Expected to meet criterion At least 99% 100% 100%
2018–19	Percentage of the Australian population who are able to receive ABC analog radio transmissions Degree to which the five mainland state capital cities have access to ABC digital radio transmissions Percentage of Australian homes able to receive ABC digital television transmissions	At least 99% 100% 100%
2019–20 and beyond	As per 2018–19	As per 2018–19
Purpose	The ABC's purpose is to fulfil its functions as set out in the ABC Act, particularly the ABC Charter.	

SECTION 3: BUDGETED FINANCIAL STATEMENTS

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of ABC finances for the 2018–19 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Explanatory notes and analysis of budgeted financial statements

The ABC is budgeting for an operating surplus of \$15.0 million in 2018–19.

Comprehensive income statement

Total revenue from Government is budgeted to increase by \$2.2 million in 2018–19 compared to 2017–18, reflecting an increase in base funding indexation, offset by the impact of year on year increase of efficiency savings previously announced in the 2014–15 Mid-Year Economic and Fiscal Outlook.

Own-source revenues are principally comprised of revenues from ABC Commercial activities, as well as other minor amounts from co-production arrangements, facilities hire, services provided, interest and commissions. These revenues are largely offset by related costs of sales or represent recoveries of costs incurred.

Total expenses are budgeted to decrease by a net \$6.4 million overall for 2018–19. This relates primarily to reduced salary and related costs associated with the Investing in Audiences Strategy and reduced supplier expenses associated with efficiency savings measures, partly offset by increases in staff costs from Enterprise Agreement increases and increased depreciation costs arising from the completion of the Melbourne Accommodation Project.

Departmental Balance Sheet

The ABC's budgeted net asset position for 2018–19 of \$1.1 billion represents an increase of \$15.0 million from the estimated actual for 2017–18, reflecting the budgeted operating surplus of \$15.0 million for 2018–19.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
EXPENSES					
Employee benefits	494,481	485,740	483,825	495,310	505,483
Suppliers	515,810	516,789	521,916	514,265	515,224
Depreciation and amortisation	96,184	98,292	98,292	98,292	98,292
Finance costs	2,741	1,961	1,180	400	4
Total expenses	1,109,216	1,102,782	1,105,213	1,108,267	1,119,003
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	57,279	57,279	57,279	57,279	57,279
Interest	6,415	6,553	6,694	6,838	6,723
Other	8,006	8,006	8,006	8,006	8,006
Total own-source revenue	71,700	71,838	71,979	72,123	72,008
Total own-source income	71,700	71,838	71,979	72,123	72,008
Net (cost of)/contribution by services	(1,037,516)	(1,030,944)	(1,033,234)	(1,036,144)	(1,046,995)
Revenue from Government	1,043,680	1,045,911	1,047,963	1,050,990	1,056,011
Surplus/(deficit) attributable to the Australian Government	6,164	14,967	14,729	14,846	9,016
Total comprehensive income/(loss)	6,164	14,967	14,729	14,846	9,016
Total comprehensive income/(loss) attributable to the Australian Government	6,164	14,967	14,729	14,846	9,016

Prepared on Australian Accounting Standards basis.

Australian Broadcasting Corporation Budget Statements

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	5,024	5,024	5,024	5,024	5,024
Trade and other receivables	9,431	9,431	9,431	9,431	9,431
Other investments	215,525	226,406	253,413	290,908	315,170
Other financial assets	8,513	8,513	8,513	8,513	8,513
Total financial assets	238,493	249,374	276,381	313,876	338,138
Non-financial assets					
Land and buildings	772,172	739,797	707,422	675,047	642,672
Property, plant and equipment	254,063	254,122	253,817	253,141	270,079
Intangibles	24,509	24,509	24,509	24,509	24,509
Inventories	107,923	107,923	107,923	107,923	107,923
Other non-financial assets	31,669	31,669	31,669	31,669	31,669
Total non-financial assets	1,190,336	1,158,020	1,125,340	1,092,289	1,076,852
Total assets	1,428,829	1,407,394	1,401,721	1,406,165	1,414,990
LIABILITIES					
Payables					
Suppliers	70,183	70,183	70,183	70,183	70,183
Other payables	38,286	38,286	38,286	38,286	38,286
Total payables	108,469	108,469	108,469	108,469	108,469
Interest bearing liabilities					
Loans	51,397	30,995	10,593	191	-
Total interest bearing liabilities	51,397	30,995	10,593	191	-
Provisions					
Employee provisions	155,743	139,743	139,743	139,743	139,743
Other provisions	2,487	2,487	2,487	2,487	2,487
Total provisions	158,230	142,230	142,230	142,230	142,230
Total liabilities	318,096	281,694	261,292	250,890	250,699
Net assets	1,110,733	1,125,700	1,140,429	1,155,275	1,164,291
EQUITY					
Contributed equity	93,640	93,640	93,640	93,640	93,640
Reserves	750,175	750,175	750,175	750,175	750,175
Retained surplus (accumulated deficit)	266,918	281,885	296,614	311,460	320,476
Total equity	1,110,733	1,125,700	1,140,429	1,155,275	1,164,291

Prepared on Australian Accounting Standards basis

**Table 3.3: Departmental statement of changes in equity—summary of movement
(Budget year 2018–19)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	266,918	750,175	93,640	1,110,733
Adjusted opening balance	266,918	750,175	93,640	1,110,733
Comprehensive income				
Surplus/(deficit) for the period	14,967	-	-	14,967
Total comprehensive income	14,967	-	-	14,967
Estimated closing balance as at 30 June 2019	281,885	750,175	93,640	1,125,700
Closing balance attributable to the Australian Government	281,885	750,175	93,640	1,125,700

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	1,043,680	1,045,911	1,047,963	1,050,990	1,056,011
Sale of goods and rendering of services	57,279	57,279	57,279	57,279	57,279
Interest	6,415	6,553	6,694	6,838	6,723
Net GST received	61,365	57,185	57,570	56,742	58,541
Other	8,006	8,006	8,006	8,006	8,006
Total cash received	1,176,745	1,174,934	1,177,512	1,179,855	1,186,560
Cash used					
Employees	492,815	501,740	483,825	495,310	505,483
Suppliers	515,810	516,789	521,916	514,265	515,224
Net GST paid	61,365	57,185	57,570	56,742	58,541
Borrowing costs	2,741	1,961	1,180	400	4
Total cash used	1,072,731	1,077,675	1,064,491	1,066,717	1,079,252
Net cash from/(used by) operating activities	104,014	97,259	113,021	113,138	107,308
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property plant and equipment	11,500	-	-	-	-
Total cash received	11,500	-	-	-	-
Cash used					
Purchase of property, plant and equipment and intangibles	109,887	65,976	65,612	65,241	82,855
Other	(14,775)	10,881	27,007	37,495	24,262
Total cash used	95,112	76,857	92,619	102,736	107,117
Net cash from/(used by) investing activities	(83,612)	(76,857)	(92,619)	(102,736)	(107,117)
FINANCING ACTIVITIES					
Cash used					
Repayments of borrowings	20,402	20,402	20,402	10,402	191
Total cash used	20,402	20,402	20,402	10,402	191
Net cash from/(used by) financing activities	(20,402)	(20,402)	(20,402)	(10,402)	(191)
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	5,024	5,024	5,024	5,024	5,024
Cash and cash equivalents at the end of the reporting period	5,024	5,024	5,024	5,024	5,024

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources ^(a)	109,887	65,976	65,612	65,241	82,855
TOTAL	109,887	65,976	65,612	65,241	82,855
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	109,887	65,976	65,612	65,241	82,855
Total cash used to acquire assets	109,887	65,976	65,612	65,241	82,855

(a) Funded from annual appropriations and may include internally developed assets, and proceeds from sale of assets.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2018–19)

	Land	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018					
Gross book value	228,653	610,169	682,128	127,633	1,648,583
Accumulated depreciation/amortisation and impairment	(198)	(66,452)	(428,065)	(103,124)	(597,839)
Opening net book balance	228,455	543,717	254,063	24,509	1,050,744
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase—appropriation ordinary annual services ^(a)	-	11,819	42,657	11,500	65,976
Total additions	-	11,819	42,657	11,500	65,976
Other movements					
Depreciation/amortisation expense	-	(44,194)	(42,598)	(11,500)	(98,292)
Total other movements	-	(44,194)	(42,598)	(11,500)	(98,292)
As at 30 June 2019					
Gross book value	228,653	621,988	704,785	139,133	1,694,559
Accumulated depreciation/amortisation and impairment	(198)	(110,646)	(450,663)	(114,624)	(676,131)
Closing net book balance	228,455	511,342	254,122	24,509	1,018,428

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2018–19 for depreciation/amortisation expenses, or other operational expenses.

Prepared on Australian Accounting Standards basis.

**AUSTRALIAN COMMUNICATIONS
AND MEDIA AUTHORITY**

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

AUSTRALIAN COMMUNICATIONS AND MEDIA AUTHORITY

Section 1: Entity overview and resources	89
1.1 Strategic direction statement	89
1.2 Entity resource statement	90
1.3 Budget measures.....	91
Section 2: Outcomes and planned performance	92
2.1 Budgeted expenses and performance for Outcome 1.....	93
Section 3: Budgeted financial statements	102
3.1 Budgeted financial statements.....	102
3.2 Budgeted financial statements tables	103

AUSTRALIAN COMMUNICATIONS AND MEDIA AUTHORITY

SECTION 1: ENTITY OVERVIEW AND RESOURCES

1.1 STRATEGIC DIRECTION STATEMENT

The Australian Communications and Media Authority (the ACMA) is an independent statutory agency established to regulate communications and media in Australia. Our purpose is to ensure public interest objectives are achieved in the planning and allocating of radiofrequency spectrum, and other public resources, and in relation to the provision of telecommunications, broadcasting and online services and the content that these services deliver to end users. We do this by fostering a communications and media environment that balances the needs of industry and the Australian community through regulation, education and advice.

Every day the Australian community relies on communication and media channels, technologies and networks to access information, entertainment and essential services, and connect to the world and each other. To achieve our purpose in this environment, the ACMA has adopted the following three strategies:

- Provide regulatory safeguards, education and advice to promote confidence in media and communication services in Australia
- Manage the radiofrequency spectrum and other public communication resources for the benefit of all Australians
- Deliver valued services and expertise to support public interest outcomes and our stakeholders.

In promoting the public interest through these strategies, the ACMA consults regularly with industry and the community, seeking their views on the often complex technical, economic and public interest issues for which the ACMA is responsible. Collaboration enables us to deliver guidance, services and education programs that ensure standards protect public safety; user needs are met in a timely manner and that the public benefit derived from Australia's spectrum and numbering resources is maximised.

This year the ACMA is focussed on delivering results and new capabilities in the following priority areas:

- Interactive gambling
- Spectrum reform and allocation of radiofrequency spectrum in line with our five-year spectrum outlook
- Stronger regulatory protections for consumers migrating to the National Broadband Network.

The Office of the eSafety Commissioner (the Office) is an independent statutory office that is committed to empowering all Australians to have safer, more positive experiences online. In accordance with the *Enhancing Online Safety Act 2015*, the Office aims to support positive online experiences through national leadership, administration of statutory schemes, and education and awareness activities that promote online safety for all Australians.

1.2 ENTITY RESOURCE STATEMENT

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

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for ACMA'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: ACMA resource statement—Budget estimates for 2018–19 as at Budget May 2018

	<i>2017–18 Estimated actual \$'000</i>	2018–19 Estimate \$'000
Departmental		
Annual appropriations—ordinary annual services ^(a)		
Prior year appropriations available	20,312	7,120
Departmental appropriation ^(b)	82,097	88,874
s74 retained revenue receipts ^(c)	3,449	900
Departmental capital budget ^(d)	7,242	6,913
Annual appropriations—other services—non-operating		
Prior year appropriations available	658	-
Equity injection	50	535
Total departmental annual appropriations	113,808	104,342
Special Accounts ^(e)		
Opening balance	5,112	1,572
Appropriation receipts ^(f)	10,721	14,413
Total special accounts	15,833	15,985
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	<i>10,721</i>	<i>14,413</i>
Total departmental resourcing	118,920	105,914
Administered		
Annual appropriations—ordinary annual services ^(a)		
Outcome 1	8,156	22,921
s74 retained revenue receipts ^(d)	406	-
Total administered annual appropriations	8,562	22,921
Total administered special appropriations	6,300	5,100
Special accounts ^(e)		
Appropriation receipts ^(f)	8,156	6,921
Non-appropriation receipts	406	-
Total special account receipts	8,562	6,921
<i>less administered appropriations drawn from annual/special appropriations and credited to special accounts</i>	<i>8,156</i>	<i>6,921</i>
Total administered resourcing	15,268	28,021
Total resourcing for ACMA	134,188	133,935

Table 1.1: ACMA resource statement—Budget estimates for 2018–19 as at Budget May 2018 (continued)

	2017–18	2018–19
Average staffing level (number) ^(g)	421	427
(a) Appropriation Bill (No. 1) 2018–19.		
(b) Excludes departmental capital budget (DCB).		
(c) Estimated retained revenue receipts under section 74 of the PGPA Act.		
(d) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.		
(e) Excludes trust money and "other CRF money" held in accounts like Other Trust Monies accounts (OTM), Services for Other Government and Non-agency Bodies accounts (SOG) or Services for Other Entities and Trust Moneys accounts (SOETM)). For further information on special appropriations and 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.		
(f) Amounts credited to the special account(s) from ACMA's annual and special appropriations.		
(g) Agreement has been reached to re-allocate six ASL to the Office of the eSafety Commissioner from within the existing Portfolio ASL Cap.		

Please note: 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.

1.3 BUDGET MEASURES

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

Table 1.2: ACMA 2018–19 Budget measures

Part 1: Measures announced since the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO)

Program	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Expense measures					
Office of the eSafety Commissioner—additional funding	1.3				
Departmental expenses	-	3,505	3,607	3,377	3,197
Total	-	3,505	3,607	3,377	3,197
Total expense measures					
Departmental	-	3,505	3,607	3,377	3,197
Total	-	3,505	3,607	3,377	3,197
Capital measures					
Australian Communications and Media Authority property— divestment	1.1				
Departmental capital	-	-	nfp	-	-
Total	-	-	nfp	-	-
Office of the eSafety Commissioner—additional funding	1.3				
Departmental capital	-	500	-	-	-
Total	-	500	-	-	-
Total capital measures					
Departmental	-	500	nfp	-	-
Total	-	500	nfp	-	-

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

SECTION 2: OUTCOMES AND PLANNED PERFORMANCE

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

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

Note:

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

The most recent corporate plan for the ACMA can be found at:

www.acma.gov.au/theACMA/Library/Corporate-library/Corporate-plan-2017-21.

The most recent annual performance statement can be found at:

www.acma.gov.au/theACMA/annual-report.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: A communications and media environment that balances the needs of the industry and the Australian community through regulation, education and advice.

LINKED PROGRAMS

Department of Communications and the Arts

Program

- Program 1.1 – Digital Technologies and Communications Services

Contribution to Outcome 1 made by linked program

Universal Service Obligation (USO), which ensures that standard telephone services and payphones are to be reasonably accessible to all people in Australia on an equitable basis, wherever they reside or carry on business.

National Relay Service (NRS), which assists people who are deaf, or have a hearing and/or speech impairment, to access a telephone service equivalent to the standard telephone service available to all Australians.

The Treasury

Program

- Program 1.9 – National Partnership Payments to the States

Contribution to Outcome 1 made by linked program

The National Partnership on online safety programs in schools will be administered by the Office of the eSafety Commissioner through funding provided from the Commonwealth. This will support the delivery of online safety programs in schools from providers that have been certified by the Office of the eSafety Commissioner.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
Program 1.1: Communications, regulation, planning and licensing					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	50	50	50	50	50
Administered total	50	50	50	50	50
Departmental expenses					
Departmental appropriation	36,939	39,296	39,341	37,772	37,672
s74 Retained revenue receipts ^(a)	3,023	471	471	471	52
Expenses not requiring appropriation in the Budget year ^(b)	5,127	5,127	5,127	5,127	5,127
Departmental total	45,089	44,894	44,939	43,370	42,851
Total expenses for Program 1.1	45,139	44,944	44,989	43,420	42,901
Program 1.2: Consumer safeguards, education and information					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	-	16,000	16,000	16,000	-
Special appropriation— Telecommunications— Consumer Codes	300	300	300	300	300
Administered total	300	16,300	16,300	16,300	300
Departmental expenses					
Departmental appropriation	33,577	35,765	35,807	34,378	34,288
s74 Retained revenue receipts ^(a)	426	429	429	429	48
Expenses not requiring appropriation in the Budget year ^(b)	5,127	5,127	5,127	5,127	5,127
Departmental total	39,130	41,321	41,363	39,934	39,463
Total expenses for Program 1.2	39,430	57,621	57,663	56,234	39,763

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
Program 1.3: Office of the eSafety Commissioner					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	8,156	6,921	5,381	5,381	5,381
s74 Retained revenue receipts ^(a)	406	-	-	-	-
Special account <i>Online Safety Special Account—s72 Enhancing Online Safety Act 2015</i> ^(c)	8,562	6,921	5,381	5,381	5,381
Administered total	8,562	6,921	5,381	5,381	5,381
Departmental expenses					
Departmental appropriation	14,161	13,813	13,856	13,715	13,596
Special account <i>Online Safety Special Account—s72 Enhancing Online Safety Act 2015</i> ^(c)	14,161	13,813	13,856	13,715	13,596
Departmental total	14,161	13,813	13,856	13,715	13,596
Total expenses for Program 1.3	22,723	20,734	19,237	19,096	18,977
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	8,206	22,971	21,431	21,431	5,431
s74 Retained revenue receipts ^(a)	406	-	-	-	-
<i>Special accounts</i> ^(c)	8,562	6,921	5,381	5,381	5,381
Special appropriations	300	300	300	300	300
Administered total	8,912	23,271	21,731	21,731	5,731
Departmental expenses					
Departmental appropriation	84,677	88,874	89,004	85,865	85,556
<i>Special accounts</i> ^(c)	14,161	13,813	13,856	13,715	13,596
s74 Retained revenue receipts ^(a)	3,449	900	900	900	100
Expenses not requiring appropriation in the Budget year ^(b)	10,254	10,254	10,254	10,254	10,254
Departmental total	98,380	100,028	100,158	97,019	95,910
Total expenses for Outcome 1	107,292	123,299	121,889	118,750	101,641

	2017–18	2018–19
Average staffing level (number) ^(d)	421	427

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

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

(c) Special account is funded from 'Ordinary annual service (Appropriation Bill No.1)' and s74 retained revenue receipts.

(d) Agreement has been reached to re-allocate six ASL to the Office of the eSafety Commissioner from within the existing Portfolio ASL Cap.

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

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018-19 Budget measures have created new programs or materially changed existing programs.

Outcome 1—A communications and media environment that balances the needs of the industry and the Australian community through regulation, education and advice.		
Program 1.1—Communications regulation, planning and licensing		
This program contributes to the outcome by the allocation and use of critical public resources (radiofrequency spectrum and telephone numbers) to maximise their value to the Australian community.		
Delivery		
<ul style="list-style-type: none"> • Planning, licensing and allocating Australia's spectrum to optimise its value to the Australian community including ensuring adequate provision for Defence, public safety and community purposes. • Managing the risk of spectrum interference and other harms through education programs and mandating technical standards for radiocommunications devices. • Promoting compliance with communications and media laws and regulations and undertaking investigations and enforcement when necessary. • Administering telecommunications licensing and number allocation arrangements which promote efficiency, innovation and competition in the Australian telecommunications industry. 		
Performance information		
Year	Performance criteria	Targets
2017-18	<p>Regulatory arrangements support movement of spectrum to its highest value use.</p> <p>Spectrum users are able to access spectrum on terms and conditions that meet their needs subject to other users and spectrum management objectives.</p> <p>Administering licensing and number allocation arrangements that promote efficiency, innovation and competition in the Australian telecommunications industry.</p> <p>Compliance and enforcement work informed by identification of priority compliance areas in consultation with industry.</p>	<p>Expected to meet criterion</p> <p>Annually updated one and five year spectrum management work programs prepared in consultation with government and industry.</p> <p>Work programs identify potential bands for assessment of changed highest value use.</p> <p>Expected to meet criterion</p> <p>Needs of spectrum users identified in work programs.</p> <p>Expected to meet criterion</p> <p>Apparatus licences allocated within statutory timeframes.</p> <p>Allocation of carrier licences within statutory timeframes and 100% met within 20 business days.</p> <p>Numbering provider meets 100% of contractual milestones.</p> <p>Criterion met</p> <p>Priority compliance areas published by end 2017 on the ACMA's website following industry consultation.</p>

Australian Communications and Media Authority Budget Statements

Performance information		
Year	Performance criteria	Targets
2017–18 continued	<p>Effective leadership and coordination of Australian industry participation in international spectrum harmonisation and satellite coordination processes.</p> <p>Technical rules and systems support increasing levels of assignment activities by third parties.</p> <p>Program of work established to deliver reforms and manage transition to new regulatory arrangements.</p>	<p>Expected to meet criterion International satellite coordination services provided as required by relevant deeds or the manual.</p> <p>Expected to meet criterion At least 90% of licences assigned by Accredited Persons. 100% of device requirements are performed by Accredited persons.</p> <p>Expected to meet criterion Review implementation activities delivered in accordance with one and five year work plans.</p>
2018–19	<p>Spectrum is planned, licensed and allocated so that its value and utility to industry and the community is maximised.</p> <p>Spectrum regulation is updated and improved in response to evolving technologies, markets and international developments and is delivered efficiently.</p> <p>Compliance and enforcement is targeted and commensurate with risk.</p> <p>Telecommunications number allocation arrangements promote efficiency, innovation and competition in the Australian telecommunications industry.</p>	<p>Annual spectrum work programs identify potential bands for changes in highest value use or other reform. Licences are allocated within statutory timeframes.</p> <p>Spectrum reform activities, including those arising from the 2015 Spectrum Review Report and the 2018 Spectrum Pricing Review, deliver reform and manage transition arrangements. Enhanced user and third party involvement in spectrum management.</p> <p>Industry consultation informs the identification of priority compliance areas and targets are published by 30 September 2018.</p> <p>Administration of a responsive and effective numbering program with contractual milestones met.</p>
2019–20 and beyond	As per 2018–19	As per 2018–19
Purposes	To make communications and media work in Australia's public interest.	

Australian Communications and Media Authority Budget Statements

<p>Program 1.2—Communications safeguards, education and information</p> <p>This program contributes to the outcome by ensuring efficient, effective and contemporary safeguards protect users of media and communication services so that the Australian community can confidently use those services.</p>		
<p>Delivery</p> <ul style="list-style-type: none"> • Making rules and supporting the development of regulatory frameworks that balance the interests of consumers, citizens and industry in an evolving media and communications environment. • Promoting industry compliance with communications and media laws and regulations and undertaking investigations and enforcement when necessary. • Protecting and safeguarding the interests of consumers and citizens in a contemporary communications and media environment. • Administering key government programs, including the Do Not Call Register. 		
<p>Performance information</p>		
Year	Performance criteria	Targets
2017–18	<p>The ACMA’s knowledge of the contemporary media and communications environment, its emerging issues and regulatory pressures is comprehensive making it a sound and authoritative source of advice.</p> <p>Regulatory instruments and co-regulatory industry codes meet contemporary industry and user needs and are registered or made promptly.</p> <p>Citizens have accessible information about their user rights. Safeguards and protections are available and avenues for complaints are provided.</p>	<p>Expected to meet criterion</p> <p>Stakeholder forums and working groups are convened to gather evidence and support consultative processes.</p> <p>Participation in international forums dealing with multi-jurisdictional issues and harms.</p> <p>Expected to meet criterion</p> <p>Research is undertaken and published that informs and supports regulatory reviews, the development of industry codes and other regulatory instruments.</p> <p>Statutory reviews and/or remaking of rules and frameworks is undertaken within published timeframes.</p> <p>Expected to meet criterion</p> <p>Relevant and current information is available on the ACMA website and social media channels are used to deliver timely consumer alerts.</p>

Australian Communications and Media Authority Budget Statements

Performance information		
Year	Performance criteria	Targets
2017–18 continued	<p>Information about industry obligations and compliance priorities is accessible and potential industry non-compliance is promptly addressed.</p> <p>Do Not Call Register is available to citizens and the telemarketing industry.</p>	<p>Expected to meet criterion</p> <p>Priority compliance areas for telecommunications, spam and Do Not Call are identified and published annually on the ACMA website.</p> <p>The average time for completion of:</p> <ul style="list-style-type: none"> • broadcasting and interactive gambling investigations is three months or fewer • telecommunications investigations is six months or fewer • spam and 'do not call' investigations is eight months or fewer. <p>Investigation outcomes are published on the ACMA website.</p> <p>Expected to meet criterion</p> <p>The Do Not Call Register is managed so that services are available 99% of the time.</p>
2018–19	<p>Understand the contemporary media and communications environment and regulate responsively.</p> <p>Industry compliance with regulations is fostered through consultation, education, and, where necessary, investigation and enforcement.</p> <p>Citizens and consumers are informed about available safeguards and protections improving their communications and media experience.</p> <p>Programs are delivered to support public interest outcomes and our stakeholders.</p>	<p>Regulatory instruments and co-regulatory industry codes meet contemporary industry and user needs.</p> <p>Information about industry obligations and compliance priorities is relevant and accessible and potential industry non-compliance is identified and promptly addressed.</p> <p>Relevant and accessible information about consumer protections and avenues for complaints and enquiries is made available.</p> <p>Do Not Call Register is available to citizens and the telemarketing industry.</p>
2019–20 and beyond	As per 2018–19	As per 2018–19
Purposes	To make communications and media work in Australia's public interest.	

<p>Program 1.3—Office of the eSafety Commissioner</p> <p>Support positive online experiences through national leadership and administration of statutory schemes and educational and awareness activities that promote online safety for all Australians.</p>		
<p>Delivery</p> <p>The Office of the eSafety Commissioner will focus on the following in delivering this outcome:</p> <ul style="list-style-type: none"> • Service delivery—delivering efficient and effective services to achieve the Government’s program objectives • Statutory operations—administering statutory schemes efficiently and effectively • Strategic advice and research—providing Government, industry, the not for profit sector and the Australian community with an understanding of and research into online safety issues • Collaborative stakeholder engagement—working with Government, industry, the not for profit sector, and all Australians to ensure services are effective and meets the needs of the community. 		
<p>Performance information</p>		
Year	Performance criteria	Targets
2017–18	<p>That parents and children have accessible and timely avenues of complaint for serious cyberbullying targeted at an Australian child.</p> <p>That Australians have accessible and timely avenues of complaint for image based abuse.</p> <p>That Australians have accessible and timely avenues of complaint for online content that breaches legislative standards and includes referral to effective Australian and international enforcement mechanisms.</p> <p>That families, women and schools have access to resources that enable them to manage their online safety.</p> <p>That older Australians and their families, peers, and community organisations have access to programs and content to help improve the digital literacy, confidence and skills of older Australians.</p>	<p>Expected to meet criterion 95% of complaints first actioned within 48 hours. 75% of complaints finalised within five working days.</p> <p>Expected to meet criterion Implementation of an image-based abuse portal.</p> <p>Expected to meet criterion 90% of child sexual abuse items actioned within two working days of identification of the content type (except complex items). 90% of other illegal content actioned within two working days of identification of the content type.</p> <p>Expected to meet criterion Resources and programs are accessible, evidence-based and appropriate for targeted audiences.</p> <p>Expected to meet criterion Implementation of a digital portal with resources and programs that are evidence based and appropriate for the target audience.</p>

Australian Communications and Media Authority Budget Statements

Performance information		
Year	Performance criteria	Targets
2018–19	<p>Operation of a complaints scheme to deal with serious cyberbullying affecting Australian children.</p> <p>Operation of a complaints portal to deal with image based abuse affecting Australians.</p> <p>Operation of a complaints scheme for the removal of online content that breaches legislative standards.</p> <p>Promote online safety for all Australians.</p>	<p>Effectively and efficiently administer a complaints based scheme to deal with serious cyberbullying by providing a safety net, high quality advice, support pathways and targeted evidence based educational resources.</p> <p>Effectively and efficiently administer a portal to address image based abuse complaints including the provision of high quality advice, support pathways and targeted evidence based educational resources.</p> <p>Effectively and efficiently deliver a complaints scheme to take down illegal online content including referral to Australian and international enforcement mechanisms.</p> <p>Provide audience-specific and research based advice, content, and programs to raise awareness about key online safety issues and empower all Australians to have safer online experiences.</p>
2019–20 and beyond	As per 2018–19	As per 2018–19
Purposes	To take a national leadership role in online safety for all Australians.	

SECTION 3: BUDGETED FINANCIAL STATEMENTS

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of ACMA's finances for the 2018-19 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Explanatory notes and analysis of budgeted financial statements

A recent review and analysis of the 2016-17 MYEFO measure Regional Broadband Scheme has resulted in the cash component of the levy, which is collected and lodged in the Official Public Account for expenses incurred by the Department of Communications and the Arts, to be moved from an Administered Expense to an Equity entry.

The ACMA is being appropriated \$13.7 million in operating funds and \$0.5 million in capital funding (Table 1.2) for a range of enhancements to Program 1.3 (Office of the eSafety Commissioner) whose objective is to 'Support positive online experiences through national leadership and administration of statutory schemes and educational and awareness activities that promote online safety for all Australians.'

Due to the Coordinated Procurement of Commonwealth Property Services savings initiative the ACMA's appropriation will reduce by \$0.2 million in 2020-21 and \$0.7 million in 2021-22 ongoing (Table 3.1).

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
EXPENSES					
Employee benefits	55,957	58,690	59,509	55,928	56,002
Suppliers	32,169	31,084	30,395	30,837	29,654
Depreciation and amortisation	10,254	10,254	10,254	10,254	10,254
Total expenses	98,380	100,028	100,158	97,019	95,910
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	900	900	900	900	100
Other	2,549	-	-	-	-
Total own-source revenue	3,449	900	900	900	100
Total own-source income	3,449	900	900	900	100
Net (cost of)/contribution by services	(94,931)	(99,128)	(99,258)	(96,119)	(95,810)
Revenue from Government	82,097	88,874	89,004	85,865	85,556
Surplus/(deficit) attributable to the Australian Government	(12,834)	(10,254)	(10,254)	(10,254)	(10,254)
Total comprehensive income/(loss)	(12,834)	(10,254)	(10,254)	(10,254)	(10,254)
Total comprehensive income/(loss) attributable to the Australian Government	(12,834)	(10,254)	(10,254)	(10,254)	(10,254)
Note: Impact of net cash appropriation arrangements					
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	(2,580)	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations ^(a)	10,254	10,254	10,254	10,254	10,254
Total comprehensive income/(loss)—as per the statement of comprehensive income	(12,834)	(10,254)	(10,254)	(10,254)	(10,254)

(a) Funds held for use by the Office of the eSafety Commissioner are retained in the Online Safety Special Account associated with the Enhancing Online Safety Act 2015 and do not lapse. The Office of the eSafety Commissioner has drawn unused revenue from prior years during 2017–18, which exceeds the total appropriation for 2017–18 therefore resulting in a technical loss being reported at the consolidated level for both the ACMA and the Office of the eSafety Commissioner.

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,468	1,468	1,468	1,468	1,468
Trade and other receivables	23,253	23,253	23,253	23,253	23,253
Other investments	1	1	1	1	1
Other financial assets	505	505	505	505	505
Total financial assets	25,227	25,227	25,227	25,227	25,227
Non-financial assets					
Land and buildings	22,333	21,917	21,501	21,053	20,611
Property, plant and equipment	7,396	9,313	10,695	11,970	7,935
Intangibles	17,203	12,896	8,336	3,976	4,959
Prepayments	1,660	1,660	1,660	1,660	1,660
Total non-financial assets	48,592	45,786	42,192	38,659	35,165
Total assets	73,819	71,013	67,419	63,886	60,392
LIABILITIES					
Payables					
Suppliers	6,419	6,419	6,419	6,419	6,419
Personal benefits	406	406	406	406	406
Other payables	12	12	12	12	12
Total payables	6,837	6,837	6,837	6,837	6,837
Interest bearing liabilities					
Other interest bearing liabilities	2,398	2,398	2,398	2,398	2,398
Total interest bearing liabilities	2,398	2,398	2,398	2,398	2,398
Provisions					
Employee provisions	16,872	16,872	16,872	16,872	16,872
Other provisions	2,575	2,575	2,575	2,575	2,575
Total provisions	19,447	19,447	19,447	19,447	19,447
Total liabilities	28,682	28,682	28,682	28,682	28,682
Net assets	45,137	42,331	38,737	35,204	31,710
EQUITY					
Contributed equity	114,605	122,053	128,713	135,434	142,194
Reserves	1,984	1,984	1,984	1,984	1,984
Retained surplus (accumulated deficit)	(71,452)	(81,706)	(91,960)	(102,214)	(112,468)
Total equity	45,137	42,331	38,737	35,204	31,710

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity—summary of movement (Budget year 2018–19)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/capital \$'000	Total equity \$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	(71,452)	1,984	114,605	45,137
Adjusted opening balance	(71,452)	1,984	114,605	45,137
Comprehensive income				
Surplus/(deficit) for the period	(10,254)	-	-	(10,254)
Total comprehensive income	(10,254)	-	-	(10,254)
Transactions with owners				
Contributions by owners				
Equity injection—Appropriation	-	-	535	535
Departmental capital budget (DCB)	-	-	6,913	6,913
Sub-total transactions with owners	-	-	7,448	7,448
Estimated closing balance as at 30 June 2019	(81,706)	1,984	122,053	42,331
Closing balance attributable to the Australian Government	(81,706)	1,984	122,053	42,331

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	85,637	88,874	89,004	85,865	85,556
Sale of goods and rendering of services	900	900	900	900	100
Net GST received	-	181	191	166	147
Other	2,549	-	-	-	-
Total cash received	89,086	89,955	90,095	86,931	85,803
Cash used					
Employees	55,957	58,690	59,509	55,928	56,002
Suppliers	32,169	31,084	30,395	30,837	29,654
Net GST paid	-	181	191	166	147
Total cash used	88,126	89,955	90,095	86,931	85,803
Net cash from/(used by) operating activities	960	-	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	7,670	7,448	6,660	6,721	6,760
Total cash used	7,670	7,448	6,660	6,721	6,760
Net cash from/(used by) investing activities	(7,670)	(7,448)	(6,660)	(6,721)	(6,760)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	6,710	7,448	6,660	6,721	6,760
Total cash received	6,710	7,448	6,660	6,721	6,760
Net cash from/(used by) financing activities	6,710	7,448	6,660	6,721	6,760
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	1,468	1,468	1,468	1,468	1,468
Cash and cash equivalents at the end of the reporting period	1,468	1,468	1,468	1,468	1,468

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget—Bill 1 (DCB)	7,242	6,913	6,660	6,721	6,760
Equity injections—Bill 2	708	535	-	-	-
Total new capital appropriations	7,950	7,448	6,660	6,721	6,760
Provided for:					
<i>Purchase of non-financial assets</i>	7,950	7,448	6,660	6,721	6,760
Total items	7,950	7,448	6,660	6,721	6,760
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	708	535	-	-	-
Funded by capital appropriation— DCB ^(b)	6,962	6,913	6,660	6,721	6,760
TOTAL	7,670	7,448	6,660	6,721	6,760
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	7,670	7,448	6,660	6,721	6,760
Total cash used to acquire assets	7,670	7,448	6,660	6,721	6,760

(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. Includes purchases from current and previous years' Departmental capital budgets (DCBs).

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2018–19)

	Land	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018					
Gross book value	7,190	16,627	10,651	73,200	107,668
Accumulated depreciation/amortisation and impairment	-	(1,484)	(3,255)	(55,997)	(60,736)
Opening net book balance	7,190	15,143	7,396	17,203	46,932
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase—appropriation equity ^(a)	-	1,068	4,126	2,254	7,448
Total additions	-	1,068	4,126	2,254	7,448
Other movements					
Depreciation/amortisation expense	-	(1,484)	(2,209)	(6,561)	(10,254)
Total other movements	-	(1,484)	(2,209)	(6,561)	(10,254)
As at 30 June 2019					
Gross book value	7,190	17,695	14,777	75,454	115,116
Accumulated depreciation/amortisation and impairment	-	(2,968)	(5,464)	(62,558)	(70,990)
Closing net book balance	7,190	14,727	9,313	12,896	44,126

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2018–19.

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
EXPENSES					
Suppliers	8,862	7,221	5,681	5,681	5,681
Grants	-	16,000	16,000	16,000	-
Other expenses	50	50	50	50	50
Total expenses administered on behalf of Government	8,912	23,271	21,731	21,731	5,731
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Taxation revenue					
Other taxes	500,937	1,103,583	1,212,083	1,266,583	1,296,783
Total taxation revenue	500,937	1,103,583	1,212,083	1,266,583	1,296,783
Non-taxation revenue					
Sale of goods and rendering of services	5,033	5,033	5,033	5,033	5,033
Fees and fines	32,440	38,089	40,018	38,820	34,719
Other revenue	4,536	4,130	4,130	4,130	4,130
Total non-taxation revenue	42,009	47,252	49,181	47,983	43,882
Total own-source revenue administered on behalf of Government	542,946	1,150,835	1,261,264	1,314,566	1,340,665
Gains					
Sale of assets	3,142,608	2,500	2,500	2,500	-
Total gains administered on behalf of Government	3,142,608	2,500	2,500	2,500	-
Total own-sourced income administered on behalf of Government	3,685,554	1,153,335	1,263,764	1,317,066	1,340,665
Net (cost of)/contribution by services	(3,676,642)	(1,130,064)	(1,242,033)	(1,295,335)	(1,334,934)

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	500	500	500	500	500
Taxation receivables	90,439	615,439	750,439	810,439	845,439
Trade and other receivables	897,131	464,760	32,431	32,431	32,431
Total financial assets	988,070	1,080,699	783,370	843,370	878,370
Total assets administered on behalf of Government	988,070	1,080,699	783,370	843,370	878,370
LIABILITIES					
Payables					
Other payables	129,985	129,985	129,985	129,985	129,985
Total payables	129,985	129,985	129,985	129,985	129,985
Total liabilities administered on behalf of Government	129,985	129,985	129,985	129,985	129,985
Net assets/(liabilities)	858,085	950,714	653,385	713,385	748,385

Prepared on Australian Accounting Standards basis.

Australian Communications and Media Authority Budget Statements

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	37,473	43,122	45,051	43,853	39,752
Taxes	462,079	578,583	542,083	536,583	531,783
Other	4,583	4,173	4,130	4,130	4,130
Total cash received	504,135	625,878	591,264	584,566	575,665
Cash used					
Grant	-	16,000	16,000	16,000	-
Suppliers	8,862	7,221	5,681	5,681	5,681
Other	50	50	50	50	50
Total cash used	8,912	23,271	21,731	21,731	5,731
Net cash from/(used by) operating activities	495,223	602,607	569,533	562,835	569,934
INVESTING ACTIVITIES					
Cash received					
Proceeds from sale of property, plant and equipment	827,133	434,828	434,829	2,500	-
Total cash received	827,133	434,828	434,829	2,500	-
Net cash from/(used by) investing activities	827,133	434,828	434,829	2,500	-
Net increase/(decrease) in cash held	1,322,356	1,037,435	1,004,362	565,335	569,934
Cash from Official Public Account for:					
- Appropriations	14,456	28,021	26,481	26,481	10,481
Total cash from Official Public Account	14,456	28,021	26,481	26,481	10,481
Cash to Official Public Account for:					
- Appropriations	(1,336,812)	(1,065,456)	(1,030,843)	(591,816)	(580,415)
Total cash to Official Public Account	(1,336,812)	(1,065,456)	(1,030,843)	(591,816)	(580,415)
Effect of exchange rate movements on cash and cash equivalents at the beginning of reporting period	500	500	500	500	500
Cash and cash equivalents at end of reporting period	500	500	500	500	500

Prepared on Australian Accounting Standards basis.

**AUSTRALIAN FILM, TELEVISION
AND RADIO SCHOOL**

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

AUSTRALIAN FILM, TELEVISION AND RADIO SCHOOL

Section 1: Entity overview and resources	117
1.1 Strategic direction statement	117
1.2 Entity resource statement	119
1.3 Budget measures.....	119
Section 2: Outcomes and planned performance	120
2.1 Budgeted expenses and performance for Outcome 1.....	121
Section 3: Budgeted financial statements	124
3.1 Budgeted financial statements.....	124
3.2 Budgeted financial statements tables	125

AUSTRALIAN FILM, TELEVISION AND RADIO SCHOOL

SECTION 1: ENTITY OVERVIEW AND RESOURCES

1.1 STRATEGIC DIRECTION STATEMENT

The Australian Film, Television and Radio School (AFTRS) is the national institution for education, training and research for the screen and broadcast industries. AFTRS helps build a strong local industry, empowering storytelling talent to create great Australian content and position it to engage local and international audiences.

AFTRS offers world-class, industry-relevant education and skills training with a focus on creativity and cultural entrepreneurship. AFTRS also deepens and broadens skills in practitioners through industry training events and thought leadership – drawing on partnerships and input from the screen and broadcast sectors and beyond. AFTRS explores new frontiers of storytelling and technology via research projects and hosts conversations that help creative practitioners grapple with challenges, new practices and ideas.

AFTRS partners across Australia to find great storytellers, whatever their background, and equip them with the skills they need to become the leaders of screen and broadcast industries internationally.

AFTRS recognises that in the context of major disruptions to traditional models in the screen and broadcast sectors, the skills of creative problem solving, collaboration, communication, ‘big-picture’ innovation and entrepreneurialism will become even more important and key to the ongoing success of our professional workforce.

AFTRS’ purpose is to find and empower Australian talent to shape and share their stories with the world by delivering future-focused, industry-relevant education, research and training. AFTRS’ vision is to be the reference point for innovation in screen, sound and story-making globally.

AFTRS’ strategies are:

- **Outreach:** Empower all Australians to tell their stories, wherever they come from and whoever they are.
- **Talent Development:** Educate and train new talent to ensure innovative, relevant Australian content creators are supported on their journey into the screen and broadcast industry.
- **Industry Training:** Ensure current Australian screen and broadcast practitioners have the highest levels of skills required to compete in the international marketplace.
- **Research and Development:** Drive innovation in the screen and broadcast industry and practice-based education through research to ensure relevance and growth.

Australian Film, Television and Radio School Budget Statements

- **Inclusion:** Ensure AFTRS reflects Australian society by supporting diversity across its activities.
- **Operations:** Ensure an efficient and effective financially sustainable organisation.
- **Communications:** Position AFTRS as a leading international cultural centre of excellence and innovation in education for the screen and broadcast industries.

These strategies ensure that AFTRS will achieve its Outcome and program in 2018-19 and over the forward estimates.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to AFTRS 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 AFTRS'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: AFTRS resource statement—Budget estimates for 2018–19 as at Budget May 2018

	2017–18 estimated actual \$'000	2018–19 estimate \$'000
Opening balance/cash reserves at 1 July	7,405	6,820
Funds from Government		
Annual appropriations—ordinary annual services ^(a)		
Outcome 1	22,683	22,584
<i>Total annual appropriations</i>	<i>22,683</i>	<i>22,584</i>
Total funds from Government	22,683	22,584
Funds from other sources		
Sale of goods and services	9,106	9,900
Interest	138	135
Other	93	12
Total funds from other sources	9,337	10,047
Total net resourcing for AFTRS	39,425	39,451
Average staffing level (number)	149	145

(a) Appropriation Bill (No.1) 2018–19.

AFTRS is not directly appropriated as it is a Corporate Commonwealth Entity. Appropriations are made to the Department of Communications and the Arts (a Non-Corporate Commonwealth Entity), which are then paid to AFTRS and are considered "departmental" for all purposes.

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

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

1.3 BUDGET MEASURES

AFTRS has no budget measures in the 2018–19 Budget.

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 AFTRS can be found at:

www.aftrs.edu.au/_data/assets/pdf_file/0020/71354/AFTRS12_CorpPlan2017_02.pdf.

The most recent annual performance statement can be found at:

www.aftrs.edu.au/_data/assets/pdf_file/0008/73079/Annual-Report-20162017.pdf.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Support the development of a professional screen arts and broadcast culture in Australia including through the provision of specialist industry-focused education, training, and research

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
Program 1.1: Australian Film, Television and Radio School					
Revenue from Government Ordinary annual services (Appropriation Bill No. 1)	22,683	22,584	22,627	22,825	23,005
Revenues from other independent sources	9,337	10,047	10,576	11,016	11,435
Total expenses for Program 1.1	32,020	32,631	33,203	33,841	34,440
Outcome 1 totals by resource type					
Revenue from Government Ordinary annual services (Appropriation Bill No. 1)	22,683	22,584	22,627	22,825	23,005
Revenues from other independent sources	9,337	10,047	10,576	11,016	11,435
Total expenses for Outcome 1	32,020	32,631	33,203	33,841	34,440
	2017–18	2018–19			
Average staffing level (number)	149	145			

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

Outcome 1—Support the development of a professional screen arts and broadcast culture in Australia including through the provision of specialist industry-focused education, training, and research		
Program 1.1 —Delivery of specialist education to meet the diverse creative needs of students and the skill requirements of industry by means of award courses, activities and events and through its Open Program		
Delivery Program 1.1 is delivered through higher education award courses, industry skills courses and workshops, outreach and schools programs, corporate courses, and research activities and publications. Target groups comprise potential and current film, television and radio students, members of the screen and broadcast industry, cultural and industry partners, and Indigenous Australians.		
Performance information		
Year	Performance criteria	Targets
2017–18	<p>Outreach: Build awareness and appreciation of Australian screen and broadcast culture and empower all Australians to tell their stories, wherever they come from and whoever they are.</p> <p>Talent Development: Educate and train new talent to ensure innovative, relevant Australian content creators are supported on their journey into the screen and broadcast industry.</p> <p>Industry Training: Ensure current Australian screen and broadcast practitioners have the highest levels of skills required to compete in the international marketplace.</p>	<p>Expected to meet criterion 250 Open Program and Indigenous Unit courses offered. 40 forums for industry practitioners to share their expertise. 100 cultural and industry events held. 5,000 Open Program and Indigenous Unit enrolments.</p> <p>Expected to meet criterion 6 higher educational levels offered. 750 new student applications. 530 new and ongoing student enrolments. 90% eligible completions.</p> <p>Expected to meet criterion Annual consultation of national skills requirements of industry.</p>

Australian Film, Television and Radio School Budget Statements

Performance information		
Year	Performance criteria	Targets
2018–19	<p>Outreach: Build awareness and appreciation of Australian screen and broadcast culture and empower all Australians to tell their stories, wherever they come from and whoever they are.</p> <p>Talent Development: Educate and train new talent to ensure innovative, relevant Australian content creators are supported on their journey into the screen and broadcast industry.</p> <p>Industry Training: Ensure current Australian screen and broadcast practitioners have the highest levels of skills required to compete in the international marketplace.</p>	<p>3,000 participants in AFTRS training.</p> <p>50,000 views of AFTRS content and events.</p> <p>10 partnerships a year to deliver training nationally.</p> <p>425 award course applications received.</p> <p>300 new and ongoing Award Course student enrolments.</p> <p>80% eligible completions.</p> <p>200 industry practitioners.</p> <p>Triennial consultation on national skills requirements of industry.</p> <p>2 industry research projects per year.</p>
2019–20 and beyond	As per 2018–19	As per 2018–19
Purpose	AFTRS' purpose is to find and empower Australian talent to shape and share their stories with the world by delivering future-focused, industry-relevant education, research and training.	

SECTION 3: BUDGETED FINANCIAL STATEMENTS

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of AFTRS' finances for the 2018-19 Budget year, including the impact of Budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Explanatory notes and analysis of budgeted financial statements

Comprehensive income statement

Own-source revenue in 2018-19 is expected to increase by 7.6 percent. Award course fee income of \$6.0 million is anticipated to remain broadly in line with the 2017-18 forecast, and then is expected to grow by 5 percent each year to 2021-22. Income from the Open Program is budgeted to be \$3.5 million for 2018-19 (\$2.6 million for 2017-18) and then is expected to increase by 5 percent each year throughout the forward estimates period.

Employee costs are expected to rise by 2.8 percent in 2018-19 to \$19.5 million. Average staffing level is planned to decrease to 145 and stay within the guideline. Overall, total expenses for 2018-19 (\$32.6 million) is an increase of 1.9 per cent from 2017-18. Employee costs are expected to rise 1.5 percent annually to \$20.4 million by 2021-22. AFTRS continues to maintain a break-even target.

Departmental balance sheet

The budgeted balance sheet is based on the latest June 2018 forecast with due consideration to flow-ons from the capital expenditure budget, income statements and cash inflows and outflows.

Net equity is forecast to be \$11.1 million at 30 June 2019 and remain stable across the forward estimates period.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
EXPENSES					
Employee benefits	18,973	19,497	19,789	20,086	20,410
Suppliers	10,952	11,141	11,364	11,591	11,823
Depreciation and amortisation	2,095	1,993	2,050	2,164	2,207
Total expenses	32,020	32,631	33,203	33,841	34,440
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	9,106	9,900	10,429	10,869	11,288
Interest	138	135	135	135	135
Other	72	12	12	12	12
Total own-source revenue	9,316	10,047	10,576	11,016	11,435
Gains					
Sale of assets	21	-	-	-	-
Total gains	21	-	-	-	-
Total own-source income	9,337	10,047	10,576	11,016	11,435
Net (cost of)/contribution by services	(22,683)	(22,584)	(22,627)	(22,825)	(23,005)
Revenue from Government	22,683	22,584	22,627	22,825	23,005
Surplus/(deficit) attributable to the Australian Government	-	-	-	-	-
Total comprehensive income/(loss)	-	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	6,820	6,711	6,840	7,142	7,540
Trade and other receivables	3,732	4,003	4,203	4,413	4,634
Other financial assets	158	156	156	159	160
Total financial assets	10,710	10,870	11,199	11,714	12,334
Non-financial assets					
Property, plant and equipment	7,491	7,359	7,011	6,583	5,988
Intangibles	1,463	1,568	1,646	1,730	1,788
Prepayments	445	445	445	345	345
Total non-financial assets	9,399	9,372	9,102	8,658	8,121
Total assets	20,109	20,242	20,301	20,372	20,455
LIABILITIES					
Payables					
Suppliers	1,225	1,246	1,270	1,295	1,321
Other payables	4,582	4,668	4,683	4,708	4,744
Total payables	5,807	5,914	5,953	6,003	6,065
Provisions					
Employee provisions	3,206	3,232	3,252	3,273	3,294
Total provisions	3,206	3,232	3,252	3,273	3,294
Total liabilities	9,013	9,146	9,205	9,276	9,359
Net assets	11,096	11,096	11,096	11,096	11,096
EQUITY					
Reserves	175	175	175	175	175
Retained surplus (accumulated deficit)	10,921	10,921	10,921	10,921	10,921
Total equity	11,096	11,096	11,096	11,096	11,096

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity—summary of movement (Budget year 2018–19)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Total equity \$'000
Opening balance as at 1 July 2018			
Balance carried forward from previous period	10,921	175	11,096
Adjusted opening balance	10,921	175	11,096
Estimated closing balance as at 30 June 2019	10,921	175	11,096
Closing balance attributable to the Australian Government	10,921	175	11,096

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	22,683	22,584	22,627	22,825	23,005
Sale of goods and rendering of services	8,563	9,629	10,229	10,659	11,067
Interest	138	135	135	135	135
Net GST received	1,482	1,555	1,485	1,619	1,540
Other	72	60	60	60	60
Total cash received	32,938	33,963	34,536	35,298	35,807
Cash used					
Employees	18,940	19,471	19,769	20,065	20,389
Suppliers	11,968	12,438	12,680	12,929	13,183
Total cash used	30,908	31,909	32,449	32,994	33,572
Net cash from/(used by) operating activities	2,030	2,054	2,087	2,304	2,235
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	21	-	-	-	-
Total cash received	21	-	-	-	-
Cash used					
Purchase of property, plant and equipment and intangibles	2,636	2,163	1,958	2,002	1,837
Total cash used	2,636	2,163	1,958	2,002	1,837
Net cash from/(used by) investing activities	(2,615)	(2,163)	(1,958)	(2,002)	(1,837)
Net increase/(decrease) in cash held	(585)	(109)	129	302	398
Cash and cash equivalents at the beginning of the reporting period	7,405	6,820	6,711	6,840	7,142
Cash and cash equivalents at the end of the reporting period	6,820	6,711	6,840	7,142	7,540

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources ^(a)	2,396	1,966	1,780	1,820	1,670
TOTAL	2,396	1,966	1,780	1,820	1,670
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	2,396	1,966	1,780	1,820	1,670
Total cash used to acquire assets	2,396	1,966	1,780	1,820	1,670

(a) Funded from annual appropriations and may include donations and contributions, gifts, internally developed assets, and proceeds from sale of assets.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2018–19)

	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2018			
Gross book value	24,657	3,115	27,772
Accumulated depreciation/amortisation and impairment	(17,166)	(1,652)	(18,818)
Opening net book balance	7,491	1,463	8,954
Capital asset additions			
Estimated expenditure on new or replacement assets			
By purchase—appropriation ordinary annual services ^(a)	1,520	446	1,966
Total additions	1,520	446	1,966
Other movements			
Depreciation/amortisation expense	(1,652)	(341)	(1,993)
Total other movements	(1,652)	(341)	(1,993)
As at 30 June 2019			
Gross book value	26,177	3,561	29,738
Accumulated depreciation/ amortisation and impairment	(18,818)	(1,993)	(20,811)
Closing net book balance	7,359	1,568	8,927

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2018–19 for depreciation/amortisation expenses, DCBs or other operational expenses. Prepared on Australian Accounting Standards basis.

AUSTRALIAN NATIONAL MARITIME MUSEUM

ENTITY RESOURCES AND PLANNED PERFORMANCE

AUSTRALIAN NATIONAL MARITIME MUSEUM

Section 1: Entity overview and resources	135
1.1 Strategic direction statement	135
1.2 Entity resource statement	136
1.3 Budget measures.....	137
Section 2: Outcomes and planned performance	138
2.1 Budgeted expenses and performance for Outcome 1.....	139
Section 3: Budgeted financial statements	143
3.1 Budgeted financial statements.....	143
3.2 Budgeted financial statements tables	144

AUSTRALIAN NATIONAL MARITIME MUSEUM

SECTION 1: ENTITY OVERVIEW AND RESOURCES

1.1 STRATEGIC DIRECTION STATEMENT

The mission of the Australian National Maritime Museum (ANMM) is to lead the promotion and conservation of Australia's maritime heritage and culture through:

- developing and sharing our collections, knowledge and expertise
- motivating learning through research, educational programs and products
- supporting community participation to retain our maritime heritage
- exploring contemporary issues of public interest and maritime relevance.

In 2018–19, the ANMM's work will be guided by *Shaped by the Sea: ANMM Corporate Plan*, which sets out ANMM's priorities and strategies to preserve, promote and share Australia's maritime heritage over the next four years.

During 2018–19 ANMM will focus on activities and programs to achieve our purpose, namely to:

- develop, preserve and showcase collections to expand our knowledge of, and expertise in, maritime heritage and to share it with the Australian public and the world
- understand our audiences and communities, support their aspirations to express and protect their heritage, and include them in decisions about Museum programs
- partner with communities, education institutions, other museums and researchers to create and share knowledge about our maritime heritage and our ongoing interactions with the sea and waterways
- identify and capitalise on entrepreneurial, media and marketing opportunities to drive a sustainable financial future
- collaborate with Indigenous communities and organisations to protect and promote their cultural heritage and to increase Indigenous participation in the Museum's activities
- work collaboratively with partners to increase our influence in decision-making, deliver results to communities across the nation, and promote ourselves internationally
- implement best-practice governance and continue to meet our budget.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the ANMM 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 ANMM's operations) classification.

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

Table 1.1: ANMM resource statement—Budget estimates for 2018–19 as at Budget May 2018

	2017–18 estimated actual \$'000	2018–19 estimate \$'000
Opening balance/cash reserves at 1 July	16,192	16,133
Funds from Government		
Annual appropriations—ordinary annual services ^(a)		
Outcome 1	20,727	21,415
Annual appropriations—other services ^(b)		
Equity injection	7,980	7,821
<i>Total annual appropriations</i>	<i>28,707</i>	<i>29,236</i>
Amounts from portfolio department	160	386
<i>Total amounts received from related entities</i>	<i>160</i>	<i>386</i>
Total funds from Government	28,867	29,622
Funds from other sources		
Sale of goods and services	9,537	10,038
Interest	727	450
Other	5,049	4,529
Total funds from other sources	15,313	15,017
Total net resourcing for ANMM	60,372	60,772
	2017–18	2018–19
Average staffing level (number)	125	125

(a) Appropriation Bill (No.1) 2018–19.

(b) Appropriation Bill (No.2) 2018–19.

The ANMM is not directly appropriated as it is a Corporate Commonwealth Entity. Appropriations are made to the Department of Communications and the Arts (a Non-Corporate Commonwealth Entity), which are then paid to the ANMM and are considered "departmental" for all purposes.

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

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

1.3 BUDGET MEASURES

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

Table 1.2: ANMM 2018–19 Budget measures

Part 1: Measures announced since the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO)

Program	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Expense measures					
250th Anniversary of James Cook's Voyage - commemoration ^(a)					
1.1					
Departmental expenses	-	-	-	-	-
Total	-	-	-	-	-
Total expense measures					
Departmental	-	-	-	-	-
Total	-	-	-	-	-

(a) This measure provides funding to ANMM of \$0.896 million in 2018–19; \$0.798 million in 2019–20; and \$0.101 million in 2020–21. Provision for this funding was included in the Contingency Reserve. Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

SECTION 2: OUTCOMES AND PLANNED PERFORMANCE

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the 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 ANMM can be found at:

www.anmm.gov.au/~media/Files/About%20us/ANMM_Corporateplan_1721_05_Final.pdf.

The most recent annual performance statement can be found at:

www.anmm.gov.au/~media/Files/About%20us/ANMM_Annualreport_1617_page_s.pdf.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Increased knowledge, appreciation and enjoyment of Australia's maritime heritage by managing the National Maritime Collection and staging programs, exhibitions and events.

Budgeted expenses for Outcome 1

This table shows how much the ANMM 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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
Program 1.1: Management of maritime heritage					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	20,727	21,415	21,230	20,562	20,480
Payment from related entities	160	386	476	-	-
<i>Expenses not requiring appropriation in the budget year</i>	2,630	2,776	2,792	2,794	2,794
Revenues from other independent sources	15,313	15,017	15,464	15,991	16,466
Total expenses for Program 1.1	38,830	39,594	39,962	39,347	39,740
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	20,727	21,415	21,230	20,562	20,480
Payment from related entities	160	386	476	-	-
<i>Expenses not requiring appropriation in the budget year</i>	2,630	2,776	2,792	2,794	2,794
Revenues from other independent sources	15,313	15,017	15,464	15,991	16,466
Total expenses for Outcome 1	38,830	39,594	39,962	39,347	39,740
	2017-18	2018-19			
Average staffing level (number)	125	125			

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

Outcome 1—Increased knowledge, appreciation and enjoyment of Australia’s maritime heritage by managing the National Maritime Collection and staging programs, exhibitions and events.		
Program 1.1—Management of maritime heritage		
Delivery The ANMM’s targets for 2018–19 are a variety of educational and entertaining programs, exhibitions and events focusing on Australia’s maritime heritage and a digital outreach strategy.		
Performance information		
Year	Performance criteria	Targets
2017–18	<p>Engage, educate and inspire—continue to increase engagement with national and international visitors through innovative exhibitions and programs that are accessed in a variety of ways.</p> <p>Collect, share and digitise—continue to build and maintain a rich national collection for current and future generations of Australians to enjoy and learn from.</p>	<p>Expected to meet criterion 1,189,724 number of visits to the organisation. 717,751 number of visits to the organisation’s website. 55,000 people participating in public programs. 75,000 students participating in school programs. 630 educational institutions participating in organised school learning programs. 90% of visitors who were satisfied or very satisfied with their visit. 90% of teachers reporting overall positive experience. 95% of teachers reporting relevance to the classroom curriculum.</p> <p>Expected to meet criterion 200 objects acquired (in the reporting period). 500 objects accessioned (in the reporting period). 21% of the total collection available to the public. 65% of the total collection digitised.</p>

Australian National Maritime Museum Budget Statements

Performance information		
Year	Performance criteria	Targets
2018–19	<p>Engage, educate and inspire—continue to increase engagement with national and international visitors through innovative exhibitions and programs that are accessed in a variety of ways.</p> <p>Collect, share and digitise—continue to build and maintain a rich national collection for current and future generations of Australians to enjoy and learn from.</p>	<p>1,674,668 number of visits to the organisation.</p> <p>751,951 number of visits to the organisation's website.</p> <p>39,000 people participating in public programs.</p> <p>75,000 students participating in school programs.</p> <p>630 educational institutions participating in organised school learning programs.</p> <p>90% of visitors who were satisfied or very satisfied with their visit.</p> <p>90% of teachers reporting overall positive experience.</p> <p>95% of teachers reporting relevance to the classroom curriculum.</p> <p>100 objects acquired (in the reporting period).</p> <p>100 objects accessioned (in the reporting period).</p> <p>69% of the total collection available to the public.</p> <p>61% of the total collection digitised.</p>
2019–20 and beyond	<p>Engage, educate and inspire—continue to increase engagement with national and international visitors through innovative exhibitions and programs that are accessed in a variety of ways.</p>	<p>1,758,401 number of visits to the organisation.</p> <p>827,146 number of visits to the organisation's website.</p> <p>54,000 people participating in public programs.</p> <p>75,000 students participating in school programs.</p> <p>630 educational institutions participating in organised school learning programs.</p> <p>90% of visitors who were satisfied or very satisfied with their visit.</p> <p>90% of teachers reporting overall positive experience.</p> <p>95% of teachers reporting relevance to the classroom curriculum.</p>

Australian National Maritime Museum Budget Statements

Performance information		
Year	Performance criteria	Targets
2019–20 and beyond	Collect, share and digitise —continue to build and maintain a rich national collection for current and future generations of Australians to enjoy and learn from.	100 objects acquired (in the reporting period). 100 objects accessioned (in the reporting period). 70% of the total collection available to the public. 61% of the total collection digitised.
Purpose	<p>The functions of the ANMM are prescribed by its enabling legislation, the <i>Australian National Maritime Museum Act 1990</i>, which requires the ANMM to:</p> <ul style="list-style-type: none"> • exhibit, or to make available for exhibition by others, in Australia or elsewhere, material included in the national maritime collection or maritime historical material that is otherwise in the possession of the Museum • co-operate with other institutions (whether public or private) in the exhibiting, or in the making available for exhibition, of such material • develop, preserve and maintain the national maritime collection in accordance with section 9 • disseminate information relating to Australian maritime history and information relating to the Museum and its functions • conduct, arrange for and assist research into matters relating to Australian maritime history • develop sponsorship, marketing and other commercial activities relating to the Museum's functions. 	

SECTION 3: BUDGETED FINANCIAL STATEMENTS

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of ANMM's finances for the 2018-19 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Explanatory notes and analysis of budgeted financial statements

The budgeted financial statements include a new expenditure measure reflecting additional funding received by ANMM relating to the commemoration of the 250th anniversary of James Cook's first Pacific voyage.

The Comprehensive Income Statement shows a minor net surplus across the budget and forward estimates period, excluding heritage and cultural depreciation expenses that are not funded through revenue appropriations.

The Balance Sheet shows a net equity position of between \$258.9 million and \$261.1 million across the budget and forward estimates period, representing the surplus of assets over liabilities.

The ANMM received \$13.9 million in additional capital funding in 2017-18 from the Public Sector Modernisation Fund – Agency Sustainability measure to fund capital works. In 2018-19 \$6.1 million of that funding will be received and \$1.5 million in 2019-20 (\$6.3 million was received in 2017-18).

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
EXPENSES					
Employee benefits	14,161	14,335	14,689	15,054	15,430
Suppliers	14,712	15,270	15,264	14,269	14,286
Grants	118	118	118	118	118
Depreciation and amortisation	9,839	9,871	9,891	9,906	9,906
Total expenses	38,830	39,594	39,962	39,347	39,740
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	9,537	10,038	10,509	10,855	11,230
Interest	727	450	450	450	450
Other	5,209	4,915	4,981	4,686	4,786
Total own-source revenue	15,473	15,403	15,940	15,991	16,466
Total own-source income	15,473	15,403	15,940	15,991	16,466
Net (cost of)/contribution by services	(23,357)	(24,191)	(24,022)	(23,356)	(23,274)
Revenue from Government	20,727	21,415	21,230	20,562	20,480
Surplus/(deficit) attributable to the Australian Government	(2,630)	(2,776)	(2,792)	(2,794)	(2,794)
Total comprehensive income/(loss)	(2,630)	(2,776)	(2,792)	(2,794)	(2,794)
Total comprehensive income/(loss) attributable to the Australian Government	(2,630)	(2,776)	(2,792)	(2,794)	(2,794)
Note: Impact of net cash appropriation arrangements					
Total comprehensive income/(loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriations	(97)	7	8	6	6
less heritage and cultural depreciation expenses previously funded through revenue appropriations ^(a)	2,533	2,783	2,800	2,800	2,800
Total comprehensive income/(loss)—as per the Statement of comprehensive income	(2,630)	(2,776)	(2,792)	(2,794)	(2,794)

(a) From 2009-10, the Government replaced Bill 1 revenue appropriations for the heritage and cultural depreciation expenses of designated Collection Institutions, with a separate capital budget (the Collection Development Acquisition Budget (CDABs)) provided through Bill 2 equity appropriations. For information regarding CDAB, please refer to Table 3.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

Australian National Maritime Museum Budget Statements

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	16,133	13,362	11,771	11,337	10,738
Trade and other receivables	1,196	1,196	1,196	1,196	1,196
Total financial assets	17,329	14,558	12,967	12,533	11,934
Non-financial assets					
Land and buildings	151,784	152,786	153,097	153,017	152,418
Property, plant and equipment	16,033	22,800	25,037	25,353	26,366
Heritage and cultural assets	71,712	71,659	70,967	69,926	68,841
Intangibles	5,501	5,601	5,701	5,846	6,037
Inventories	253	253	253	253	253
Prepayments	593	593	593	593	593
Total non-financial assets	245,876	253,692	255,648	254,988	254,508
Total assets	263,205	268,250	268,615	267,521	266,442
LIABILITIES					
Payables					
Suppliers	2,500	2,500	2,500	2,500	2,500
Other payables	2,200	2,200	2,200	2,200	2,200
Total payables	4,700	4,700	4,700	4,700	4,700
Provisions					
Employee provisions	2,800	2,800	2,800	2,800	2,800
Total provisions	2,800	2,800	2,800	2,800	2,800
Total liabilities	7,500	7,500	7,500	7,500	7,500
Net assets	255,705	260,750	261,115	260,021	258,942
EQUITY					
Contributed equity	23,617	31,438	34,593	36,294	38,009
Reserves	180,016	180,016	180,016	180,016	180,016
Retained surplus (accumulated deficit)	52,072	49,296	46,506	43,711	40,917
Total equity	255,705	260,750	261,115	260,021	258,942

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity—summary of movement (Budget year 2018–19)

	Retained earnings	Asset revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	52,072	180,016	23,617	255,705
Adjusted opening balance	52,072	180,016	23,617	255,705
Comprehensive income				
Surplus/(deficit) for the period	(2,776)	-	-	(2,776)
Total comprehensive income	(2,776)	-	-	(2,776)
Transactions with owners				
Contributions by owners				
Equity injection—Appropriation	-	-	7,821	7,821
Sub-total transactions with owners	-	-	7,821	7,821
Estimated closing balance as at 30 June 2019	49,296	180,016	31,438	260,750
Closing balance attributable to the Australian Government	49,296	180,016	31,438	260,750

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	20,727	21,415	21,230	20,562	20,480
Sale of goods and rendering of services	9,923	10,038	10,509	10,855	11,230
Interest	733	450	450	450	450
Net GST received	1,700	1,700	1,700	1,700	1,700
Other	3,241	3,215	2,483	2,885	3,086
Total cash received	36,324	36,818	36,372	36,452	36,946
Cash used					
Employees	14,078	14,335	14,689	15,054	15,430
Suppliers	14,137	15,270	14,466	14,168	14,286
Other	118	118	118	118	118
Total cash used	28,333	29,723	29,273	29,340	29,834
Net cash from/(used by) operating activities	7,991	7,095	7,099	7,112	7,112
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	16,030	17,687	11,845	9,247	9,426
Total cash used	16,030	17,687	11,845	9,247	9,426
Net cash from/(used by) investing activities	(16,030)	(17,687)	(11,845)	(9,247)	(9,426)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	7,980	7,821	3,155	1,701	1,715
Total cash received	7,980	7,821	3,155	1,701	1,715
Net cash from/(used by) financing activities	7,980	7,821	3,155	1,701	1,715
Net increase/(decrease) in cash held	(59)	(2,771)	(1,591)	(434)	(599)
Cash and cash equivalents at the beginning of the reporting period	16,192	16,133	13,362	11,771	11,337
Cash and cash equivalents at the end of the reporting period	16,133	13,362	11,771	11,337	10,738

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections—Bill 2	7,980	7,821	3,155	1,701	1,715
Total new capital appropriations	7,980	7,821	3,155	1,701	1,715
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	7,980	7,821	3,155	1,701	1,715
Total items	7,980	7,821	3,155	1,701	1,715
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	7,980	7,821	3,155	1,701	1,715
Funded internally from departmental resources ^(b)	8,050	9,866	8,690	7,546	7,711
TOTAL	16,030	17,687	11,845	9,247	9,426
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	16,030	17,687	11,845	9,247	9,426
Total cash used to acquire assets	16,030	17,687	11,845	9,247	9,426

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

(b) Includes sources of funding from current Bill and prior year Act 1 appropriations, donations and contributions, gifts, internally developed assets and proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2018–19)

	Land	Buildings	Other property, plant and equipment	Heritage and cultural	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018						
Gross book value	52,380	111,284	45,797	83,210	14,920	307,591
Accumulated depreciation/amortisation and impairment	-	(11,880)	(29,764)	(11,498)	(9,419)	(62,561)
Opening net book balance	52,380	99,404	16,033	71,712	5,501	245,030
Capital asset additions						
Estimated expenditure on new or replacement assets						
By purchase—appropriation equity ^(a)	-	-	5,800	2,021	-	7,821
By purchase—appropriation ordinary annual services ^(b)	-	4,157	3,500	709	1,500	9,866
Total additions	-	4,157	9,300	2,730	1,500	17,687
Other movements						
Depreciation/amortisation expense	-	(3,155)	(2,533)	(2,783)	(1,400)	(9,871)
Total other movements	-	(3,155)	(2,533)	(2,783)	(1,400)	(9,871)
As at 30 June 2019						
Gross book value	52,380	115,441	55,097	85,940	16,420	325,278
Accumulated depreciation/amortisation and impairment	-	(15,035)	(32,297)	(14,281)	(10,819)	(72,432)
Closing net book balance	52,380	100,406	22,800	71,659	5,601	252,846

(a) 'Appropriation equity' refers to equity injections appropriations provided through Bill 2 2018–19, including CDABs.

(b) 'Appropriation ordinary annual services' refers to funding provided through Bill 1 2018–19 and cash reserves for depreciation/amortisation expenses and other operational expenses.

Prepared on Australian Accounting Standards basis.

**NATIONAL FILM AND SOUND
ARCHIVE OF AUSTRALIA**

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

NATIONAL FILM AND SOUND ARCHIVE OF AUSTRALIA

- Section 1: Entity overview and resources155**
 - 1.1 Strategic direction statement 155
 - 1.2 Entity resource statement 156
 - 1.3 Budget measures..... 156

- Section 2: Outcomes and planned performance157**
 - 2.1 Budgeted expenses and performance for Outcome 1..... 158

- Section 3: Budgeted financial statements161**
 - 3.1 Budgeted financial statements 161
 - 3.2 Budgeted financial statements tables 162

NATIONAL FILM AND SOUND ARCHIVE OF AUSTRALIA

SECTION 1: ENTITY OVERVIEW AND RESOURCES

1.1 STRATEGIC DIRECTION STATEMENT

The legislative functions of the National Film and Sound Archive of Australia (NFSA) are outlined in the *National Film and Sound Archive of Australia Act 2008*. The NFSA is Australia's premier audiovisual archive and a place of engagement with Australian audiovisual production past and present.

The NFSA's mission is to collect and preserve Australian film, recorded sound, broadcast and new media, and their associated documents and artefacts, and to share the collection with audiences across Australia and overseas.

The NFSA exists to perform three vital functions:

- collect audiovisual works and associated documentation that reflect all aspects of Australian life and our diverse communities
- preserve the collection in accordance with international standards and working within our resources, to ensure permanent access
- share the collection so its stories form an ongoing part of the evolution of our culture.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the NFSA 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 NFSA's operations) classification.

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

Table 1.1: NFSA resource statement—Budget estimates for 2018–19 as at Budget May 2018

	2017–18 estimated actual \$'000	2018–19 estimate \$'000
Opening balance/cash reserves at 1 July	1,293	1,141
Funds from Government		
Annual appropriations—ordinary annual services ^(a)		
Outcome 1	24,028	23,932
Annual appropriations—other services ^(b)		
Equity injection	1,802	3,511
<i>Total annual appropriations</i>	<i>25,830</i>	<i>27,443</i>
Amounts received from related entities		
Amounts from portfolio department	280	521
Amounts from other entities	93	-
<i>Total amounts received from related entities</i>	<i>373</i>	<i>521</i>
Total funds from Government	26,203	27,964
Funds from other sources		
Sale of goods and services	700	714
Interest	467	367
Royalties	195	195
Other	237	242
Total funds from other sources	1,599	1,518
Total net resourcing for NFSA	29,095	30,623
Average staffing level (number)	164	164

(a) Appropriation Bill (No.1) 2018–19.

(b) Appropriation Bill (No.2) 2018–19.

The NFSA is not directly appropriated as it is a Corporate Commonwealth Entity. Appropriations are made to the Department of Communications and the Arts (a Non-Corporate Commonwealth Entity), which are then paid to the NFSA and are considered "departmental" for all purposes.

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

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

1.3 BUDGET MEASURES

NFSA has no budget measures in the 2018–19 Budget.

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.

The NFSA's outcome is described below together with its related program. The following provides detailed information on expenses for the outcome and program, further broken down by funding source.

Note:

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

The most recent corporate plan for the NFSA can be found at:

www.nfsa.gov.au/about/corporate-information/publications/corporate-plan.

The most recent annual performance statement can be found at:

www.nfsa.gov.au/about/corporate-information/publications/annual-reports.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Increased engagement with Australia’s audiovisual culture past and present through developing, preserving, maintaining and promoting the national audiovisual collection of historic and cultural significance.

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
Program 1.1: Collect, preserve and share the national audiovisual collection					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	24,028	23,932	23,993	24,194	24,401
Payment from related entities	373	521	550	-	-
Expenses not requiring appropriation in the budget year	7,492	7,715	7,905	8,590	8,785
Revenues from other independent sources	1,599	1,518	1,537	1,557	1,577
Total expenses for Program 1.1	33,492	33,686	33,985	34,341	34,763
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	24,028	23,932	23,993	24,194	24,401
Payment from related entities	373	521	550	-	-
Expenses not requiring appropriation in the budget year	7,492	7,715	7,905	8,590	8,785
Revenues from other independent sources	1,599	1,518	1,537	1,557	1,577
Total expenses for Outcome 1	33,492	33,686	33,985	34,341	34,763
	2017–18	2018–19			
Average staffing level (number)	164	164			

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

Outcome 1: Increased engagement with Australia’s audiovisual culture past and present through developing, preserving, maintaining and promoting the national audiovisual collection of historic and cultural significance.		
Program 1.1—Collect, preserve and share the national audiovisual collection		
Delivery		
<p>The NFSA will continue to build and maintain a unique and comprehensive collection of Australian audiovisual material. The NFSA will store the collection in an environment that sustains long-term preservation and accessibility, and actively preserve material through both analogue copying and digitisation. The NFSA will facilitate access to the collection, nationally and internationally, online and through providing a variety of public programs that promote and enhance understanding, relevance, appreciation and interpretation of the collection.</p>		
Performance information		
Year	Performance criteria ^(a)	Targets
2017–18	<p>Increase access to Australia’s national audiovisual collection for enjoyment, study and cultural and creative re-use</p> <p>Develop, manage and preserve the national audiovisual collection to the highest curatorial standards</p> <p>Provide leadership to advance the digitisation and discoverability of Australia’s digital audiovisual collections.</p> <p>Celebrate and showcase the stories of Australia’s Indigenous Peoples through the media of recorded sound, film and digital.</p>	<p>Expected to meet criterion 13,500 people participating in public programs. 20,000 students participating in school programs. 90% of teachers reporting overall positive experience. 90% of teachers reporting relevance to the classroom curriculum.</p> <p>Not expected to meet criterion ^(b) 75,000 visits to the organisation. 1,500,000 visits to the organisation’s website.</p> <p>Expected to meet criterion 60,000 acquisitions made in the reporting period. 100,000 items accessioned in the reporting period. 230 years average collection lifespan.</p> <p>Expected to meet criterion 8,000 titles preserved and made accessible.</p> <p>Not expected to meet criterion ^(c) 10% of total collection digitised.</p> <p>Expected to meet criterion Four dedicated Indigenous program elements delivered in the reporting period.</p>
2018–19	<i>Digitise the National Audiovisual Collection</i>	<p>Digitise the national audiovisual collection so that it is digitally preserved and accessible. 10,000 audiovisual collection items digitised in reporting period. Implement the NFSA Digitisation Strategy, which commits to prioritising digitisation as a core program of activity.</p>

National Film and Sound Archive Budget Statements

Performance information		
Year	Performance criteria	Targets
2018–19 continued	<p><i>Position the NFSA as the National Centre for Excellence in Audiovisual Heritage</i></p> <p><i>Build our National Profile</i></p> <p><i>Collect, preserve and share Multimedia and New Media</i></p> <p><i>Redefine our physical presence</i></p>	<p>Build the NFSA's profile and reputation as a thought leader in the field of audiovisual archiving. 200 participants in the Digital Directions conference.</p> <p>Partner with the tertiary sector, industry, collecting institutions and government to build our impact and output.</p> <p>8 partnerships.</p> <p>Establish a strong program of NFSA-branded events, providing strong links to the national audiovisual collection. 15,000 people participating in events.</p> <p>Revitalise the NFSA's program of high profile temporary exhibitions. 15,000 exhibition visitors.</p> <p>Build our digital profile and online engagement activities.</p> <p>1 million YouTube views.</p> <p>10 million Facebook users (daily reach)</p> <p>1 million visits to the website</p> <p>Update our Collection Policy to encompass multimedia and new media.</p> <p>Work with our GLAM partners across Australia to ensure a nationally coordinated approach to collecting multimedia and new media.</p> <p>Establish the NFSA as an archive of multimedia and new media content, along with more traditional formats for audiovisual content. 60,000 acquisitions in the reporting period.</p> <p>Develop a business case for a new facility for the NFSA.</p>
2019–20 and beyond	As per 2018–19	As per 2018–19
Purposes ^(d)	<p>The NFSA's purpose is to collect, preserve and share the national audiovisual collection.</p> <p>The NFSA plans to deliver on this purpose by implementing five strategic priorities (listed above as performance criteria for 2018–19) in order to future proof the audiovisual history of Australia. For further information, please see the NFSA Corporate Plan 2018–19 to 2021–22.</p>	

- (a) New or modified performance criteria that reflect new or materially changed programs are shown in italics.
- (b) Not expected to meet criterion due to the Australian Mediatheque closure and website redevelopment and legacy website deficiencies.
- (c) Not expected to meet criterion due to transition to full-scale digital preservation workflows
- (d) Refers to updated purposes that will be reflected in the 2018–19 Corporate Plan.

SECTION 3: BUDGETED FINANCIAL STATEMENTS

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of NFSA finances for the 2018–19 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Explanatory notes and analysis of budgeted financial statements

Comprehensive income statement

Total income in 2018–19 is expected to be \$29.8 million, which includes \$24.4 million of revenue from Government, \$1.5 million of own source revenue and \$3.9 million of collection gains. This is comparable to the 2017–18 estimate.

Total expenses for 2018–19 are estimated to be \$33.7 million, which is an increase of \$0.2 million from the 2017–18 estimate. Employee benefits and supplier expenses are budgeted to increase by \$0.3 million and \$0.1 million respectively. This is offset by a decrease in depreciation expense.

Budgeted departmental balance sheet

The NFSA's net assets are budgeted to be \$294.8 million at 30 June 2019. This comprises mainly of the NFSA's heritage and cultural collection. This is independently valued on a regular basis. Depreciation is also incurred on the collection and is determined based on estimated useful lives.

An equity injection of \$3.5 million will be received in 2018–19 for investment in the collection and property, plant and equipment.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
EXPENSES					
Employee benefits	16,396	16,716	17,042	17,375	17,737
Suppliers	7,710	7,842	7,977	8,114	8,254
Depreciation and amortisation	9,386	9,128	8,966	8,852	8,772
Total expenses	33,492	33,686	33,985	34,341	34,763
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	700	714	728	743	758
Interest	467	367	367	367	367
Royalties	195	195	195	195	195
Other	610	763	797	252	257
Total own-source revenue	1,972	2,039	2,087	1,557	1,577
Gains					
Other	3,870	3,870	3,870	3,870	3,870
Total gains	3,870	3,870	3,870	3,870	3,870
Total own-source income	5,842	5,909	5,957	5,427	5,447
Net cost of services	(27,650)	(27,777)	(28,028)	(28,914)	(29,292)
Revenue from Government	24,028	23,932	23,993	24,194	24,401
Surplus/(deficit) attributable to the Australian Government	(3,622)	(3,845)	(4,035)	(4,720)	(4,915)
Total comprehensive income/(loss)	(3,622)	(3,845)	(4,035)	(4,720)	(4,915)
Total comprehensive income/(loss) attributable to the Australian Government	(3,622)	(3,845)	(4,035)	(4,720)	(4,915)
Note: Impact of net cash appropriation arrangements					
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	2,073	1,850	1,660	975	780
less heritage and cultural depreciation expenses previously funded through revenue appropriations ^(a)	5,695	5,695	5,695	5,695	5,695
Total comprehensive income/(loss)—as per the Statement of comprehensive income	(3,622)	(3,845)	(4,035)	(4,720)	(4,915)

(a) From 2009-10, the Government replaced Bill 1 revenue appropriations for the heritage and cultural depreciation expenses of designated Collection Institutions, with a separate capital budget (the Collection Development Acquisition Budget (CDABs)) provided through Bill 2 equity appropriations. For information regarding CDAB, please refer to Table 3.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,141	1,348	1,699	1,251	528
Trade and other receivables	186	186	186	186	186
Other investments	6,000	4,000	3,000	2,000	1,000
Total financial assets	7,327	5,534	4,885	3,437	1,714
Non-financial assets					
Land and buildings	32,590	33,683	32,268	30,853	29,438
Property, plant and equipment	6,814	7,544	6,758	5,792	4,826
Heritage and cultural assets	250,889	250,867	250,846	250,833	250,826
Intangibles	1,348	1,006	826	760	774
Inventories	583	583	583	583	583
Prepayments	76	76	76	76	76
Other non-financial assets	441	441	441	441	441
Total non-financial assets	292,741	294,200	291,798	289,338	286,964
Total assets	300,068	299,734	296,683	292,775	288,678
LIABILITIES					
Payables					
Suppliers	948	948	948	948	948
Other payables	158	158	158	158	158
Total payables	1,106	1,106	1,106	1,106	1,106
Provisions					
Employee provisions	3,669	3,669	3,669	3,669	3,669
Other provisions	198	198	198	198	198
Total provisions	3,867	3,867	3,867	3,867	3,867
Total liabilities	4,973	4,973	4,973	4,973	4,973
Net assets	295,095	294,761	291,710	287,802	283,705
EQUITY					
Contributed equity	219,372	222,883	223,867	224,679	225,496
Reserves	68,556	68,556	68,556	68,556	68,556
Retained surplus (accumulated deficit)	7,167	3,322	(713)	(5,433)	(10,348)
Total equity	295,095	294,761	291,710	287,802	283,705

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity—summary of movement (Budget year 2018–19)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	7,167	68,556	219,372	295,095
Adjusted opening balance	7,167	68,556	219,372	295,095
Comprehensive income				
Deficit for the period	(3,845)	-	-	(3,845)
Total comprehensive income	(3,845)	-	-	(3,845)
Contributions by owners				
Equity injection—Appropriation	-	-	3,511	3,511
Sub-total transactions with owners	-	-	3,511	3,511
Estimated closing balance as at 30 June 2019	3,322	68,556	222,883	294,761
Closing balance attributable to the Australian Government	3,322	68,556	222,883	294,761

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	24,028	23,932	23,993	24,194	24,401
Receipts from Government	373	521	550	-	-
Sale of goods and rendering of services	776	786	803	817	834
Interest	467	367	367	367	367
Royalties	215	215	215	215	215
Net GST received	769	784	798	811	825
Other	236	242	247	251	256
Total cash received	26,864	26,847	26,973	26,655	26,874
Cash used					
Employees	16,403	16,716	17,042	17,375	17,713
Suppliers	8,232	8,627	8,777	8,925	9,079
Net GST Paid	90	91	93	93	95
Total cash used	24,635	25,343	25,819	26,300	26,792
Net cash from operating activities	2,142	1,413	1,061	262	(13)
INVESTING ACTIVITIES					
Cash received					
Investments	-	2,000	1,000	1,000	1,000
Total cash received	-	2,000	1,000	1,000	1,000
Cash used					
Purchase of property, plant and equipment and intangibles	4,096	6,717	2,694	2,522	2,528
Total cash used	4,096	6,717	2,694	2,522	2,528
Net cash from/(used by) investing activities	(4,096)	(4,717)	(1,694)	(1,522)	(1,528)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	1,802	3,511	984	812	818
Total cash received	1,802	3,511	984	812	818
Net cash from/(used by) financing activities	1,802	3,511	984	812	818
Net increase/(decrease) in cash held	(152)	207	351	(448)	(723)
Cash and cash equivalents at the beginning of the reporting period	1,293	1,141	1,348	1,699	1,251
Cash and cash equivalents at the end of the reporting period	1,141	1,348	1,699	1,251	528

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections—Bill 2	1,802	3,511	984	812	818
Total new capital appropriations	1,802	3,511	984	812	818
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	<i>1,802</i>	<i>3,511</i>	<i>984</i>	<i>812</i>	<i>818</i>
Total items	1,802	3,511	984	812	818
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	806	4,507	984	812	818
Funded internally from departmental resources ^(b)	7,160	6,080	5,580	5,580	5,580
TOTAL	7,966	10,587	6,564	6,392	6,397
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	7,966	10,587	6,564	6,392	6,398
less gifted assets	(3,870)	(3,870)	(3,870)	(3,870)	(3,870)
Total cash used to acquire assets	4,096	6,717	2,694	2,522	2,528

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

(b) Includes sources of funding from current Bill and prior year Act 1 appropriations, donations and contributions, gifts, internally developed assets and proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2018–19)

	Land	Buildings	Other property, plant and equipment	Heritage and cultural	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018						
Gross book value	6,050	29,763	9,871	261,887	4,832	312,403
Accumulated depreciation/amortisation and impairment	-	(3,223)	(3,057)	(10,998)	(3,484)	(20,762)
Opening net book balance	6,050	26,540	6,814	250,889	1,348	291,641
Capital asset additions						
Estimated expenditure on new or replacement assets						
By purchase—appropriation equity ^(a)	-	2,708	996	803	-	4,507
By purchase—appropriation ordinary annual services ^(b)	-	-	1,000	1,000	210	2,210
Assets received as gifts/donations	-	-	-	3,870	-	3,870
Total additions	-	2,708	1,996	5,673	210	10,587
Other movements						
Depreciation/amortisation expense	-	(1,615)	(1,266)	(5,695)	(552)	(9,128)
Total other movements	-	(1,615)	(1,266)	(5,695)	(552)	(9,128)
As at 30 June 2019						
Gross book value	6,050	32,471	11,867	267,560	5,042	322,990
Accumulated depreciation/amortisation and impairment	-	(4,838)	(4,323)	(16,693)	(4,036)	(29,890)
Closing net book balance	6,050	27,633	7,544	250,867	1,006	293,100
Estimated operating expenditure in income statement for heritage and cultural assets						\$'000
Operations and Maintenance						3,070
Preservation and Conservation						5,845
Total operating expenditure on heritage and cultural assets						8,915

(a) 'Appropriation equity' refers to equity injections appropriations provided through Bill 2 2018–19, including CDABs.

(b) 'Appropriation ordinary annual services' refers to funding provided through Bill 1 2018–19 for depreciation/amortisation expenses and other operational expenses.

Prepared on Australian Accounting Standards basis.

NATIONAL GALLERY OF AUSTRALIA

ENTITY RESOURCES AND PLANNED PERFORMANCE

NATIONAL GALLERY OF AUSTRALIA

Section 1: Entity overview and resources	173
1.1 Strategic direction statement	173
1.2 Entity resource statement	175
1.3 Budget measures.....	176
Section 2: Outcomes and planned performance.....	177
2.1 Budgeted expenses and performance for Outcome 1.....	178
Section 3: Budgeted financial statements	182
3.1 Budgeted financial statements.....	182
3.2 Budgeted financial statements tables	183

NATIONAL GALLERY OF AUSTRALIA

SECTION 1: ENTITY OVERVIEW AND RESOURCES

1.1 STRATEGIC DIRECTION STATEMENT

The National Gallery of Australia (NGA) is Australia's flagship visual arts gallery. As Australia's leading visual arts institution, the NGA is recognised as the heart of the nation's visual culture, representing Australia's people, its ideas and aesthetic expression, its histories and broader relationship to the world, as expressed through its art. It is also distinct in two important ways: the role it plays in the service of all Australians through its extensive touring exhibition and collection loan programs and, secondly, its cultural diplomacy role in support of the Government's international priorities.

Vision

To inspire all Australians through the national art collection.

Mission

To enrich peoples' lives through engagement with the art of Australia, the art of our region and the great art movements of the 20th and 21st centuries.

Functions

The *National Gallery of Australia Act (1975)* expresses the functions of the NGA as being to:

- develop and maintain a national collection of works of art
- exhibit, or make available for exhibition by others, works of art from the national collection or works of art that are otherwise in possession of the NGA
- use every endeavour to make the most advantageous use of the national collection in the national interest.

The NGA's ongoing strategic priorities are outlined in Section 2 under the headings: *Collections and Exhibitions*; *Audiences and Engagement*; and *Partnerships and Sustainability*.

In the year ahead, the NGA will reinvigorate its position and role in South East Asia with a strategy to send for display some of the best art from Australia to Asia. We will also seek to bring some of the best contemporary art of the region to Australia. Renewed collecting of the art of South East Asia will focus on contemporary art, artistic residency and collection engagement. A new major biennale exhibition event focussing on a deep engagement with a single country in the region every two years, commencing with Indonesia in 2019 will be launched. In partnership with the NGA's Indigenous Arts Partner, Wesfarmers Arts, the NGA will advance planning of the first comprehensive survey exhibition of two centuries of Indigenous Art to tour Asia. The Wesfarmers Indigenous Arts partnership will continue with the development of a new global platform for the sharing of Indigenous visual art and associated content.

National Gallery of Australia Budget Statements

In the year ahead the NGA will continue to present exhibitions of its own collections (and collecting history), exhibitions that throw light on the trajectory of Australian art and experience, and blockbuster exhibitions which bring global masterpieces to Australia.

In the year ahead the NGA will launch a 3 year Arts Education Strategy expanding the range of content provided, matched to school curriculum studies and linked to the national collection. This strategy will further support the national leadership role of the Gallery in respect of Arts Education and collection touring initiatives. The NGA Play children and family gallery and associated children's art activities throughout the year will continue to be developed as a much loved beacon for visitors – supported by a renewed vision which supports young Australians to connect with the national art collection.

A further focus of the year ahead is the prioritisation of contemporary art in the NGA's acquisition, collection display and public programming strategies, ensuring that engaging with art and living artists activates the NGA building and programs.

Opportunity and Challenges

Key priorities include the sustainability and financial risk management of the Summer blockbuster, major and touring exhibitions. The exhibition and collection display program of the NGA has been hugely successful in drawing larger numbers of people to Canberra, and reaching diverse regional audiences, with extremely high satisfaction levels. Significant opportunity exists to continue to grow audiences through popular and active programming, including student engagement through our tailored curriculum content. While the Gallery must continue to reduce its operational expenses, the pressures of rising salary and supplier costs, particularly freight and storage costs, represents a significant challenge for the NGA's continued service levels both in Canberra and across Australia.

The national and international demand for access to Australia's national collection is growing with more and more NGA artworks loaned to partner institutions each year. The NGA is experiencing difficulties in servicing this growth while also delivering a full program in the nation's capital. Consequently, in the year ahead a cap on the number of loan requests serviced and the maximum of works per request will be imposed, reducing the number of works being loaned, but not reducing the number of institutions where works are loaned.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the NGA 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 NGA's operations) classification.

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

Table 1.1: NGA resource statement—Budget estimates for 2018–19 as at Budget May 2018

	<i>2017–18 estimated actual \$'000</i>	2018–19 estimate \$'000
Opening balance/cash reserves at 1 July	-	-
Funds from Government		
Annual appropriations—ordinary annual services ^(a)		
Outcome 1	30,787	30,610
Annual appropriations—other services ^(b)		
Equity injection	16,628	22,669
<i>Total annual appropriations</i>	<i>47,415</i>	<i>53,279</i>
Amounts from portfolio department	400	665
<i>Total amounts received from related entities</i>	<i>400</i>	<i>665</i>
Total funds from Government	47,815	53,944
Funds from other sources		
Sale of goods and services	9,401	9,495
Interest	385	385
Dividends	150	150
Industry contributions	10,000	10,000
Other	2,000	2,000
Total funds from other sources	21,936	22,030
Total net resourcing for Entity NGA	69,751	75,974
	<i>2017–18</i>	2018–19
Average staffing level (number)	217	217

(a) Appropriation Bill (No.1) 2018–19

(b) Appropriation Bill (No.2) 2018–19

The NGA is not directly appropriated as it is a Corporate Commonwealth Entity. Appropriation are made to the Department of Communications and the Arts (a Non-Corporate Commonwealth Entity), which are then paid to the NGA and are considered "departmental" for all purposes.

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

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

1.3 BUDGET MEASURES

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

Table 1.2: Entity 2018–19 Budget measures

Part 1: Measures announced since the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Capital measures						
National Gallery of Australia - additional capital funding	1.1					
Departmental capital		-	6,064	5,183	5,307	-
Total		-	6,064	5,183	5,307	-
Total measures						
Departmental		-	6,064	5,183	5,307	-
Total		-	6,064	5,183	5,307	-

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

SECTION 2: OUTCOMES AND PLANNED PERFORMANCE

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

NGA's 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 National Gallery of Australia can be found at:
<https://nga.gov.au/aboutus/download/2017-18ngacorporateplan.pdf>

The most recent annual performance statement can be found at:
https://nga.gov.au/aboutus/reports/nga_ar_16-17.pdf.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Increased understanding, knowledge and enjoyment of the visual arts by providing access to, and information about, works of art locally, nationally and internationally.

Budgeted expenses for Outcome 1

This table shows how much the NGA 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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019– 20 Forward estimate \$'000	2020– 21 Forward estimate \$'000	2021– 22 Forward estimate \$'000
Program 1.1: Collection Development, management, access and promotion					
Revenue from Government Ordinary annual services (Appropriation Bill No. 1)	30,787	30,610	30,562	30,792	31,008
Expenses not requiring appropriation in the budget year	20,280	20,280	20,280	20,280	20,280
Revenues from other independent sources	22,336	22,695	22,852	22,550	22,535
Total expenses for Program 1.1	73,403	73,585	73,694	73,622	73,823
Outcome 1 totals by resource type					
Revenue from Government Ordinary annual services (Appropriation Bill No. 1)	30,787	30,610	30,562	30,792	31,008
Expenses not requiring appropriation in the budget year	20,280	20,280	20,280	20,280	20,280
Revenues from other independent sources	22,336	22,695	22,852	22,550	22,535
Total expenses for Outcome 1	73,403	73,585	73,694	73,622	73,823
	2017– 18	2018– 19			
Average staffing level (number)	217	217			

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

Outcome 1—Increased understanding, knowledge and enjoyment of the visual arts by providing access to, and information about, works of art locally, nationally and internationally.		
Program 1.1—Collection development, management, access and promotion		
The NGA aims to build and maintain an outstanding national collection of works of art, providing access locally, nationally and internationally		
Delivery		
Program 1.1 will be achieved through the ongoing development of the national collection and delivery of inspirational exhibitions, supported by research, scholarship, education and public programs.		
Performance information		
Year	Performance criteria ^(a)	Targets
2017–18	<p>Engage, educate and inspire—continue to increase engagement with national and international visitors through innovative exhibitions and programs that are accessed in a variety of ways.</p> <p>Collect, share and digitise—build and maintain a rich national collection for future generations of Australians to enjoy and learn from.</p>	<p>Expected to meet criterion</p> <p>700,000 number of visits to the organisation.</p> <p>1,450,000 number of visits to the organisation’s website.</p> <p>90% of visitors who were satisfied or very satisfied with their visit.</p> <p>70,000 people participating in public programs.</p> <p>75,000 students participating in school programs.</p> <p>1,500 educational institutions participating in organised school learning programs.</p> <p>95% of teachers reporting overall positive experience.</p> <p>90% of teachers reporting relevance to the classroom curriculum.</p> <p>Expected to meet criterion</p> <p>900 acquisitions (made in the reporting period).</p> <p>900 objects accessioned (in the reporting period).</p> <p>99% of the total collection available to the public online.</p> <p>62% of the total collection digitised.</p> <p>3,000,000 number of visitors to exhibition that include works from the national collection.</p> <p>248,000 number of visitors to travelling exhibitions.</p> <p>1,300 works of art loaned.</p> <p>2,400 works of art subjected to conservation treatment.</p>

National Gallery of Australia Budget Statements

Performance information		
Year	Performance criteria ^(a)	Targets
2018–19	<p>NGA: Collections and Exhibitions: Build and share Australia’s national collection of art. Present compelling, relevant exhibitions.</p> <ul style="list-style-type: none"> Develop and exhibit the collection with a focus on the Art of Australia, the Art of our region and the great art movements of our time. Present major exhibitions with broad appeal, concentrating on a Summer blockbuster show. Develop the Contemporary Worlds exhibition series supporting Australia’s foreign affairs priorities through deeper engagement with nations in South East Asia. <p>Audiences and Engagement Engage broad and diverse people with art and ideas.</p> <ul style="list-style-type: none"> Enrich peoples’ lives through exceptional programs and online experiences. Provide people with life-long learning and connection through NGA Educational initiatives, NGA Play, and regional programs. Engage with diverse people and communities, providing access to all Australians to the national collection <p>Partnerships and Sustainability Build a community of government and non-government partners to support organisational capability and sustainability.</p> <ul style="list-style-type: none"> Develop a strong national and international community of philanthropic and corporate supporters. Develop non-government revenue through commercial operations, sponsorship, grants, corporate and private patrons and partners. Celebrate and showcase the NGA community of supporters and partners. 	<p>Number of people who viewed an NGA work of art in person. Target: 3,000,000</p> <p>Visitors to major exhibitions satisfaction level Target: 90%</p> <p>Total number of NGA travelling exhibition venues, capital city, regional, international Total Target: 25 venues</p> <p>Value of art acquisitions Target: \$8—\$10 million</p> <p>Visits to NGA onsite. Target: 750,000</p> <p>Visits to NGA exhibition partner venues Target: 150,000</p> <p>Onsite NGA visitor satisfaction level. Target: 90%</p> <p>Participation in NGA programs (education & public—onsite) Target: 180,000 (education & public—partner venues) Target: 40,000</p> <p>Website visits Target: 1,000,000</p> <p>Social media followers Target: 125,000</p> <p>Social media views/likes/reach Target: 1,000,000</p> <p>Non-Government revenue as a percentage of total revenue 35%</p> <p>Value of gifted works of art. Target: \$2-4 million</p>

National Gallery of Australia Budget Statements

Performance information		
Year	Performance criteria ^(a)	Targets
2019–20 and beyond	<i>As per 2018–19</i>	<i>As per 2018–19</i>
Purposes	<p>The functions of the NGA are prescribed in its enabling legislation, <i>the National Gallery Act 1975</i>, which requires the NGA to:</p> <ul style="list-style-type: none"> • Develop and maintain a national collection of works of art • Exhibit, or make available for exhibition by others, works of art from the national collection or works of art that are in the possession of the Gallery • Use every endeavour to make the most advantageous use of the national collection in the national interest. 	

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

SECTION 3: BUDGETED FINANCIAL STATEMENTS

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of NGA finances for the 2018–19 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Explanatory notes and analysis of budgeted financial statements

Comprehensive income statement

The net cost of services for the NGA is expected to be \$49.2 million in 2018–19.

Total revenue is expected to be \$55.8 million for 2018–19, a reduction of \$0.6 million from the estimate in 2017–18. This reduction is primarily due to more conservative estimates of donations to be received by the NGA.

Total expenditure is expected to be \$74.4 million for 2018–19, which is broadly consistent with the estimate in 2017–18.

Budgeted departmental balance sheet

The NGA's total assets are budgeted to be \$6.3 billion in 2018–19. This value mainly comprises the NGA's collection of heritage and cultural assets.

The NGA will receive an equity injection of \$16.7 million in 2018–19 for the collection, development and acquisition functions with regards to the NGA permanent collection (see Table 3.5 Department Capital Budget Statement).

The NGA will receive additional capital funding of \$16.6 million over three years for capital works required to the NGA premises in Parkes, in the Australian Capital Territory.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
EXPENSES					
Employee benefits	18,821	18,937	18,937	18,781	20,700
Suppliers	25,037	25,547	25,093	24,796	24,804
Depreciation and amortisation	30,280	29,836	30,399	30,835	30,386
Write-down and impairment of assets	50	50	50	-	100
Other expenses	5	5	5	-	50
Total expenses	74,193	74,375	74,484	74,412	76,040
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	9,401	9,495	9,495	9,500	9,500
Interest	385	385	385	400	385
Dividends	150	150	150	150	150
Industry Contributions	10,000	10,000	10,000	10,000	10,000
Other	2,400	2,665	2,822	2,500	2,500
Total own-source revenue	22,336	22,695	22,852	22,550	22,535
Gains					
Other	2,500	2,500	2,500	2,500	2,500
Total gains	2,500	2,500	2,500	2,500	2,500
Total own-source income	24,836	25,195	25,352	25,050	25,035
Net (cost of)/contribution by services	(49,357)	(49,180)	(49,132)	(49,362)	(51,005)
Revenue from Government	30,787	30,610	30,562	30,792	31,016
Surplus/(deficit) attributable to the Australian Government	(18,570)	(18,570)	(18,570)	(18,570)	(19,989)
Total comprehensive income/(loss)	(18,570)	(18,570)	(18,570)	(18,570)	(19,989)
Total comprehensive income/(loss) attributable to the Australian Government	(18,570)	(18,570)	(18,570)	(18,570)	(19,989)

Note: Impact of net cash appropriation arrangements

Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations less heritage and cultural depreciation expenses previously funded through revenue appropriations ^(a)	-	-	-	-	-
Total comprehensive income/(loss)—as per the Statement of comprehensive income	(18,570)	(18,570)	(18,570)	(18,570)	(19,989)

(a) From 2009-10, the Government replaced Bill 1 revenue appropriations for the heritage and cultural depreciation expenses of designated Collection Institutions, with a separate capital budget (the Collection Development Acquisition Budget (CDABs)) provided through Bill 2 equity appropriations. For information regarding CDAB, please refer to Table 3.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	9,723	9,723	9,723	9,723	9,723
Trade and other receivables	1,223	1,223	1,223	1,223	1,223
Other investments	2,632	2,632	2,632	2,632	2,632
Total financial assets	13,578	13,578	13,578	13,578	13,578
Non-financial assets					
Land and buildings	306,513	312,640	317,886	317,193	311,193
Property, plant and equipment	2,653	2,653	2,653	1,753	953
Heritage and cultural assets	5,982,538	5,980,707	5,978,441	5,975,966	5,989,799
Intangibles	510	447	384	319	113
Other non-financial assets	362	362	362	362	362
Total non-financial assets	6,292,576	6,296,809	6,299,726	6,295,593	6,302,420
Total assets	6,306,154	6,310,387	6,313,304	6,309,171	6,315,998
LIABILITIES					
Payables					
Suppliers	2,033	2,167	1,738	1,738	1,738
Total payables	2,033	2,167	1,738	1,738	1,738
Provisions					
Employee provisions	5,070	5,070	5,070	5,070	5,070
Other provisions	1,749	1,749	1,749	1,749	1,749
Total provisions	6,819	6,819	6,819	6,819	6,819
Total liabilities	8,852	8,986	8,557	8,557	8,557
Net assets	6,297,302	6,301,401	6,304,747	6,300,614	6,307,441
EQUITY					
Contributed equity	316,235	338,904	360,820	383,022	400,049
Reserves	5,384,135	5,384,135	5,384,135	5,384,135	5,393,924
Retained surplus (accumulated deficit)	596,932	578,362	559,792	533,457	513,468
Total equity	6,297,302	6,301,401	6,304,747	6,300,614	6,307,441

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity—summary of movement (Budget year 2018–19)

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	596,932	5,384,135	316,235	6,297,302
Adjusted opening balance	596,932	5,384,135	316,235	6,297,302
Comprehensive income				
Surplus/(deficit) for the period	(18,570)	-	-	(18,570)
Total comprehensive income	(18,570)	-	-	(18,570)
Contributions by owners				
Equity injection—Appropriation	-	-	22,669	22,669
Sub-total transactions with owners	-	-	22,669	22,669
Estimated closing balance as at 30 June 2019	578,362	5,384,135	338,904	6,301,401
Closing balance attributable to the Australian Government	578,362	5,384,135	338,904	6,301,401

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	31,187	31,275	31,384	31,292	31,508
Sale of goods and rendering of services	9,396	9,490	9,490	9,500	9,450
Interest	385	385	385	400	385
Dividends	150	150	150	150	150
Other	12,000	12,000	12,000	12,000	12,000
Total cash received	53,118	53,300	53,409	53,342	53,493
Cash used					
Employees	18,821	18,937	18,937	18,781	20,700
Suppliers	25,364	25,463	25,572	24,796	24,896
Total cash used	44,185	44,400	44,509	43,577	45,596
Net cash from/(used by) operating activities	8,933	8,900	8,900	9,765	7,897
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	23,561	29,569	28,850	28,974	22,907
Total cash used	23,561	29,569	28,850	28,974	22,907
Net cash from/(used by) investing activities	(23,561)	(28,569)	(28,850)	(28,974)	(22,907)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	16,628	22,669	21,950	22,202	17,010
Total cash received	16,628	22,669	21,950	22,202	17,010
Cash used					
Other	2,000	2,000	2,000	2,993	2,000
Total cash used	2,000	2,000	2,000	2,993	2,000
Net cash from/(used by) financing activities	14,628	20,669	19,950	19,209	15,010
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	9,723	9,723	9,723	9,723	9,723
Cash and cash equivalents at the end of the reporting period	9,723	9,723	9,723	9,723	9,723

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections—Bill 2	16,628	22,669	16,767	16,895	17,010
Total new capital appropriations	16,628	22,669	16,767	16,895	17,010
Provided for:					
Purchase of non-financial assets	16,628	22,669	16,767	16,895	17,010
Total items	16,628	22,669	16,767	16,895	17,010
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	16,628	22,669	21,950	22,020	17,010
Funded internally from departmental resources ^(b)	11,400	11,400	11,400	4,500	10,397
TOTAL	28,028	34,069	33,350	26,520	27,407
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	28,028	34,069	33,350	26,520	27,407
Total cash used to acquire assets	28,028	34,069	33,350	26,520	27,407

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

(b) Includes sources of funding from current Bill and prior year Act 1 appropriations, donations and contributions, gifts, internally developed assets and proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2018–19)

	Land	Buildings	Other property, plant and equipment	Heritage and cultural	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018						
Gross book value	19,275	296,798	9,274	6,029,463	3,408	6,358,218
Accumulated depreciation/amortisation and impairment	-	(9,560)	(6,621)	(46,925)	(2,898)	(66,004)
Opening net book balance	19,275	287,238	2,653	5,982,538	510	6,292,214
Capital asset additions						
Estimated expenditure on new or replacement assets						
By purchase—appropriation equity ^(a)	-	6,064	-	16,605	-	22,669
By purchase—appropriation ordinary annual services ^(b)	-	6,000	900	-	-	6,900
Assets received as gifts/donations	-	-	-	4,500	-	4,500
Total additions	-	12,064	900	21,105	-	34,069
Other movements						
Depreciation/amortisation expense	-	(5,937)	(900)	(22,936)	(63)	(29,836)
Total other movements	-	(5,937)	(900)	(22,936)	(63)	(29,836)
As at 30 June 2019						
Gross book value	19,275	308,862	10,174	6,050,568	3,408	6,392,287
Accumulated depreciation/amortisation and impairment	-	(15,497)	(7,521)	(69,861)	(2,961)	(95,840)
Closing net book balance	19,275	293,365	2,653	5,980,707	447	6,296,447

	\$'000
Estimated operating expenditure in income statement for heritage and cultural assets	
Operations and Maintenance	6,900
Preservation and Conservation	22,936
Total operating expenditure on heritage and cultural assets	29,836

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2018–19, including CDABs.

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2018–19 for depreciation/amortisation expenses, DCBs or other operational expenses.

Prepared on Australian Accounting Standards basis.

NATIONAL LIBRARY OF AUSTRALIA

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

NATIONAL LIBRARY OF AUSTRALIA

Section 1: Entity overview and resources	193
1.1 Strategic direction statement	193
1.2 Entity resource statement	194
1.3 Budget measures.....	195
Section 2: Outcomes and planned performance.....	196
2.1 Budgeted expenses and performance for Outcome 1.....	197
Section 3: Budgeted financial statements	199
3.1 Budgeted financial statements.....	199
3.2 Budgeted financial statements tables	200

NATIONAL LIBRARY OF AUSTRALIA

SECTION 1: ENTITY OVERVIEW AND RESOURCES

1.1 STRATEGIC DIRECTION STATEMENT

The functions of the National Library of Australia (NLA), as defined in the *National Library Act 1960*, are to:

- maintain and develop a national collection of library material, including a comprehensive collection of library material relating to Australia and the Australian people
- make library material in the national collection available
- make available such other services in relation to library matters and library material as determined by the NLA Council
- cooperate in library matters with authorities or persons, whether in Australia or elsewhere, concerned with library matters.

The NLA's objective is to ensure that all Australians can access, enjoy and learn from a national collection that documents Australian life and society. The NLA is committed to providing open access to the national collection and its online services. Australians – whoever they are and wherever they live – should be able to easily discover and obtain the information they are seeking and to engage with rich digital content to support their lifelong learning.

The NLA actively supports creative and intellectual endeavour and the dissemination of knowledge, ideas and information. The NLA has a strong national focus in its outlook, services, products and activities and takes a leadership role in sharing expertise and coordinating key projects across the research, collecting and cultural sectors.

1.3 BUDGET MEASURES

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

Table 1.2: NLA 2018–19 Budget measures

Part 1: Measures announced since the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Expense measures						
250th Anniversary of James Cook's Voyage - commemoration ^(a)						
	1.1					
	Departmental expenses	-	-	-	-	-
	Total	-	-	-	-	-
Total expense measures						
	Departmental	-	-	-	-	-
	Total	-	-	-	-	-

(a) This measure provides revenue to NLA of \$0.900 million in 2017–18; \$2.728 million in 2018–19; \$0.499 million in 2019–20; and \$0.503 million in 2020–21. Provision for this funding was included in the Contingency Reserve.

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

SECTION 2: OUTCOMES AND PLANNED PERFORMANCE

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the 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 NLA can be found at:
www.nla.gov.au/corporate-documents/corporate-plans.

The most recent annual performance statement can be found at:
www.nla.gov.au/corporate-documents/annual-report/2016-2017.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Enhanced learning, knowledge creation, enjoyment and understanding of Australian life and society by providing access to a national collection of library material.

Budgeted expenses for Outcome 1

This table shows how much the NLA 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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
Program 1.1: National Library of Australia					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	52,736	54,657	52,557	47,537	47,142
Payment from related entities	550	550	550	550	550
Expenses not requiring appropriation in the budget year	11,644	11,745	11,845	12,284	12,241
Revenues from other independent sources	11,573	11,038	9,878	9,638	9,638
Total expenses for Program 1.1	76,503	77,990	74,830	70,009	69,571
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	52,736	54,657	52,557	47,537	47,142
Payment from related entities	550	550	550	550	550
Expenses not requiring appropriation in the budget year	11,644	11,745	11,845	12,284	12,241
Revenues from other independent sources	11,573	11,038	9,878	9,638	9,638
Total expenses for Outcome 1	76,503	77,990	74,830	70,009	69,571
	2017–18	2018–19			
Average staffing level (number)	383	371			

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

Outcome 1—Enhanced learning, knowledge creation, enjoyment and understanding of Australian life and society by providing access to a national collection of library material		
Program 1.1—National Library of Australia		
Delivery		
The NLA program is delivered in the following ways:		
<ul style="list-style-type: none"> • Through collecting, describing and preserving a comprehensive national collection—in print and digital forms—relating to Australia and the Australian people • By connecting with communities through onsite and online program • By building and maintaining national collections infrastructure, sharing expertise and collaborating across sectors. 		
Performance information		
Year	Performance criteria	Targets
2017–18	<p>Rich, diverse national collection relevant to Australians</p> <p>National reach</p> <p>Trusted as a leader and partner by relevant stakeholders</p>	<p>Expected to meet criterion 31,000 Australian published materials collected, including digital</p> <p>Expected to meet criterion 18 million participants engaging with the Library</p> <p>Expected to meet criterion 88% of stakeholders that identify NLA as a trusted leader</p>
2018–19	<p>Maintain and develop a comprehensive national collection of library material relating to Australia</p> <p>National reach</p> <p>Trusted as a collaborator by relevant stakeholders</p>	<p>33,000 Australian published materials collected, including digital</p> <p>18.5 million online engagements with the Library</p> <p>90% of stakeholders that identify NLA as a trusted collaborator</p>
2019–20 and beyond	As per 2018–19	As per 2018–19
Purposes	<ul style="list-style-type: none"> • Collect today what will be important tomorrow • Connect with communities and connect communities with their national collections • Collaborate with others to maximize the national impact of cultural collections. 	

SECTION 3: BUDGETED FINANCIAL STATEMENTS

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of NLA's finances for the 2018–19 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Explanatory notes and analysis of budgeted financial statements

The NLA is budgeting for an operating surplus of \$0.4 million in 2018–19 after adjusting for unfunded heritage and cultural depreciation previously funded through revenue appropriation.

Total budgeted income for 2018–19 is estimated to be \$67.3 million. Of total income, revenue from Government comprises \$54.7 million which is an increase of \$1.9 million compared to 2017–18. The increase reflects:

- \$2.7 million of additional funding received (an increase of \$1.8 million compared to 2017–18): for the 250th anniversary of the Cook's first Pacific voyage;
- \$0.5 million of additional funding from the Public Sector Modernisation Fund – Agency Sustainability Stream to support innovation, productivity improvements; and
- the net impact of parameter and efficiency dividend of (\$0.4 million).

Own-source revenue is planned to be \$0.5 million lower than 2017–18 mainly due to a lower estimate on sales of goods and services.

Total budgeted operating expenses for 2018–19 are estimated to be \$78.0 million, an increase of \$1.5 million from the 2017–18 estimated actual attributable to additional funding provided for the Cook anniversary.

Budgeted departmental balance sheet

The NLA's total assets are estimated to be \$1.7 billion at 30 June 2019. This value mainly comprises of the collection of heritage and cultural assets. The NLA will receive an equity injection of \$9.5 million in 2018–19 for the acquisition of heritage and cultural assets (see Table 3.5 Departmental Capital Budget Statement).

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
EXPENSES					
Employee benefits	36,601	35,074	34,276	33,757	33,757
Suppliers	18,616	21,510	18,953	14,498	13,960
Grants	796	731	731	731	731
Depreciation and amortisation	20,350	20,555	20,760	20,913	21,013
Write-down and impairment of assets	140	120	110	110	110
Total expenses	76,503	77,990	74,830	70,009	69,571
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	8,810	7,931	7,781	7,781	7,781
Interest	1,045	1,015	805	730	730
Royalties	41	35	35	35	35
Other	1,677	2,057	1,257	1,092	1,092
Total own-source revenue	11,573	11,038	9,878	9,638	9,638
Gains					
Other	1,595	1,595	1,595	1,595	1,595
Total gains	1,595	1,595	1,595	1,595	1,595
Total own-source income	13,168	12,633	11,473	11,233	11,233
Net (cost of)/contribution by services	(63,335)	(65,357)	(63,357)	(58,776)	(58,338)
Revenue from Government	52,736	54,657	52,557	47,537	47,142
Surplus/(deficit) attributable to the Australian Government	(10,599)	(10,700)	(10,800)	(11,239)	(11,196)
Total comprehensive income/(loss)	(10,599)	(10,700)	(10,800)	(11,239)	(11,196)
Total comprehensive income/(loss) attributable to the Australian Government	(10,599)	(10,700)	(10,800)	(11,239)	(11,196)
Note: Impact of net cash appropriation arrangements					
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	401	400	400	61	204
less heritage and cultural depreciation expenses previously funded through revenue appropriations ^(a)	11,000	11,100	11,200	11,300	11,400
Total comprehensive income/(loss)—as per the Statement of comprehensive income	(10,599)	(10,700)	(10,800)	(11,239)	(11,196)

(a) From 2009-10, the Government replaced Bill 1 revenue appropriations for the heritage and cultural depreciation expenses of designated Collection Institutions, with a separate capital budget (the Collection Development Acquisition Budget (CDABs)) provided through Bill 2 equity appropriations. For information regarding CDAB, please refer to Table 3.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	4,977	5,968	6,111	6,072	4,408
Trade and other receivables	1,294	1,294	1,294	1,294	1,294
Other investments	39,708	38,708	34,708	31,708	31,708
Other financial assets	911	911	911	911	911
Total financial assets	46,890	46,881	43,024	39,985	38,321
Non-financial assets					
Land and buildings	241,740	241,517	241,164	240,981	240,981
Property, plant and equipment	1,342,592	1,338,767	1,336,952	1,334,275	1,331,015
Intangibles	68,040	70,883	75,861	80,217	83,477
Inventories	968	968	968	968	1,078
Other non-financial assets	1,627	1,627	1,627	1,627	1,627
Total non-financial assets	1,654,967	1,653,762	1,656,572	1,658,068	1,658,178
Total assets	1,701,857	1,700,643	1,699,596	1,698,053	1,696,499
LIABILITIES					
Payables					
Suppliers	2,898	2,898	2,898	2,898	2,898
Grants	104	104	104	104	104
Other payables	587	559	791	901	901
Total payables	3,589	3,561	3,793	3,903	3,903
Provisions					
Employee provisions	12,342	12,342	12,342	12,342	12,342
Other provisions	81	81	81	81	81
Total provisions	12,423	12,423	12,423	12,423	12,423
Total liabilities	16,012	15,984	16,216	16,326	16,326
Net assets	1,685,845	1,684,659	1,683,380	1,681,727	1,680,173
EQUITY					
Contributed equity	108,652	118,166	127,687	137,273	146,915
Reserves	219,416	219,416	219,416	219,416	219,416
Retained surplus (accumulated deficit)	1,357,777	1,347,077	1,336,277	1,325,038	1,313,842
Total equity	1,685,845	1,684,659	1,683,380	1,681,727	1,680,173

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity—summary of movement (Budget year 2018–19)

	Retained earnings	Asset revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	1,357,777	219,416	108,652	1,685,845
Adjusted opening balance	1,357,777	219,416	108,652	1,685,845
Comprehensive income				
Surplus/(deficit) for the period	(10,700)	-	-	(10,700)
Total comprehensive income	(10,700)	-	-	(10,700)
Contributions by owners				
Equity injection—Appropriation	-	-	9,514	9,514
Sub-total transactions with owners	-	-	9,514	9,514
Estimated closing balance as at 30 June 2019	1,347,077	219,416	118,166	1,684,659
Closing balance attributable to the Australian Government	1,347,077	219,416	118,166	1,684,659

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	51,836	55,557	52,557	47,537	47,142
Sale of goods and rendering of services	8,810	7,931	7,781	7,781	7,781
Interest	1,045	1,015	805	730	730
Other	1,718	2,092	1,292	1,127	1,127
Total cash received	63,409	66,595	62,435	57,175	56,780
Cash used					
Employees	36,606	35,102	34,044	33,647	33,757
Suppliers	17,161	20,035	17,468	13,013	13,350
Other	796	731	731	731	731
Total cash used	54,563	55,868	52,243	47,391	47,838
Net cash from/(used by) operating activities	8,846	10,727	10,192	9,784	8,942
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of financial instruments	5,000	1,000	4,000	3,000	-
Total cash received	5,000	1,000	4,000	3,000	-
Cash used					
Purchase of property, plant and equipment and intangibles	26,064	19,350	23,570	22,409	20,248
Total cash used	26,064	19,350	23,570	22,409	20,248
Net cash from/(used by) investing activities	(21,064)	(18,350)	(19,570)	(19,409)	(20,248)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	9,563	9,514	9,521	9,586	9,642
Total cash received	9,563	9,514	9,521	9,586	9,642
Net cash from/(used by) financing activities	9,563	9,514	9,521	9,586	9,642
Net increase/(decrease) in cash held	(1,755)	991	143	(39)	(1,664)
Cash and cash equivalents at the beginning of the reporting period	6,732	4,977	5,968	6,111	6,072
Cash and cash equivalents at the end of the reporting period	4,977	5,968	6,111	6,072	4,408

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections—Bill 2	9,563	9,514	9,521	9,586	9,642
Total new capital appropriations	9,563	9,514	9,521	9,586	9,642
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	9,563	9,514	9,521	9,586	9,642
Total items	9,563	9,514	9,521	9,586	9,642
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	9,563	9,514	9,521	9,586	9,642
Funded internally from departmental resources ^(b)	16,501	9,836	14,049	12,823	10,606
TOTAL	26,064	19,350	23,570	22,409	20,248
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	26,064	19,350	23,570	22,409	20,248
Total cash used to acquire assets	26,064	19,350	23,570	22,409	20,248

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

(b) Includes sources of funding from current Bill and prior year Act 1 appropriations, donations and contributions, gifts, internally developed assets and proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2018–19)

	Land	Buildings	Other property, plant and equipment	Heritage and cultural	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018						
Gross book value	16,000	230,157	22,159	1,334,458	83,746	1,686,520
Accumulated depreciation/amortisation and impairment	-	(4,417)	(2,880)	(11,145)	(15,706)	(34,148)
Opening net book balance	16,000	225,740	19,279	1,323,313	68,040	1,652,372
Capital asset additions						
Estimated expenditure on new or replacement assets						
By purchase—appropriation equity ^(a)	-	-	-	7,065	2,012	9,077
By purchase—appropriation ordinary annual services ^(b)	-	4,175	3,150	-	2,948	10,273
Total additions	-	4,175	3,150	7,065	4,960	19,350
Other movements						
Depreciation/amortisation expense	-	(4,398)	(2,940)	(11,100)	(2,117)	(20,555)
Total other movements	-	(4,398)	(2,940)	(11,100)	(2,117)	(20,555)
As at 30 June 2019						
Gross book value	16,000	234,332	25,309	1,341,523	88,706	1,705,870
Accumulated depreciation/amortisation and impairment	-	(8,815)	(5,820)	(22,245)	(17,823)	(54,703)
Closing net book balance	16,000	225,517	19,489	1,319,278	70,883	1,651,167
Estimated operating expenditure in income statement for heritage and cultural assets						\$'000
Operations and Maintenance						11,031
Preservation and Conservation						1,346
Total operating expenditure on heritage and cultural assets						12,377

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2018–19, including CDABs.

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2018–19 for depreciation/amortisation expenses, DCBs or other operational expenses.

Prepared on Australian Accounting Standards basis.

NATIONAL MUSEUM OF AUSTRALIA

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

NATIONAL MUSEUM OF AUSTRALIA

Section 1: Entity overview and resources	211
1.1 Strategic direction statement	211
1.2 Entity resource statement	213
1.3 Budget measures.....	214
Section 2: Outcomes and planned performance	215
2.1 Budgeted expenses and performance for Outcome 1.....	216
Section 3: Budgeted financial statements	219
3.1 Budgeted financial statements.....	219
3.2 Budgeted financial statements tables	220

NATIONAL MUSEUM OF AUSTRALIA

SECTION 1: ENTITY OVERVIEW AND RESOURCES

1.1 STRATEGIC DIRECTION STATEMENT

The National Museum of Australia (NMA), as mandated under the *National Museum of Australia Act 1980*, was established for the purpose of developing and maintaining a National Historical Collection for the benefit of the nation, and to bring to life the rich and diverse stories of Australia through strong engagement with the nation's varied communities and traditions. Central to the NMA's place as a national institution is its focus on meaningful engagement with all Australians through the interpretation of Australia's past, present and future, and its foundational commitment to the history and cultures of the First Australians. The NMA achieves this through the development and maintenance of the National Historical Collection, and by sharing the stories of Australia's people and places, and its social and natural environment, with its national and international audiences and visitors. The NMA is the only institution equipped to tell the complex and comprehensive story of Australia from deep time to the present day.

The NMA's mission is to become one of Australia's premier destinations, bringing the world's cultures to Australia and presenting Australia's history, culture and place in the global community to the world. In pursuit of this goal, the NMA has developed an ambitious Master Plan 2017–2030 and Strategic Commitments for 2018–2022.

Over the next four years, a focus on five key streams of endeavour will take the NMA on a journey of transformation to be a museum like no other – at the crossroads of the real and the virtual, embracing both.

- **Collections for the 21st Century:** Through development and maintenance, highlight the richness of our collections for all Australians to access, explore, and treasure. Building connections between objects, memory, imagination, and lived experience – across cultures, across communities and across time.
- **Program directions:** Putting the audience at the centre of everything we do. Embedding a culture of discovery, delight, inquiry and authority, where contemporary Australia can be understood in relation to its past and its future promise.
- **Digital futures:** Embracing technological change across all aspects of our business, and positioning ourselves as an institution at the core of the emerging knowledge economy.
- **Growing our business:** Strengthening and maturing our resource base, embracing opportunities for growth and diversification, and developing resilience and flexibility in our workforce to quickly adapt and respond to changing environments and demands.

National Museum of Australia Budget Statements

- **Brand awareness:** Being at the forefront of cultural life in the country, where all Australians can find their stories in our place, and our place in their stories. Becoming a recognised world-class museum, renowned for telling the remarkable story of our nation, from the ancient and enduring histories of the world's oldest living cultures to the achievements of modern Australia.

The NMA commits to invest, challenge, explore and connect across all aspects of its business.

Investment into the development of the NMA's main site in Canberra will continue, and expansion of the Cultural and Corporate Shared Services Centre initiative will support collaborative partnerships between the collecting agencies, and deliver corporate and business systems more effectively.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the NMA 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 NMA'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: NMA resource statement—Budget estimates for 2018–19 as at Budget May 2018

	2017–18 estimated actual \$'000	2018–19 estimate \$'000
Opening balance/cash reserves at 1 July	36,539	35,723
Funds from Government		
Annual appropriations—ordinary annual services ^(a)		
Outcome 1	41,444	45,164
Annual appropriations—other services ^(b)		
Equity injection	1,921	1,912
<i>Total annual appropriations</i>	43,365	47,076
Amounts from portfolio department	525	800
<i>Total amounts received from related entities</i>	525	800
Total funds from Government	43,890	47,876
Funds from other sources		
Sale of goods and services ^(c)	6,440	3,451
Interest	1,289	1,234
Other	450	500
Total funds from other sources	8,179	5,185
Total net resourcing for the NMA	88,608	88,784
Average staffing level (number)	2017–18 226	2018–19 226

(a) Appropriation Bill (No.1) 2018–19.

(b) Appropriation Bill (No.2) 2018–19.

(c) Sale of Goods and services contains movements relating to prior year supplementation received by the NMA.

The NMA is not directly appropriated as it is a Corporate Commonwealth Entity. Appropriations are made to the Department of Communications and the Arts (a Non-Corporate Commonwealth Entity), which are then paid to the NMA and are considered "departmental" for all purposes.

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

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

1.3 BUDGET MEASURES

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

Table 1.2: NMA 2018–19 Budget measures

Part 1: Measures announced since the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Expense measures						
250th Anniversary of James Cook's Voyage - commemoration ^(a)						
	1.1					
	Departmental expenses	-	-	-	-	-
	Total	-	-	-	-	-
Total expense measures						
	Departmental	-	-	-	-	-
	Total	-	-	-	-	-

(a) This measure provides revenue to NMA of \$1.600 million in 2017–18; \$1.991 million in 2018–19; and \$2.992 million in 2019–20. Provision for this funding was included in the Contingency Reserve. Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

SECTION 2: OUTCOMES AND PLANNED PERFORMANCE

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the 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 NMA can be found at:

www.nma.gov.au/about_us/ips/corporate_plan.

The most recent annual performance statement can be found at:

www.nma.gov.au/about_us/ips/annual-report.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Increased awareness and understanding of Australia's history and culture by managing the National Museum's collections and providing access through public programs and exhibitions.

Budgeted expenses for Outcome 1

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome and broken down by program.

Table 2.1.1: Budgeted expenses for Outcome 1

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
Program 1.1: Collection Management, Research, Exhibitions and Programs					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	43,044	43,564	44,646	38,625	38,740
Expenses not requiring appropriation in the budget year ^(a)	1,199	1,235	1,272	1,310	1,349
Revenues from other independent sources	7,104	7,585	8,012	7,331	7,368
Total expenses for Program 1.1	51,347	52,384	53,930	47,266	47,457
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	43,044	43,564	44,646	38,625	38,740
Expenses not requiring appropriation in the budget year ^(a)	1,199	1,235	1,272	1,310	1,349
Revenues from other independent sources	7,104	7,585	8,012	7,331	7,368
Total expenses for Outcome 1	51,347	52,384	53,930	47,266	47,457
<hr/>					
	2017–18	2018–19			
Average staffing level (number)	226	226			

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

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

Outcome 1—Increased awareness and understanding of Australia’s history and culture by managing the National Museum’s collections and providing access through public programs and exhibitions		
Program 1.1—Collection Management, Research, Exhibitions and Programs		
Delivery		
Over the next four years, the NMA will focus on the following five key streams:		
<ul style="list-style-type: none"> • Collections for the 21st Century • Program directions • Digital futures • Growing our business • Brand awareness 		
The NMA commits to invest, challenge, explore and connect across all aspects of its business.		
Performance information		
Year	Performance criteria ^(a)	Targets
2017–18	<p>Bring the stories of Australia to life through innovative exhibitions and programs.</p> <p>Develop, manage and preserve the National Historical Collection and enable access through online engagement.</p> <p>Establish meaningful and long-lived local, national and international partnerships.</p> <p>Create participatory programs to build relationships and engage with audiences.</p> <p>Deliver an active research and scholarship program that underpins the NMA's programs.</p>	<p>Expected to meet criterion</p> <p>Total visitor engagements: 3,028,250</p> <ul style="list-style-type: none"> • permanent exhibitions 455,000 • special exhibitions 233,000 • travelling exhibitions 220,000 • online experiences 1,900,000 • education programs 92,000 • public programs 112,000 • events and functions 16,250 <p>Collections</p> <p>80% of the total collection stored in accordance with appropriate Museum standards.</p> <p>650 acquisitions made in the reporting period.</p> <p>51% of the total collection available to the public online.</p>

National Museum of Australia Budget Statements

Performance information		
Year	Performance criteria ^(a)	Targets
2018–19	<i>Increased visitor engagement with Museum experiences and collections.</i>	Total visitor engagements: 3,257,750 <ul style="list-style-type: none"> • permanent exhibitions 485,000 • special exhibitions 191,000 • travelling exhibitions 226,000 • online experiences 2,100,000 • education and public programs 239,000 • events and functions 16,750
2019–20 and beyond	As per 2018–19	Total visitor engagements: 3,642,250
Purposes	The NMA was established for the purpose of developing and maintaining a National Historical Collection for the benefit of the nation, and to bring to life the rich and diverse stories of Australia through strong engagement with the nation's varied communities and traditions. Our foundational commitment to history and cultures of the First Australians is central to the NMA's place as a national institution. The NMA is committed to meaningful engagement with all Australians, as well as international audiences and visitors, through its interpretation of Australia's past, present and future.	

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

SECTION 3: BUDGETED FINANCIAL STATEMENTS

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of NMA's finances for the 2018–19 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Explanatory notes and analysis of budgeted financial statements

Comprehensive Income Statement

The NMA estimates total budgeted revenue to increase by \$1.0 million from \$50.1 million in 2017–18 to \$51.1 million in 2018–19. This is reflected by an increase of \$0.5 million in Revenue from Government and \$0.5 million generated from own source revenue.

The Museum received additional funding from Government over the period 2017–18 to 2019–20 to:

- support the establishment of the Cultural and Corporate Shared Services Centre for providing shared corporate services (\$3.1 million in 2018–19);
- deliver Cultural Connections, a scholarship program to build professional capacity for Indigenous people from remote communities (\$1.2 million in 2018–19); and
- present an exhibition in 2020 to mark the 250th anniversary of the voyage of HMB Endeavour along the east coast of Australia that will represent the perspectives of both Indigenous and non-Indigenous Australians (\$0.8 million in 2018–19).

The NMA is working on increasing own source revenue and is forecasting continual growth of revenue generated from sales of goods and services. Revenue from interest will decline as the NMA uses cash reserves to support the major capital replacement program including redevelopment of permanent exhibition spaces.

The estimated increase in expenses is \$1.0 million, from \$51.3 million (2017–18) to \$52.3 million (2018–19). The increase in costs relate to implementation of the initiatives funded by Government as outlined above.

Budgeted departmental balance sheet

The NMA's net assets are budgeted to increase by \$0.7 million. Investment balances decrease by \$0.8 million to support the capital replacement program. The program includes redeveloping the permanent exhibition spaces, which will increase non-financial assets by \$3.3 million. Other non-financial assets decreased by \$1.6 million due to recognition of accrued revenue from Government in 2017–18.

Departmental capital budget statement

The Departmental Capital Budget Statement shows total capital expenditure of \$12.9 million, funded from departmental resources of \$11.0 million for the asset replacement program and an equity injection of \$1.9 million from the Government for the acquisition and development of heritage and cultural assets.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
EXPENSES					
Employee benefits	20,721	20,521	20,443	20,227	20,081
Suppliers	21,312	22,209	23,421	16,542	16,428
Depreciation and amortisation	9,314	9,654	10,066	10,497	10,948
Total expenses	51,347	52,384	53,930	47,266	47,457
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	4,840	5,051	5,331	5,627	5,766
Interest	1,289	1,234	1,166	1,104	952
Other	975	1,300	1,515	600	650
Total own-source revenue	7,104	7,585	8,012	7,331	7,368
Total own-source income	7,104	7,585	8,012	7,331	7,368
Net (cost of)/contribution by services	(44,243)	(44,799)	(45,918)	(39,935)	(40,089)
Revenue from Government	43,044	43,564	44,646	38,625	38,740
Surplus/(deficit) attributable to the Australian Government	(1,199)	(1,235)	(1,272)	(1,310)	(1,349)
Total comprehensive income/(loss)	(1,199)	(1,235)	(1,272)	(1,310)	(1,349)
Total comprehensive income/(loss) attributable to the Australian Government	(1,199)	(1,235)	(1,272)	(1,310)	(1,349)

Note: Impact of net cash appropriation arrangements

Total comprehensive income/(loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriations	-	-	-	-	-
less heritage and cultural depreciation expenses previously funded through revenue appropriations ^(a)	1,199	1,235	1,272	1,310	1,349
Total comprehensive income/(loss)—as per the Statement of comprehensive income	(1,199)	(1,235)	(1,272)	(1,310)	(1,349)

(a) From 2009-10, the Government replaced Bill 1 revenue appropriations for the heritage and cultural depreciation expenses of designated Collection Institutions, with a separate capital budget (the Collection Development Acquisition Budget (CDABs)) provided through Bill 2 equity appropriations. For information regarding CDAB, please refer to Table 3.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	900	900	900	900	900
Trade and other receivables	1,413	1,413	1,413	1,413	1,413
Other investments	35,639	34,823	32,462	30,528	27,947
Other financial assets	1,600	-	-	-	-
Total financial assets	39,552	37,136	34,775	32,841	30,260
Non-financial assets					
Land and buildings	102,413	101,300	100,139	98,928	97,666
Property, plant and equipment	59,346	62,115	64,892	67,661	70,733
Heritage and cultural assets	277,790	278,739	279,695	280,594	281,478
Intangibles	3,143	3,828	4,260	4,359	4,914
Inventories	613	613	613	613	613
Prepayments	496	496	496	496	496
Total non-financial assets	443,801	447,091	450,095	452,651	455,900
Total assets	483,353	484,227	484,870	485,492	486,160
LIABILITIES					
Payables					
Suppliers	2,239	2,239	2,239	2,239	2,239
Other payables	354	551	551	551	621
Total payables	2,593	2,790	2,790	2,790	2,860
Provisions					
Employee provisions	6,568	6,568	6,568	6,568	6,568
Total provisions	6,568	6,568	6,568	6,568	6,568
Total liabilities	9,161	9,358	9,358	9,358	9,428
Net assets	474,192	474,869	475,512	476,134	476,732
EQUITY					
Contributed equity	31,210	33,122	35,037	36,969	38,916
Reserves	185,043	185,043	185,043	185,043	185,043
Retained surplus (accumulated deficit)	257,939	256,704	255,432	254,122	252,773
Total equity	474,192	474,869	475,512	476,134	476,732

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity—summary of movement (Budget year 2018–19)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/capital \$'000	Total equity \$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	257,939	185,043	31,210	474,192
Adjustment for changes in accounting policies	-	-	-	-
Adjusted opening balance	257,939	185,043	31,210	474,192
Comprehensive income				
Surplus/(deficit) for the period	(1,235)	-	-	(1,235)
Total comprehensive income	(1,235)	-	-	(1,235)
Transactions with owners				
Contributions by owners				
Equity injection—Appropriation	-	-	1,912	1,912
Sub-total transactions with owners	-	-	1,912	1,912
Estimated closing balance as at 30 June 2019	256,704	185,043	33,122	474,869
Closing balance attributable to the Australian Government	256,704	185,043	33,122	474,869

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	41,969	45,964	45,611	38,625	38,740
Sale of goods and rendering of services	4,840	5,051	5,331	5,627	5,766
Interest	1,289	1,234	1,166	1,104	952
Net GST received	2,977	3,037	3,068	2,690	2,784
Other	450	500	550	600	650
Total cash received	51,525	55,786	55,726	48,646	48,892
Cash used					
Employees	20,720	20,324	20,443	20,227	20,011
Suppliers	21,312	22,209	23,421	16,542	16,428
Net GST paid	2,977	3,037	3,068	2,690	2,784
Total cash used	45,009	45,570	46,932	39,459	39,223
Net cash from/(used by) operating activities	6,516	10,216	8,794	9,187	9,669
INVESTING ACTIVITIES					
Cash received					
Investments	4,361	816	2,361	1,934	2,581
Total cash received	4,361	816	2,361	1,934	2,581
Cash used					
Purchase of property, plant and equipment and intangibles	12,798	12,944	13,070	13,053	14,197
Total cash used	12,798	12,944	13,070	13,053	14,197
Net cash from/(used by) investing activities	(8,437)	(12,128)	(10,709)	(11,119)	(11,616)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	1,921	1,912	1,915	1,932	1,947
Total cash received	1,921	1,912	1,915	1,932	1,947
Net cash from/(used by) financing activities	1,921	1,912	1,915	1,932	1,947
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	900	900	900	900	900
Cash and cash equivalents at the end of the reporting period	900	900	900	900	900

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections—Bill 2	1,921	1,912	1,915	1,932	1,947
Total new capital appropriations	1,921	1,912	1,915	1,932	1,947
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	1,921	1,912	1,915	1,932	1,947
Total items	1,921	1,912	1,915	1,932	1,947
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	1,921	1,912	1,915	1,932	1,947
Funded internally from departmental resources ^(b)	10,877	11,032	11,155	11,121	12,250
TOTAL	12,798	12,944	13,070	13,053	14,197
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	12,798	12,944	13,070	13,053	14,197
Total cash used to acquire assets	12,798	12,944	13,070	13,053	14,197

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

(b) Includes sources of funding from current Bill and prior year Act 1 appropriations, donations and contributions, gifts, internally developed assets and proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2018–19)

	Land	Buildings	Other property, plant and equipment	Heritage and cultural	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018						
Gross book value	7,570	98,554	80,660	280,127	6,547	473,458
Accumulated depreciation/amortisation and impairment	-	(3,711)	(21,314)	(2,337)	(3,404)	(30,766)
Opening net book balance	7,570	94,843	59,346	277,790	3,143	442,692
Capital asset additions						
Estimated expenditure on new or replacement assets						
By purchase—appropriation equity ^(a)	-	-	-	1,912	-	1,912
By purchase—other	-	500	8,965	272	1,295	11,032
Total additions	-	500	8,965	2,184	1,295	12,944
Other movements						
Depreciation/amortisation expense	-	(1,613)	(6,196)	(1,235)	(610)	(9,654)
Total other movements	-	(1,613)	(6,196)	(1,235)	(610)	(9,654)
As at 30 June 2019						
Gross book value	7,570	99,054	89,625	282,311	7,842	486,402
Accumulated depreciation/amortisation and impairment	-	(5,324)	(27,510)	(3,572)	(4,014)	(40,420)
Closing net book balance	7,570	93,730	62,115	278,739	3,828	445,982
Estimated operating expenditure in income statement for heritage and cultural assets						\$'000
Operations and Maintenance						3,153
Preservation and Conservation						3,131
Total operating expenditure on heritage and cultural assets						6,284

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2018–19, including CDABs.

Prepared on Australian Accounting Standards basis.

**NATIONAL PORTRAIT GALLERY OF
AUSTRALIA**

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

NATIONAL PORTRAIT GALLERY OF AUSTRALIA

Section 1: Entity overview and resources	231
1.1 Strategic direction statement	231
1.2 Entity resource statement	232
1.3 Budget measures.....	232
Section 2: Outcomes and planned performance.....	233
2.1 Budgeted expenses and performance for Outcome 1.....	234
Section 3: Budgeted financial statements	238
3.1 Budgeted financial statements.....	238
3.2 Budgeted financial statements tables	239

NATIONAL PORTRAIT GALLERY OF AUSTRALIA

SECTION 1: ENTITY OVERVIEW AND RESOURCES

1.1 STRATEGIC DIRECTION STATEMENT

The purpose of the National Portrait Gallery of Australia (NPGA) is to present the faces of Australia. The NPGA uses portraiture to tell their stories and to increase the understanding and appreciation of the Australian people—their identity, history, culture, creativity and diversity.

The functions of the NPGA are expressed in the *National Portrait Gallery of Australia Act 2012*, which requires the NPGA to develop, preserve, maintain, promote and provide access to a national collection of portraits; and develop and engage a national audience in relation to that collection and other portraits through exhibitions, education, research, publications, and public and online programs. The Act calls for the NPGA to use every endeavour to make the most advantageous use of the national collection in the national interest.

The NPGA has four strategic priorities, which underpin the fulfilment of its national charter and align with broader government objectives. They are:

- To enliven the collection through acquisitions and commissions that reveal important Australian stories, and enhanced digital interaction of and remote access to the collection.
- To engage audiences through innovative exhibitions, learning programs and visitor experiences, and a creative exhibition touring program.
- To enlarge support for the NPGA through its Foundation, Circle of Friends, partners, government and individuals.
- To enhance resources, by strengthening the NPGA's financial resilience, supporting our staff, maintaining its iconic building and building relationships which further the aims of the NPGA.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the NPGA 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 NPGA's operations) classification.

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

Table 1.1: NPGA resource statement—Budget estimates for 2018–19 as at Budget May 2018

	2017–18 estimated actual \$'000	2018–19 estimate \$'000
Opening balance/cash reserves at 1 July	24,581	24,844
Funds from Government		
Annual appropriations—ordinary annual services ^(a)		
Outcome 1	10,809	11,685
Annual appropriations—other services ^(b)		
Equity injection	193	191
<i>Total annual appropriations</i>	<i>11,002</i>	<i>11,876</i>
Amounts received from related entities		
Amounts from portfolio department	150	250
<i>Total amounts received from related entities</i>	<i>150</i>	<i>250</i>
Total funds from Government	11,152	12,126
Funds from other sources		
Sale of goods and services	1,155	1,073
Interest	655	671
Other ^(c)	520	540
Total funds from other sources	2,330	2,284
Total net resourcing for NPGA	38,063	39,254
	2017–18	2018–19
Average staffing level (number)	49	49

(a) Appropriation Bill (No.1) 2018–19.

(b) Appropriation Bill (No.2) 2018–19.

(c) Includes donations to the Foundation.

The NPGA is not directly appropriated as it is a Corporate Commonwealth Entity. Appropriations are made to the Department of Communications and the Arts (a Non-Corporate Commonwealth Entity), which are then paid to the NPGA and are considered "departmental" for all purposes.

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

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

1.3 BUDGET MEASURES

There are no new measures relating to the NPGA for the 2018–19 Budget.

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.

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

Note:

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

The most recent corporate plan for the National Portrait Gallery of Australia can be found at:

www.portrait.gov.au/document/27.

The most recent annual report can be found at:

www.portrait.gov.au/document/282.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Enhanced understanding and appreciation of Australian identity, culture and diversity through portraiture by engaging the public in education programs and exhibitions, and by developing and preserving the national portrait collection.

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
Program 1.1: Develop, maintain and provide access to Australia's national portrait collection					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	10,809	11,685	11,663	11,723	11,817
Payment from related entities	150	250	294	-	-
Expenses not requiring appropriation in the budget year ^(a)	2,949	2,306	2,594	2,918	3,076
Revenues from other independent sources	2,080	2,034	2,052	2,339	2,526
Total expenses for Program 1.1	15,988	16,275	16,603	16,980	17,419
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	10,809	11,685	11,663	11,723	11,817
Payment from related entities	150	250	294	-	-
Expenses not requiring appropriation in the budget year ^(a)	2,949	2,306	2,594	2,918	3,076
Revenues from other independent sources	2,080	2,034	2,052	2,339	2,526
Total expenses for Outcome 1	15,988	16,275	16,603	16,980	17,419
	2017–18	2018–19			
Average staffing level (number)	49	49			

(a) Expenses not requiring appropriation in the Budget year are made up of depreciation and amortisation expenses related to artwork, which are funded through an equity injection; depreciation and amortisation expenses related to long-lived assets such as the NPGA building; and resources received free of charge.

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

<p>Outcome 1—Enhanced understanding and appreciation of Australian identity, culture and diversity through portraiture by engaging the public in education programs and exhibitions, and by developing and preserving the national portrait collection</p>		
<p>Program 1.1—Develop, maintain and provide access to Australia’s national portrait collection</p> <p>The NPGA houses the national collection of portraits of Australians, reflecting the breadth and energy of Australian culture and endeavour. Subjects in the collection are individuals who have, and who will, continue to shape our nation and define our collective persona. As a member of a group of national collecting institutions, the NPGA is unique in its exclusive use of portraiture to explore Australian culture, history, individual achievement and identity. This unique nature is further enhanced by a dual focus on both subject and artist.</p> <p>The NPGA has identified four strategic pillars which underpin its aim to be an inspirational art museum of international standing. They are:</p> <ul style="list-style-type: none"> • enliven the collection • engage with audiences • enlarge support • enhance resources. 		
<p>Delivery</p> <p>The NPGA program is delivered in the following ways:</p> <ul style="list-style-type: none"> • Through collection development, conservation, management and digitisation • Through on site and travelling exhibitions, education, public and online events which create high levels of engagement and satisfaction • With an increasing level of engagement and collaboration • With a focus on self-generated revenue and private giving, and a commitment to maintain and develop its iconic building. 		
<p>Performance information</p>		
<p>Year</p>	<p>Performance criteria</p>	<p>Targets</p>
<p>2017–18</p>	<p>Enliven the collection—through acquisitions and commissions that tell important Australian stories, and enhanced digitisation of and remote access to the collection.</p>	<p>Expected to meet criterion Grow the portrait collection in accordance with the collection development policy (target 100%). Commission at least 2 artworks. Increase the percentage of the collection which is digitised (target 94%). Maintain and preserve the collection with appropriate storage, display and air quality to minimise preventable deterioration or impairment of the collection (target 0% preventable deterioration or impairment).</p>

National Portrait Gallery of Australia Budget Statements

Performance information		
Year	Performance criteria	Targets
2017–18 (cont.)	<p>Engage with audiences—through innovative exhibitions, learning programs and visitor experiences, and a creative exhibition touring program.</p> <p>Enlarge support for the NPGA—through its Foundation, sponsorships, government and individuals.</p> <p>Enhance resources—by strengthening the NPGA's financial resilience, empowering its staff, maintaining its iconic building and building relationships which further the aims of the NPGA.</p>	<p>Expected to meet criterion Reach a million people a year through exhibitions, education and public programs, and online. Mount greater than 6 exhibitions per year including travelling exhibitions. Visitor satisfaction target greater than >90%. Engage with 8 regional galleries through the travelling exhibition program.</p> <p>Expected to meet criterion Sponsorship, partnership and in kind revenue target greater than \$400,000. Grow private giving. Three collaborations/initiatives with overseas institutions.</p> <p>Expected to meet criterion Deliver the building preventative maintenance plan (target 75% planned versus 25% reactive maintenance). Grow commercial revenue by 5%.</p>
2018–19	<p>Enliven the collection—through acquisitions and commissions that tell important Australian stories, and enhanced digitisation of and remote access to the collection.</p> <p>Engage with audiences—through innovative exhibitions, learning programs and visitor experiences, and a creative exhibition touring program.</p> <p>Enlarge support for the NPGA—through its Foundation, sponsorships, government and individuals.</p>	<p>Grow the portrait collection in accordance with the collection development policy (target 100%). Commission at least 2 artworks. Increase the percentage of the collection which is digitised (target 96%). Maintain and preserve the collection with appropriate storage, display and air quality to minimise preventable deterioration or impairment of the collection (target 0% preventable deterioration or impairment).</p> <p>Reach a million people a year through exhibitions, education and public programs, and online. Launch a Portrait Prize. Mount greater than 6 exhibitions per year including travelling exhibitions. Visitor satisfaction target greater than >90%. Engage with 8 regional galleries through the travelling exhibition program.</p> <p>Sponsorship, partnership and in kind revenue target greater than \$440,000. Grow private giving. Three collaborations/initiatives with overseas institutions.</p>

National Portrait Gallery of Australia Budget Statements

Performance information		
Year	Performance criteria	Targets
2018–19 continued	Enhance resources —by strengthening the NPGA’s financial resilience, empowering its staff, maintaining its iconic building and building relationships which further the aims of the NPGA.	Deliver the building preventative maintenance plan (target 75% planned versus 25% reactive maintenance). Grow commercial revenue by 5%.
2019–20 beyond	<p>Enliven the collection—through acquisitions and commissions that tell important Australian stories, and enhanced digitisation of and remote access to the collection</p> <p>Engage with audiences—through innovative exhibitions, learning programs and visitor experiences, and a creative exhibition touring program</p> <p>Enlarge support for the NPGA—through its Foundation, sponsorships, government and individuals</p> <p>Enhance resources—by strengthening the NPGA’s financial resilience, empowering its staff, maintaining its iconic building and building relationships which further the aims of the NPGA</p>	<p>Grow the portrait collection in accordance with the collection development policy (target 100%).</p> <p><i>Increase the percentage of the collection which is digitised (target >98%).</i></p> <p>Maintain and preserve the collection with appropriate storage, display and air quality to minimise preventable deterioration or impairment of the collection (target 0% preventable deterioration or impairment).</p> <p>Reach a million people a year through exhibitions, education and public programs, and online.</p> <p>Commission at least 2 artworks.</p> <p>Mount greater than 6 exhibitions per year including travelling exhibitions.</p> <p><i>Visitor satisfaction target greater than >90%.</i></p> <p>Engage with 8 regional galleries through the travelling exhibition program.</p> <p>As per 2018–19</p> <p>As per 2018–19</p>

SECTION 3: BUDGETED FINANCIAL STATEMENTS

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of NPGA's finances for the 2018-19 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Explanatory notes and analysis of budgeted financial statements

The NPGA is budgeting for a surplus in the Budget and forward years that reflects the donations expected to be received by the NPGA Foundation after adjusting for expenses not requiring appropriation in the year. Expenses not requiring appropriation include:

- depreciation on long-lived assets which is funded in accordance with the NPGA's asset replacement plan
- depreciation related to collection development, which is funded through an equity injection.

The financial impact of the anticipated closure of the NPGA for renovation works in 2019 has been included in the budget estimates. This closure will reduce own-source revenue in 2018-19 and 2019-20, offset by savings in suppliers.

Budgeted departmental balance sheet

Budgeted cash and cash equivalents include donations to the NPGA of approximately \$17 million, which have been accumulated over a number of years. The NPGA's Board is charged with setting the guidelines for the use of these funds.

The remainder of budgeted cash and cash equivalents is available to meet liabilities for employee entitlements and to assist in funding future asset purchases.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
EXPENSES					
Employee benefits	5,461	5,599	5,706	5,814	5,923
Suppliers	6,200	6,170	6,212	6,294	6,603
Depreciation and amortisation	4,327	4,506	4,685	4,872	4,893
Total expenses	15,988	16,275	16,603	16,980	17,419
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	1,155	1,073	1,054	1,303	1,353
Interest	655	671	688	706	723
Other	670	790	854	580	700
Total own-source revenue	2,480	2,534	2,596	2,589	2,776
Gains					
Other	600	620	640	660	680
Total gains	600	620	640	660	680
Total own-source income	3,080	3,154	3,236	3,249	3,456
Net (cost of)/contribution by services	(12,908)	(13,121)	(13,367)	(13,731)	(13,963)
Revenue from Government	10,809	11,685	11,663	11,723	11,817
Surplus/(deficit) attributable to the Australian Government	(2,099)	(1,436)	(1,704)	(2,008)	(2,146)
Total comprehensive income/(loss)	(2,099)	(1,436)	(1,704)	(2,008)	(2,146)
Total comprehensive income/(loss) attributable to the Australian Government	(2,099)	(1,436)	(1,704)	(2,008)	(2,146)

Note: Impact of net cash appropriation arrangements

Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	550	550	550	550	550
less depreciation expenses previously funded through revenue appropriations ^(a)	2,649	1,986	2,254	2,558	2,696
Total comprehensive income/(loss)—as per the Statement of comprehensive income	(2,099)	(1,436)	(1,704)	(2,008)	(2,146)

(a) The NPGA does not receive funding for its total depreciation expenses on long-lived assets; rather, funding is appropriated based on capital requirements. Also, from 2009–10, the Government replaced Appropriation Bill No. 1 revenue appropriations for the heritage and cultural depreciation expenses of designated Collection Institutions, with a separate capital budget (the Collection Development Acquisition Budget, or CDAB) provided through Appropriation Bill 2 equity appropriations. For information regarding CDABs, please refer to Table 3.5 Departmental Capital Budget Statement. The adjusted result in the budget and forward years reflects donated cash and artworks to the NPGA Foundation.

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	24,581	24,844	25,107	25,370	25,633
Trade and other receivables	414	414	414	414	414
Other financial assets	24	24	24	24	24
Total financial assets	25,019	25,282	25,545	25,808	26,071
Non-financial assets					
Land and buildings	75,968	75,430	74,702	73,751	71,481
Property, plant and equipment	7,532	6,237	4,870	3,428	3,173
Heritage and cultural assets	35,015	35,388	35,758	36,126	36,492
Intangibles	335	300	263	224	183
Inventories	63	63	63	63	63
Other non-financial assets	136	136	136	136	136
Total non-financial assets	119,049	117,554	115,792	113,728	111,528
Total assets	144,068	142,836	141,337	139,536	137,599
LIABILITIES					
Payables					
Suppliers	1,189	1,189	1,189	1,189	1,189
Other payables	271	271	271	271	271
Total payables	1,460	1,460	1,460	1,460	1,460
Provisions					
Employee provisions	1,161	1,174	1,187	1,200	1,213
Total provisions	1,161	1,174	1,187	1,200	1,213
Total liabilities	2,621	2,634	2,647	2,660	2,673
Net assets	141,447	140,202	138,690	136,876	134,926
EQUITY					
Contributed equity	129,386	129,577	129,769	129,963	130,159
Reserves	6,814	6,814	6,814	6,814	6,814
Retained surplus (accumulated deficit)	5,247	3,811	2,107	99	(2,047)
Total equity	141,447	140,202	138,690	136,876	134,926

Prepared on Australian Accounting Standards basis.

**Table 3.3: Departmental statement of changes in equity—summary of movement
(Budget year 2018–19)**

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	5,247	6,814	129,386	141,447
Adjusted opening balance	5,247	6,814	129,386	141,447
Comprehensive income				
Surplus/(deficit) for the period	(1,436)	-	-	(1,436)
Total comprehensive income	(1,436)	-	-	(1,436)
Transactions with owners				
Contributions by owners				
Equity injection—Appropriation	-	-	191	191
Sub-total transactions with owners	-	-	191	191
Estimated closing balance as at 30 June 2019	3,811	6,814	129,577	140,202
Closing balance attributable to the Australian Government	3,811	6,814	129,577	140,202

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	10,809	11,685	11,663	11,723	11,817
Sale of goods and rendering of services	1,259	1,170	1,149	1,420	1,475
Interest	655	671	688	706	723
Contributions	420	440	460	480	600
Net GST received	427	430	433	417	438
Other	250	350	394	100	100
Total cash received	13,820	14,746	14,787	14,846	15,153
Cash used					
Employees	5,448	5,586	5,693	5,801	5,910
Suppliers	6,431	6,377	6,400	6,468	6,783
Total cash used	11,879	11,963	12,093	12,269	12,693
Net cash from/(used by) operating activities	1,941	2,783	2,694	2,577	2,460
INVESTING ACTIVITIES					
Cash used					
Purchase of artwork	193	191	192	194	196
Purchase of property, plant and equipment and intangibles	1,678	2,520	2,431	2,314	2,197
Total cash used	1,871	2,711	2,623	2,508	2,393
Net cash from/(used by) investing activities	(1,871)	(2,711)	(2,623)	(2,508)	(2,393)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	193	191	192	194	196
Total cash received	193	191	192	194	196
Net cash from/(used by) financing activities	193	191	192	194	196
Net increase/(decrease) in cash held	263	263	263	263	263
Cash and cash equivalents at the beginning of the reporting period	24,318	24,581	24,844	25,107	25,370
Cash and cash equivalents at the end of the reporting period	24,581	24,844	25,107	25,370	25,633

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections—Bill 2	193	191	192	194	196
Total new capital appropriations	193	191	192	194	196
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	193	191	192	194	196
Total items	193	191	192	194	196
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	193	191	192	194	196
Funded internally from departmental resources ^(b)	1,978	2,820	2,731	2,614	2,497
TOTAL	2,171	3,011	2,923	2,808	2,693
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	2,171	3,011	2,923	2,808	2,693
less gifted assets	(300)	(300)	(300)	(300)	(300)
Total cash used to acquire assets	1,871	2,711	2,623	2,508	2,393

(a) Includes current Appropriation Bill No.2.

(b) Includes sources of funding from current Bill and prior year Act 1 appropriations, donations and contributions, gifts, internally developed assets and proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2018–19)

	Land	Buildings	Other property, plant and equipment	Heritage and cultural	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	'000	\$'000	\$'000
As at 1 July 2018						
Gross book value	10,790	67,641	9,317	35,130	574	123,452
Accumulated depreciation/amortisation and impairment	-	(2,463)	(1,785)	(115)	(239)	(4,602)
Opening net book balance	10,790	65,178	7,532	35,015	335	118,850
Capital asset additions						
Estimated expenditure on new or replacement assets						
By purchase—appropriation equity ^(a)	-	-	-	191	-	191
By purchase—appropriation ordinary annual services ^(b)	-	2,000	500	-	20	2,520
Assets received as gifts/donations	-	-	-	300	-	300
Total additions	-	2,000	500	491	20	3,011
Other movements						
Depreciation/amortisation expense	-	(2,538)	(1,795)	(118)	(55)	(4,506)
Total other movements	-	(2,538)	(1,795)	(118)	(55)	(4,506)
As at 30 June 2019						
Gross book value	10,790	69,641	9,817	35,621	594	126,463
Accumulated depreciation/amortisation and impairment	-	(5,001)	(3,580)	(233)	(294)	(9,108)
Closing net book balance	10,790	64,640	6,237	35,388	300	117,355
Estimated operating expenditure in income statement for heritage and cultural assets						\$'000
Operations and Maintenance						1,060
Preservation and Conservation						83
Total operating expenditure on heritage and cultural assets						1,143

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2018–19, including CDABs.

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2018–19 for depreciation/amortisation expenses.

Prepared on Australian Accounting Standards basis.

OLD PARLIAMENT HOUSE

ENTITY RESOURCES AND PLANNED PERFORMANCE

OLD PARLIAMENT HOUSE

Section 1: Entity overview and resources	249
1.1 Strategic direction statement	249
1.2 Entity resource statement	250
1.3 Budget measures.....	250
Section 2: Outcomes and planned performance	251
2.1 Budgeted expenses and performance for Outcome 1.....	252
Section 3: Budgeted financial statements	255
3.1 Budgeted financial statements.....	255
3.2 Budgeted financial statements tables	256

OLD PARLIAMENT HOUSE

SECTION 1: ENTITY OVERVIEW AND RESOURCES

1.1 STRATEGIC DIRECTION STATEMENT

The Museum of Australian Democracy was established in Old Parliament House (OPH) in 2009 to provide an enriched understanding and appreciation of the political legacy and intrinsic value of Australian democracy. OPH provides transformative learning experiences through formal, curriculum-based programs for schools and unique informal experiences through exhibitions, youth parliaments, self-directed learning and online engagement as it explores what it means to be an informed and engaged citizen.

As the home of our Federal Parliament from 1927 to 1988 and an icon of outstanding national heritage significance OPH aims to communicate the spirit of OPH as a significant national heritage site, while ensuring the building and heritage collections are conserved for future generations.

OPH's 2018–23 Strategic Plan outlines the vision and direction to build upon its strategic priorities of bold, relevant, authentic and dynamic content and activities. The priorities which support its strategic direction and align with broader government objectives are:

- Our exhibitions, events, collections and education programs will tell stories and provoke thoughtful engagement; advancing conversations about democracy past present and future.
- Active citizenship is promoted via a suite of enriching and transformative audience experiences and targeted activities that are timely and influential.
- To create a vibrant and contemporary hub, in harmony with the heritage values that recognise, preserve and communicate the spirit of place.
- To build an organisational culture to enable staff to be nimble, courageous, non-partisan, collaborative and efficient and to ensure ongoing relevance and financial sustainability.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to OPH 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 OPH's operations) classification.

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

Table 1.1: OPH resource statement—Budget estimates for 2018–19 as at Budget May 2018

	2017–18 estimated actual \$'000	2018–19 estimate \$'000
Opening balance/cash reserves at 1 July	4,505	4,505
Funds from Government		
Annual appropriations—ordinary annual services ^(a)		
Outcome 1	16,059	16,425
Annual appropriations—other services ^(b)		
Equity injection	2,514	3,422
<i>Total annual appropriations</i>	<i>18,573</i>	<i>19,847</i>
Amounts received from related entities		
Amounts from portfolio department	221	290
<i>Total amounts received from related entities</i>	<i>221</i>	<i>290</i>
Total funds from Government	18,794	20,137
Funds from other sources		
Sale of goods and services	961	969
Total funds from other sources	961	969
Total net resourcing for OPH	24,260	25,611
	2017–18	2018–19
Average staffing level (number)	73	74

(a) Appropriation Bill (No.1) 2018–19

(b) Appropriation Bill (No.2) 2018–19

The OPH is not directly appropriated as it is a Corporate Commonwealth Entity. Appropriations are made to the Department of Communications and the Arts (a Non-Corporate Commonwealth Entity), which are then paid to the OPH and are considered "departmental" for all purposes.

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

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

1.3 BUDGET MEASURES

There are no new measures relating to OPH for the 2018–19 Budget.

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 Old Parliament House can be found at:
www.moadoph.gov.au/about/corporate-documents.

The most recent annual performance statement can be found at:
www.moadoph.gov.au/about/annual-reports.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: An enhanced appreciation and understanding of the political and social heritage of Australia for members of the public, through activities including the conservation and upkeep of, and the provision of access to, Old Parliament House and the development of its collections, exhibitions and educational programs.

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.

Table 2.1.1: Budgeted expenses for Outcome 1

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
Program 1.1: Old Parliament House					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	16,059	16,425	14,694	14,211	14,260
Payment from related entities	221	290	397	-	-
<i>Expenses not requiring appropriation in the budget year</i>	1,584	-	-	-	-
Revenues from other independent sources	961	969	974	1,000	1,000
Total expenses for Program 1.1	18,825	17,684	16,065	15,211	15,260
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	16,059	16,425	14,694	14,211	14,260
Payment from related entities	221	290	397	-	-
<i>Expenses not requiring appropriation in the budget year</i>	1,584	-	-	-	-
Revenues from other independent sources	961	969	974	1,000	1,000
Total expenses for Outcome 1	18,825	17,684	16,065	15,211	15,260
	2017–18	2018–19			
Average staffing level (number)	73	74			

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

Outcome 1: An enhanced appreciation and understanding of the political and social heritage of Australia for members of the public, through activities including the conservation and upkeep of, and the provision of access to, Old Parliament House and the development of its collections, exhibitions and educational programs.		
Program 1.1—Old Parliament House		
<p>OPH's collection is of national, regional and local significance. It captures the ideas, movements, individuals and events of Australian democracy and the story of this nationally listed heritage place, Old Parliament House, which was home to the Federal Parliament for 61 years.</p> <p>OPH offers a spectrum of entry points: through interpretations of the building, in-house and touring exhibitions, onsite and online projects, education and public programs, children's activities and opportunities to experience the spirit of Old Parliament House through festivals and events.</p>		
Delivery		
<p>The Program will be delivered in the following ways:</p> <ul style="list-style-type: none"> • Ensuring the heritage values of Old Parliament House are recognised, preserved and communicated • Managing a collection of national, regional and local significance to document and illustrate the development of Australian democracy • Providing enhanced visitor experiences through increased participation onsite and online • Providing quality learning programs that align with national curriculum requirements. 		
Performance information		
Year	Performance criteria	Targets
2017–18	Engage, educate and inspire— increase engagement with national and international visitors through innovative exhibitions and programs that are accessed in a variety of ways.	<p>Expected to meet criterion</p> <p>260,000 number of visits to the organisation.</p> <p>480,000 number of visits to the organisation's website.</p> <p>90% of visitors who were satisfied or very satisfied with their visit.</p> <p>38,500 people participating in public programs.</p> <p>74,500 students participating in school programs.</p> <p>1,430 educational institutions participating in organised school learning programs.</p> <p>95% of teachers reporting overall positive experience.</p> <p>95% of teachers reporting relevance to the classroom curriculum.</p>

Old Parliament House Budget Statements

Performance information		
Year	Performance criteria	Targets
2017–18 (cont.)	Collect, share and digitise—build and maintain a rich national collection for current and future generations of Australians to enjoy and learn from.	Expected to meet criterion 374 acquisitions (made in the reporting period). 187 objects accessioned (in the reporting period). 30% of the total collection available to the public. 90% of the total collection digitised.
2018–19	Engage, educate and inspire— increase engagement with national and international visitors through innovative exhibitions and programs that are accessed in a variety of ways. Collect, share and digitise— build and maintain a rich national collection for current and future generations of Australians to enjoy and learn from.	260,000 number of visits to the organisation. 480,000 number of visits to the organisation's website. 90% of visitors who were satisfied or very satisfied with their visit. 38,500 people participating in public programs. 74,500 students participating in school programs. 1,430 educational institutions participating in organised school learning programs. 95% of teachers reporting overall positive experience. 95% of teachers reporting relevance to the classroom curriculum. 374 acquisitions (made in the reporting period). 187 objects accessioned (in the reporting period). 30% of the total collection available to the public. 90% of the total collection digitised.
2019–20 and beyond	As per 2018–19	As per 2018–19
Purpose	The principal function of Old Parliament House is to provide an enriched understanding and appreciation of Australia's political legacy and the intrinsic value of Australia's democracy	

SECTION 3: BUDGETED FINANCIAL STATEMENTS

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of OPH's finances for the 2018–19 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Explanatory notes and analysis of budgeted financial statements

Comprehensive income statement

Old Parliament House is budgeting for an operating loss result in the 2017–18 year driven by heritage depreciation on the building. Total budgeted income for 2018–19 is estimated to be \$17.7 million, of which \$16.4 million is appropriation from Government, and includes funding from the Public Service Modernisation Fund – Agency Sustainability measure from the 2017–18 Budget and \$0.3 million in grant funding from the Department of Communications and the Arts.

Total expenses for 2018–19 are estimated to be \$13.1 million (excluding depreciation), and remains consistent over the forward estimate period.

Operational losses sustained by OPH are technical accounting losses driven by the heritage depreciation on the building. OPH maintains sufficient underlying cash balances to maintain financial sustainability.

Departmental Balance Sheet

Total assets are budgeted to increase in 2018–19 by \$3.4 million, reflecting the equity injections received for heritage and cultural assets and the funding for critical capital works under the Public Service Modernisation Fund – Agency Sustainability measure from the 2017–18 budget. The additional capital investment in each asset class is in line with OPH's capital works program over the three years of new funding.

OPH has reclassified the building to a 'Heritage & Cultural asset'. This is on the basis that the building reflects significant cultural heritage of the Australian nation and has satisfactorily met the criteria under the Financial Reporting Rules for Heritage and Cultural classification.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
EXPENSES					
Employee benefits	7,595	7,747	7,825	7,822	8,213
Suppliers	5,548	5,367	5,426	5,289	4,947
Heritage and cultural depreciation	4,741	3,804	2,050	1,261	1,261
Other depreciation and amortisation	941	766	764	839	839
Total expenses	18,825	17,684	16,065	15,211	15,260
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	961	969	974	1,000	1,000
Grants received	221	290	397	-	-
Total own-source revenue	1,182	1,259	1,371	1,000	1,000
Total own-source income	1,182	1,259	1,371	1,000	1,000
Net (cost of)/contribution by services	(17,643)	(16,425)	(14,694)	(14,211)	(14,260)
Revenue from Government	16,059	16,425	14,694	14,211	14,260
Surplus/(deficit) attributable to the Australian Government	(1,584)	-	-	-	-
Total comprehensive income/(loss)	(1,584)	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	(1,584)	-	-	-	-
Note: Impact of net cash appropriation arrangements					
Total comprehensive income/(loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriations	(1,584)	-	-	-	-
less depreciation expenses previously funded through revenue appropriations ^(a)	-	-	-	-	-
Total comprehensive income/(loss)—as per the Statement of comprehensive income	(1,584)	-	-	-	-

(a) From 2009-10, the Government replaced Bill 1 revenue appropriations for the heritage and cultural depreciation expenses of designated Collection Institutions, with a separate capital budget (the Collection Development Acquisition Budget (CDABs)) provided through Bill 2 equity appropriations. For information regarding CDAB, please refer to Table 3.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	4,505	4,505	4,505	4,505	4,505
Trade and other receivables	287	287	291	291	291
Total financial assets	4,792	4,792	4,796	4,796	4,796
Non-financial assets					
Land and buildings					
Property, plant and equipment	1,717	2,718	3,061	2,977	2,977
Heritage and cultural assets	87,601	89,448	92,492	92,972	93,169
Intangibles	607	1,181	1,418	1,218	1,218
Prepayments	29	29	29	29	29
Total non-financial assets	89,954	93,376	97,000	97,196	97,393
Total assets	94,746	98,168	101,796	101,992	102,189
LIABILITIES					
Payables					
Suppliers	289	293	317	317	317
Other payables	278	278	278	278	278
Total payables	567	571	595	595	595
Provisions					
Employee provisions	1,978	1,976	2,011	2,011	2,011
Total provisions	1,978	1,976	2,011	2,011	2,011
Total liabilities	2,545	2,547	2,606	2,606	2,606
Net assets	92,201	95,621	99,190	99,386	99,583
EQUITY					
Contributed equity	101,283	104,703	108,272	108,468	108,665
Reserves	28,389	28,389	28,389	28,389	28,389
Retained surplus (accumulated deficit)	(37,471)	(37,471)	(37,471)	(37,471)	(37,471)
Total equity	92,201	95,621	99,190	99,386	99,583

Prepared on Australian Accounting Standards basis.

**Table 3.3: Departmental statement of changes in equity—summary of movement
(Budget year 2018–19)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	(37,471)	28,389	101,283	92,201
Adjusted opening balance	(37,471)	28,389	101,283	92,201
Transactions with owners				
Contributions by owners				
Equity injection—Appropriation	-	-	3,422	3,422
Other	-	-	(2)	(2)
Sub-total transactions with owners	-	-	3,420	3,420
Estimated closing balance as at 30 June 2019	(37,471)	28,389	104,703	95,621
Closing balance attributable to the Australian Government	(37,471)	28,389	104,703	95,621

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	16,280	16,715	15,091	14,211	14,260
Sale of goods and rendering of services	961	969	970	1,000	1,000
Total cash received	17,241	17,684	16,061	15,211	15,260
Cash used					
Employees	7,594	7,749	7,790	7,822	8,213
Suppliers	5,549	5,363	5,402	5,289	4,947
Total cash used	13,143	13,112	13,192	13,111	13,160
Net cash from/(used by) operating activities	4,098	4,572	2,869	2,100	2,100
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	6,612	7,992	6,438	2,296	2,297
Total cash used	6,612	7,992	6,438	2,296	2,297
Net cash from/(used by) investing activities	(6,612)	(7,992)	(6,438)	(2,296)	(2,297)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	2,514	3,420	3,569	196	197
Total cash received	2,514	3,420	3,569	196	197
Net cash from/(used by) financing activities	2,514	3,420	3,569	196	197
Cash and cash equivalents at the beginning of the reporting period	4,505	4,505	4,505	4,505	4,505
Cash and cash equivalents at the end of the reporting period	4,505	4,505	4,505	4,505	4,505

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections—Bill 2	2,514	3,422	3,624	196	197
Total new capital appropriations	2,514	3,422	3,624	196	197
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	2,514	3,422	3,624	196	197
Total items	2,514	3,422	3,624	196	197
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	2,514	3,422	3,624	196	197
Funded internally from departmental resources ^(b)	4,098	4,570	2,814	2,100	2,100
TOTAL	6,612	7,992	6,438	2,296	2,297
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	6,612	7,992	6,438	2,296	2,297
Total cash used to acquire assets	6,612	7,992	6,438	2,296	2,297

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

(b) Includes sources of funding from current Bill and prior year Act 1 appropriations, donations and contributions, gifts, internally developed assets and proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2018–19)

	Other property, plant and equipment \$'000	Heritage and cultural \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2018				
Gross book value	3,866	96,745	1,538	102,149
Accumulated depreciation/ amortisation and impairment	(2,149)	(9,144)	(931)	(12,224)
Opening net book balance	1,717	87,601	607	89,925
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase—appropriation equity ^(a)	1,565	5,651	776	7,992
Total additions	1,565	5,651	776	7,992
Other movements				
Depreciation/amortisation expense	(564)	(3,804)	(202)	(4,570)
Total other movements	(564)	(3,804)	(202)	(4,570)
As at 30 June 2019				
Gross book value	5,431	102,396	2,314	110,141
Accumulated depreciation/ amortisation and impairment	(2,713)	(12,948)	(1,133)	(16,794)
Closing net book balance	2,718	89,448	1,181	93,347
Estimated operating expenditure in income statement for heritage and cultural assets				\$'000
Operations and Maintenance				3,500
Preservation and Conservation				400
Total operating expenditure on heritage and cultural assets				3,900

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2018–19, including CDABs.

Prepared on Australian Accounting Standards basis.

SCREEN AUSTRALIA

ENTITY RESOURCES AND PLANNED PERFORMANCE

SCREEN AUSTRALIA

Section 1: Entity overview and resources	267
1.1 Strategic direction statement	267
1.2 Entity resource statement	268
1.3 Budget measures.....	268
Section 2: Outcomes and planned performance.....	269
2.1 Budgeted expenses and performance for Outcome 1.....	270
Section 3: Budgeted financial statements	273
3.1 Budgeted financial statements.....	273
3.2 Budgeted financial statements tables	274

SCREEN AUSTRALIA

SECTION 1: ENTITY OVERVIEW AND RESOURCES

1.1 STRATEGIC DIRECTION STATEMENT

Screen Australia works to support bold, enduring and culturally significant Australian storytelling that resonates with local audiences and succeeds in a global marketplace, created by a skilled and entrepreneurial screen industry.

Screen Australia's goals are:

- engaged audiences
- compelling Australian storytelling
- successful Australian screen businesses
- highly-skilled, creative and innovative industry practitioners.

Screen Australia also aims to be an efficient and effective organisation that is responsive to industry.

Screen Australia works to achieve these goals through:

- culture – supporting screen stories that shape our cultural imagination, contribute to our national belonging, and create a legacy for all Australians now and into the future
- quality – encouraging creators to extend the ambitions of their projects in terms of development, writing, craft, scale and production to produce high-end content
- innovation – supporting the creation of innovative, risk-taking content for new and evolving platforms.

Screen Australia co-finances its projects with private financing sources. International economic conditions and tightening of credit markets may impact the availability of private funds for screen projects. The environment for feature film producers is also characterised by uncertain access to distribution and a small domestic market. In addition, the difficult economic climate may affect the level of recoupment of investment flowing to Screen Australia.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to Screen 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 departmental (for the Screen Australia's operations) classification.

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: Screen Australia resource statement—Budget estimates for 2018–19 as at Budget May 2018

	2017–18 estimated actual \$'000	2018–19 estimate \$'000
Opening balance/cash reserves at 1 July	21,164	21,164
Funds from Government		
Annual appropriations—ordinary annual services ^(a)		
Outcome 1	11,394	11,335
<i>Total annual appropriations</i>	<i>11,394</i>	<i>11,335</i>
Amounts received from related entities		
Amounts from portfolio department ^(b)	70,454	70,454
<i>Total amounts received from related entities</i>	<i>70,454</i>	<i>70,454</i>
Total funds from Government	81,848	81,789
Funds from other sources		
Sale of goods and services	160	190
Interest	2,175	2,175
Royalties from on-screen investments	5,000	4,545
Other	657	1,072
Total funds from other sources	7,992	7,982
Total net resourcing for Screen Australia	111,004	110,935
	2017–18	2018–19
Average staffing level (number)	97	97

(a) Appropriation Bill (No.1) 2018–19.

(b) Funding provided by the Department of Communications and the Arts that is not specified within the annual Appropriation Bills as a payment to Screen Australia.

Screen Australia is not directly appropriated as it is a Corporate Commonwealth Entity. Appropriations are made to the Department of Communications and the Arts (a Non-Corporate Commonwealth Entity), which are then paid to Screen Australia and are considered "departmental" for all purposes.

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

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

1.3 BUDGET MEASURES

There are no new measures relating to Screen Australia for the 2018–19 Budget.

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 Screen Australia can be found at:

www.screenaustralia.gov.au/corporateplan.

The most recent annual performance statement can be found at:

www.screenaustralia.gov.au/annualreport.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Promote engaged audiences and support a creative, innovative and commercially sustainable screen industry through the funding and promotion of diverse Australian screen product.

Budgeted expenses for Outcome 1

This table shows how much Screen Australia 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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
Program 1.1: Screen Australia					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	11,394	11,335	11,342	11,442	11,531
Payment from related entities	70,454	70,454	70,454	70,454	70,454
Revenues from other independent sources	7,992	7,982	7,640	7,296	7,218
Total expenses for Program 1.1	89,840	89,771	89,436	89,192	89,203
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	11,394	11,335	11,342	11,442	11,531
Payment from related entities	70,454	70,454	70,454	70,454	70,454
Revenues from other independent sources	7,992	7,982	7,640	7,296	7,218
Total expenses for Outcome 1	89,840	89,771	89,436	89,192	89,203
	2017–18	2018–19			
Average staffing level (number)	97	97			

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018-19 Budget measures have created new programs or materially changed existing programs.

Outcome 1—Promote engaged audiences and support a creative, innovative and commercially sustainable screen industry through the funding and promotion of diverse Australian screen product		
Program 1.1—Screen Australia		
Delivery		
<p>The key results will be for creative individuals and businesses, through financial and other assistance, to make high quality film, television, interactive entertainment, and other screen programs and for these programs to attract Australian and international audiences.</p>		
Performance information		
Year	Performance criteria	Targets
2017-18	<p>Engage, educate and inspire—increase engagement with national and international visitors through innovative exhibitions and programs that are accessed in a variety of ways.</p> <p>Lead and collaborate—be leaders in the sector and foster long-term relationships through partnerships and collaborations with key stakeholders and similar organisations/institutions nationally and internationally.</p>	<p>Expected to meet criterion</p> <p>Total audience number for Australian productions, including 2.7 million admissions for productions shown at movie theatres (based on three-year average) and 107 million cumulative audience for Screen Australia-funded productions shown on television.</p> <p>1.8 million visits to Screen Australia’s website.</p> <p>25 culturally diverse projects and events funded, with total funding of \$3.3 million.</p> <p>Expected to meet criterion</p> <p>225 new Australian artwork projects supported, with total funding of \$59.4 million provided.</p> <p>Screen Australia specific indicators:</p> <ul style="list-style-type: none"> • dollar value of production generated for each dollar of Screen Australia investment in features: \$5.90 • dollar value of production generated for each dollar of Screen Australia investment in documentaries: \$2.90 • dollar value of production generated for each dollar of Screen Australia investment in TV drama: \$5.50 • dollar value of production generated for each dollar of Screen Australia investment in children’s TV drama: \$3.60.

Screen Australia Budget Statements

Performance information		
Year	Performance criteria	Targets
2018–19	<p>Lead and collaborate—be leaders in the sector and foster long-term relationships through partnerships and collaborations with key stakeholders and similar organisations/institutions nationally and internationally.</p> <p>Engage, educate and inspire—increase engagement with national and international visitors through innovative exhibitions and programs that are accessed in a variety of ways.</p>	<p>225 new Australian artwork projects supported, with total funding of \$59.4 million provided.</p> <p>\$0.4 million total funding for research and development projects.</p> <p>Screen Australia specific indicators:</p> <ul style="list-style-type: none"> • dollar value of production generated for each dollar of Screen Australia investment in features: \$5.90 • dollar value of production generated for each dollar of Screen Australia investment in documentaries: \$2.90 • dollar value of production generated for each dollar of Screen Australia investment in TV drama: \$5.50 • dollar value of production generated for each dollar of Screen Australia investment in children's TV drama: \$3.60. <p>Total audience number for Australian productions, including 2.7 million admissions for productions shown at movie theatres (based on three-year average) and 107 million cumulative audience for Screen Australia-funded productions shown on television.</p> <p>1.8 million visits to Screen Australia's website.</p> <p>25 culturally diverse projects and events funded, with total funding of \$3.3 million.</p>
2019–20 and beyond	As per 2018–19	As per 2018–19
Purposes	To inspire, inform and connect audiences with compelling Australian stories.	

SECTION 3: BUDGETED FINANCIAL STATEMENTS

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of Screen Australia's finances for the 2018–19 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Explanatory notes and analysis of budgeted financial statements

Screen Australia's budget has been developed on the underlying principal of a balanced budget, that is, annual expense matches the annual revenue forecast to be received.

Total expenses for 2018–19 are estimated to be \$89.8 million and will be used in delivering the activities outlined in Program 1.1.

Total income for 2018–19 is estimated to be \$89.8 million. Screen Australia's revenue from Government for 2018–19 is \$81.8 million. Screen Australia is also expecting to generate \$8.0 million in own source revenue in 2018–19. This will be predominantly sourced from recoupment from screen investments, loans, and interest income.

Screen Australia continues to focus on containing administrative operating expenses to maximise funds directed to on-screen production.

Screen Australia has budgeted \$0.9 million in capital expenditure.

Screen Australia's net asset position as at 30 June 2019 is estimated to be \$17.7 million. This comprise total assets of \$81.5 million, less liabilities of \$63.8 million.

Total financial assets as at 30 June 2019 are estimated to be \$77.2 million, which represents 95 percent of the total asset value. A significant proportion of Screen Australia's financial assets (cash and investments in term deposits) have been committed to funding screen projects.

Total liabilities are estimated to be \$63.8 million as at 30 June 2019 of which 93 percent relates to obligations to pay amounts under executed screen industry contracts.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
EXPENSES					
Employee benefits	12,860	12,729	12,914	13,099	13,284
Suppliers	7,466	7,778	7,598	7,269	7,096
Grants	31,760	31,510	31,170	31,070	31,070
Depreciation and amortisation	900	900	900	900	900
Finance costs	4	4	4	4	3
Write-down and impairment of assets	36,850	36,850	36,850	36,850	36,850
Total expenses	89,840	89,771	89,436	89,192	89,203
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	160	190	190	190	190
Interest	2,175	2,175	2,175	2,175	2,500
Royalties	5,000	4,545	4,545	4,300	4,300
Other	657	1,072	730	631	228
Total own-source revenue	7,992	7,982	7,640	7,296	7,218
Total own-source income	7,992	7,982	7,640	7,296	7,218
Net (cost of) services	(81,848)	(81,789)	(81,796)	(81,896)	(81,985)
Revenue from Government—annual appropriation	11,394	11,335	11,342	11,442	11,531
Revenue from Government—amounts from portfolio department	70,454	70,454	70,454	70,454	70,454
Total comprehensive income/(loss)	-	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	21,164	21,164	21,164	21,164	21,164
Trade and other receivables	786	786	786	786	786
Other investments	55,227	54,952	54,630	54,464	54,249
Other financial assets	344	344	344	344	344
Total financial assets	77,521	77,246	76,924	76,758	76,543
Non-financial assets					
Land and buildings	1,678	1,328	978	628	278
Property, plant and equipment	1,539	1,924	2,309	2,694	3,079
Intangibles	586	551	516	481	446
Prepayments	479	479	479	479	479
Total non-financial assets	4,282	4,282	4,282	4,282	4,282
Total assets	81,803	81,528	81,206	81,040	80,825
LIABILITIES					
Payables					
Suppliers	2,001	1,723	1,444	1,173	902
Other payables	598	597	599	700	753
Total payables	2,599	2,320	2,043	1,873	1,655
Provisions					
Employee provisions	2,174	2,174	2,174	2,174	2,174
Other provisions	59,314	59,318	59,273	59,277	59,280
Total provisions	61,488	61,492	61,447	61,451	61,454
Total liabilities	64,087	63,812	63,490	63,324	63,109
Net assets	17,716	17,716	17,716	17,716	17,716
EQUITY					
Contributed equity	9,505	9,505	9,505	9,505	9,505
Reserves	45	45	45	45	45
Retained surplus	8,166	8,166	8,166	8,166	8,166
Total equity	17,716	17,716	17,716	17,716	17,716

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity—summary of movement (Budget year 2018–19)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	8,166	45	9,505	17,716
Adjusted opening balance	8,166	45	9,505	17,716
Estimated closing balance as at 30 June 2019	8,166	45	9,505	17,716
Closing balance attributable to the Australian Government	8,166	45	9,505	17,716

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	11,394	11,335	11,342	11,442	11,531
Receipts from Government	70,454	70,454	70,454	70,454	70,454
Sale of goods and rendering of services	176	209	209	209	209
Interest	2,175	2,175	2,175	2,175	2,500
Net GST received	7,500	7,500	7,500	7,500	7,500
Other	5,250	4,772	4,772	4,515	4,515
Total cash received	96,949	96,445	96,452	96,295	96,709
Cash used					
Employees	12,856	12,730	12,912	12,998	13,231
Suppliers	8,521	8,862	8,665	8,294	8,104
Other	38,751	38,450	38,128	38,050	38,067
Total cash used	60,128	60,042	59,705	59,342	59,402
Net cash from operating activities	36,821	36,403	36,747	36,953	37,307
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of financial instruments	210,657	211,072	210,730	210,631	210,228
Total cash received	210,657	211,072	210,730	210,631	210,228
Cash used					
Purchase of property, plant and equipment and intangibles	900	900	900	900	900
Purchase of financial instruments	210,428	210,425	210,378	210,534	210,485
On-screen investments	36,150	36,150	36,150	36,150	36,150
Other	-	-	49	-	-
Total cash used	247,478	247,475	247,477	247,584	247,535
Net cash (used by) investing activities	(36,821)	(36,403)	(36,747)	(36,953)	(37,307)
Net increase in cash held					
Cash and cash equivalents at the beginning of the reporting period	21,164	21,164	21,164	21,164	21,164
Cash and cash equivalents at the end of the reporting period	21,164	21,164	21,164	21,164	21,164

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources ^(a)	900	900	900	900	900
TOTAL	900	900	900	900	900
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	900	900	900	900	900
Total cash used to acquire assets	900	900	900	900	900

(a) Includes current Appropriation Bill 1 and revenue from other independent sources.
Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2018–19)

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018				
Gross book value	3,355	3,132	1,943	8,430
Accumulated depreciation/ amortisation and impairment	(1,677)	(1,593)	(1,357)	(4,627)
Opening net book balance	1,678	1,539	586	3,803
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase—appropriation ordinary annual services ^(a)	-	750	150	900
Total additions	-	750	150	900
Other movements				
Depreciation/amortisation expense	(350)	(365)	(185)	(900)
Total other movements	(350)	(365)	(185)	(900)
As at 30 June 2019				
Gross book value	3,355	3,882	2,093	9,330
Accumulated depreciation/amortisation and impairment	(2,027)	(1,958)	(1,542)	(5,527)
Closing net book balance	1,328	1,924	551	3,803

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2018–19 for depreciation/amortisation expenses or other operational expenses.

Prepared on Australian Accounting Standards basis.

**SPECIAL BROADCASTING SERVICE
CORPORATION**

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

SPECIAL BROADCASTING SERVICE CORPORATION

Section 1: Entity overview and resources	285
1.1 Strategic direction statement	285
1.2 Entity resource statement	287
1.3 Budget measures.....	288
Section 2: Outcomes and planned performance.....	289
2.1 Budgeted expenses and performance for Outcome 1.....	290
Section 3: Budgeted financial statements	293
3.1 Budgeted financial statements.....	293
3.2 Budgeted financial statements tables	294

SPECIAL BROADCASTING SERVICE CORPORATION

SECTION 1: ENTITY OVERVIEW AND RESOURCES

1.1 STRATEGIC DIRECTION STATEMENT

The Special Broadcasting Service Corporation (SBS) is a national broadcasting service that provides multicultural and multilingual television, radio and digital media services that inform, educate and entertain all Australians. SBS's purpose is to inspire all Australians to explore, appreciate and celebrate our diverse world and in doing so, contribute to a cohesive society. SBS's functions are guided by its Charter in Section 6 of the *Special Broadcasting Service Act 1991* (SBS Act).

The SBS Charter, hybrid funding model, multi-platform content offering, and breadth of in-language content, set SBS apart from other Australian and global broadcasters and media providers.

Maintaining Australia as a healthy, vibrant, diverse and highly cohesive society is key to our nation's future success. SBS inspires social cohesion by exploring and celebrating both our rich diversity and those common threads that make us uniquely Australian, as well as facilitating social and civic participation for those Australians who speak a language other than English (LOTE).

Content creation (covering in-house productions and commissioned content), acquisition and curation is at the heart of achieving the SBS purpose. Through its multiplatform offerings, SBS inspires a richer, deeper, understanding of our nation and our world, and presents different perspectives in entertaining and innovative ways. Through our core content activities SBS creates and curates inspired content for our audiences that inspires inclusivity and social cohesion; enriches and entertains; offers different perspectives; and provokes with purpose.

Content creation, acquisition and curation includes SBS One, SBS Viceland, SBS On Demand, NITV, Food Network and SBS Radio.

SBS aims to create and commission content which explores issues in a way that captures the interest and imagination of as many Australians as possible with the objective of encouraging greater understanding of the value of culture and diversity. SBS will also continue to share content across all of its platforms: free-to-air television, subscription services, radio and online, while exploring other means of reaching audiences.

With extensive access to international program makers and suppliers, SBS will continue to acquire the best programming from around the world and where this is in a language other than English, will provide English language subtitling where possible.

As part of the SBS family, the National Indigenous Television (NITV) is the home of Indigenous storytelling, delivering Australia's only national Aboriginal and Torres Strait Islander television news service. NITV aims to inform, educate and entertain its

Indigenous and non-Indigenous audiences. With programs that inspire, instil pride and lead to greater understanding of Indigenous Australians and cultures, NITV helps all Australians to connect with our rich Indigenous history. Stories, including children's stories, culture, languages, aspirations and development are key components of its content. NITV is broadcast free-to-air with national coverage, including through the Viewer Access Satellite Television (VAST) service.

SBS is the world's most linguistically diverse public broadcaster, bringing 68 radio language programs and services, and dedicated digital music channels, to the 21 percent of Australians who speak a LOTE at home.

SBS Radio communicates a diversity of views and perspectives to Australian audiences. While migrants to Australia now have access to homeland news and information via satellite television and the internet, SBS Radio plays a fundamental role in providing Australian news and information, celebrating audiences' cultures, and giving multicultural voices a key platform within the Australian community—all in the migrants' first language. SBS's language services have historically been referred to as 'the great translator' of life in Australia, and SBS continues this tradition with the broadcast and publication of SBS Settlement Guides, which assist new migrants to navigate life in Australia.

In a world where audience choice and platforms of consumption continue to multiply, SBS continues to make a vital difference to Australia's cultural and media landscape. The network's unique position in the industry allows it to present compelling, distinctive and thought-provoking content that no other Australian media organisation provides.

Through established links with culturally and linguistically diverse (CALD) communities, SBS actively engages these groups to understand their needs and facilitate participation in Australian social and political discourse. Using these insights, SBS seeks to lead debate and exploration of issues concerning multiculturalism, diversity and social cohesion.

In an increasingly competitive market, SBS will continue to explore commercial opportunities consistent with the SBS Act to generate returns that support the creation and commissioning of distinctive Australian content, and the continued delivery of quality and innovative services to Australian audiences.

SBS has an ongoing commitment to improving workflows and finding more efficient ways to run its operations in order to direct as much of its available resources to the creation of content that delivers on the SBS Charter and its unique purpose.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to SBS 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 SBS'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: SBS resource statement—Budget estimates for 2018–19 as at Budget May 2018

	<i>2017–18 estimated actual \$'000</i>	2018–19 estimate \$'000
Opening balance/cash reserves at 1 July	9,817	6,299
Funds from Government		
Annual appropriations—ordinary annual services ^(a)		
Outcome 1	280,058	281,726
<i>Total annual appropriations</i>	<i>280,058</i>	<i>281,726</i>
Total funds from Government	280,058	281,726
Funds from other sources		
Sale of goods and services	112,692	99,504
Interest	2,350	2,300
Rental income	1,168	1,161
Royalties	1,765	1,400
Other	196	412
Total funds from other sources	118,171	104,777
Total net resourcing for SBS	408,046	392,802
	2017–18	2018–19
Average staffing level (number)	1,154	1,149

(a) Appropriation Bill (No.1) 2018–19.

SBS is not directly appropriated as it is a Corporate Commonwealth Entity. Appropriations are made to the Department of Communications and the Arts (a Non-Corporate Commonwealth Entity), which are then paid to SBS and are considered "departmental" for all purposes.

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

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

1.3 BUDGET MEASURES

Table 1.2: SBS 2018–19 Budget measures

Part 1: Measures announced since the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Expense measures						
Funding for Australian Film and Television Content and the National Broadcasters	1.1					
Departmental expenses		-	8,700	5,900	-	-
Total		-	8,700	5,900	-	-
Total expense measures						
Departmental		-	8,700	5,900	-	-
Total		-	8,700	5,900	-	-

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

SECTION 2: OUTCOMES AND PLANNED PERFORMANCE

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the 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 SBS can be found at:

http://media.sbs.com.au/sbscorporate/documents/SBS_Corporate_Plan_FY18-21_vF.pdf.

The most recent annual performance statement can be found at:

http://media.sbs.com.au/home/upload_media/site_20_rand_224099426_sbs_annual_report_2017.pdf.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Provide multilingual and multicultural services that inform, educate and entertain all Australians and in so doing reflect Australia's multicultural society.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
Program 1.1: SBS General Operational Activities					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	205,571	207,967	211,032	209,030	212,793
Revenues from other independent sources	117,870	104,302	93,302	90,460	91,124
Total expenses for Program 1.1	323,441	312,269	304,334	299,490	303,917
Program 1.2: SBS Transmission and Distribution Services					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	74,487	73,759	73,657	75,056	76,407
Total expenses for Program 1.2	74,487	73,759	73,657	75,056	76,407
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	280,058	281,726	284,689	284,086	289,200
Revenues from other independent sources	117,870	104,302	93,302	90,460	91,124
Total expenses for Outcome 1	397,928	386,028	377,991	374,546	380,324
	2017–18	2018–19			
Average staffing level (number)	1,154	1,149			

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

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

Outcome 1—Provide multilingual and multicultural services that inform, educate and entertain all Australians and in so doing reflect Australia’s multicultural society		
Program 1.1—SBS General Operational Activities		
Delivering multilingual and multicultural television, radio and digital media services that reflect Australia’s multicultural society and inspire all Australians to explore and celebrate our diverse world, and in doing so promote social cohesion amongst the many cultures of our nation.		
Delivery		
Providing programs aligned with Australia’s multicultural society and perspective. Broadcasting in languages other than English. Delivering these services ensures Australians have access to multilingual and multicultural television, radio and digital media services		
Performance information		
Year	Performance criteria	Targets
2017–18	Number of hours of TV programming broadcast in CALD Number of hours of locally commissioned programs broadcast (first run) SBS One and SBS Viceland. Percentage of radio broadcasts in languages other than English.	Expected to meet criterion 9,000 hours of CALD programming broadcast. Expected to meet criterion 80 hours Expected to meet criterion 86%
2018–19	Number of hours of TV programming broadcast in CALD Number of hours of locally commissioned programs broadcast (first run) SBS One and SBS Viceland Number of hours of locally commissioned programs broadcast (first run) NITV Percentage of radio broadcasts in languages other than English	9,000 hours of CALD programming broadcast. 80 hours 25 hours 86%
2019–20 and beyond	Number of hours of TV programming broadcast in CALD Number of hours of locally commissioned programs broadcast (first run) SBS One and SBS Viceland Number of hours of locally commissioned programs broadcast (first run) NITV Percentage of radio broadcasts in languages other than English	9,000 hours of CALD programming broadcast. 80 hours 25 hours 86%
Purposes	SBS inspires all Australians to explore, appreciate and celebrate our diverse world and in doing so, contributes to a cohesive society.	

Special Broadcasting Service Corporation Budget Statements

<p>Program 1.2—SBS Transmission and Distribution Services To make SBS Television and Radio services available to all Australians to enable them to receive multilingual and multicultural services that inform, educate and entertain.</p>		
<p>Delivery Maintaining and improving the availability of SBS digital transmissions. Extending the reach of the SBS digital network. By delivering these services, all Australians are able to receive multilingual and multicultural services.</p>		
<p>Performance information</p>		
Year	Performance criteria	Targets
2017–18	Population reach—Digital transmission sites (including VAST Satellite) Availability of digital television transmission services (fully managed services) Population reach for terrestrial services (excluding satellite)	Expected to meet criterion 100% Expected to meet criterion 99.82% Expected to meet criterion 97%
2018–19	Population reach—Digital transmission sites (including VAST Satellite). Availability of digital television transmission services (fully managed services). Population reach for terrestrial services (excluding satellite).	100% 99.82% 97%
2019–20 and beyond	Population reach—Digital transmission sites (including VAST Satellite). Availability of digital television transmission services (fully managed services). Population reach for terrestrial services (excluding satellite).	100% 99.82% 97%
Purposes	SBS inspires all Australians to explore, appreciate and celebrate our diverse world and in doing so, contributes to a cohesive society.	

SECTION 3: BUDGETED FINANCIAL STATEMENTS

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of SBS's finances for the 2018-19 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Explanatory notes and analysis of budgeted financial statements

The SBS predicted operating result for 2018-19 is a modest surplus of \$0.5 million.

In the 2015-16 Budget, a \$28.5 million funding reduction over four years was applied to SBS. This was predicated on the successful legislative amendment of the SBS Act to provide additional advertising and sponsorship flexibility from 2015-16. In lieu of increased advertising revenue that SBS was unable to earn as the legislative amendment did not pass the Parliament, funding of \$8.7 million has been reinstated in 2018-19. \$5.9 million has been provided in 2019-20.

Own-source revenue is budgeted at \$104.7 million for 2018-19. This is largely generated from sales of goods and services, the main component being advertising revenue.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
EXPENSES					
Employee benefits	135,300	132,543	132,130	134,642	137,335
Suppliers	251,130	241,567	233,843	227,658	230,498
Depreciation and amortisation	11,472	11,918	12,018	12,246	12,491
Finance costs	26	-	-	-	-
Total expenses	397,928	386,028	377,991	374,546	380,324
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	112,692	99,504	88,500	85,400	85,502
Interest	2,350	2,300	2,300	2,500	3,000
Rental income	1,168	1,161	1,184	1,207	1,231
Royalties	1,765	1,400	1,400	1,427	1,455
Other	196	412	412	420	428
Total own-source revenue	118,171	104,777	93,796	90,954	91,616
Total own-source income	118,171	104,777	93,796	90,954	91,616
Net (cost of)/contribution by services	(279,757)	(281,251)	(284,195)	(283,592)	(288,708)
Revenue from Government	280,058	281,726	284,689	284,086	289,200
Surplus/(deficit) attributable to the Australian Government	301	475	494	494	492
Total other comprehensive income	301	475	494	494	492
Total comprehensive income/(loss) attributable to the Australian Government	301	475	494	494	492

Prepared on Australian Accounting Standards basis.

Special Broadcasting Service Corporation Budget Statements

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	6,299	5,195	5,020	4,207	3,640
Trade and other receivables	30,580	24,680	24,680	24,680	24,680
Other investments	2,513	9,513	4,513	4,513	4,513
Total financial assets	39,392	39,388	34,213	33,400	32,833
Non-financial assets					
Land and buildings	76,322	74,714	73,106	71,498	69,890
Property, plant and equipment	25,930	25,620	25,210	24,572	23,689
Intangibles	24,415	26,415	28,415	30,415	32,415
Inventories	81,815	90,312	88,248	82,050	75,852
Other non-financial assets	22,686	15,286	23,736	32,186	40,636
Total non-financial assets	231,168	232,347	238,715	240,721	242,482
Total assets	270,560	271,735	272,928	274,121	275,315
LIABILITIES					
Payables					
Suppliers	29,997	29,996	29,997	29,997	29,997
Other payables	6,533	6,534	6,535	6,535	6,537
Total payables	36,530	36,530	36,532	36,532	36,534
Provisions					
Employee provisions	25,069	25,769	26,469	27,169	27,869
Other provisions	1,193	1,193	1,193	1,193	1,193
Total provisions	26,262	26,962	27,662	28,362	29,062
Total liabilities	62,792	63,492	64,194	64,894	65,596
Net assets	207,768	208,243	208,734	209,227	209,719
EQUITY					
Contributed equity	110,403	110,403	110,403	110,403	110,403
Reserves	68,555	68,555	68,555	68,555	68,555
Retained surplus (accumulated deficit)	28,810	29,285	29,776	30,269	30,761
Total equity	207,768	208,243	208,734	209,227	209,719

Prepared on Australian Accounting Standards basis.

**Table 3.3: Departmental statement of changes in equity—summary of movement
(Budget year 2018–19)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2018					
Balance carried forward from previous period	28,810	68,855	(300)	110,403	207,768
Adjusted opening balance	28,810	68,855	(300)	110,403	207,768
Comprehensive income					
Surplus/(deficit) for the period	475	-	-	-	475
Total comprehensive income	475	-	-	-	475
Estimated closing balance as at 30 June 2019	29,285	68,855	(300)	110,403	208,243
Closing balance attributable to the Australian Government	29,285	68,855	(300)	110,403	208,243

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	280,058	281,726	284,689	284,086	289,200
Sale of goods and rendering of services	112,924	108,377	91,496	88,453	88,617
Interest	2,350	2,300	2,300	2,500	3,000
Net GST received	11,500	11,500	11,500	11,500	11,500
Total cash received	406,832	403,903	389,985	386,539	392,317
Cash used					
Employees	134,900	131,843	131,431	133,942	136,634
Suppliers	272,660	254,164	251,729	241,410	244,250
Borrowing costs	4	-	-	-	-
Total cash used	407,564	386,007	383,160	375,352	380,884
Net cash from/(used by) operating activities	(732)	17,896	6,825	11,187	11,433
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of financial instruments	223,000	195,000	195,000	160,000	160,000
Total cash received	223,000	195,000	195,000	160,000	160,000
Cash used					
Purchase of property, plant and equipment and intangibles	15,340	12,000	12,000	12,000	12,000
Purchase of financial instruments	210,400	202,000	190,000	160,000	160,000
Total cash used	225,740	214,000	202,000	172,000	172,000
Net cash from/(used by) investing activities	(2,740)	(19,000)	(7,000)	(12,000)	(12,000)
FINANCING ACTIVITIES					
Cash used					
Lease payments	46	-	-	-	-
Total cash used	46	-	-	-	-
Net cash from/(used by) financing activities	(46)	-	-	-	-
Net increase/(decrease) in cash held	(3,518)	(1,104)	(175)	(813)	(567)
Cash and cash equivalents at the beginning of the reporting period	9,817	6,299	5,195	5,020	4,207
Cash and cash equivalents at the end of the reporting period	6,299	5,195	5,020	4,207	3,640

Prepared on Australian Accounting Standards basis.

Special Broadcasting Service Corporation Budget Statements

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources ^(a)	15,340	12,000	12,000	12,000	12,000
TOTAL	15,340	12,000	12,000	12,000	12,000
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	15,340	12,000	12,000	12,000	12,000
Total cash used to acquire assets	15,340	12,000	12,000	12,000	12,000

(a) Includes the following sources of funding current Bill 1 and prior year Act 1 appropriations, donations and contributions, gifts, internally developed assets and proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

Special Broadcasting Service Corporation Budget Statements

Table 3.6: Statement of asset movements (Budget year 2018–19)

	Land	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018					
Gross book value	39,860	40,700	37,150	40,418	158,128
Accumulated depreciation/ amortisation and impairment	-	(4,238)	(11,220)	(16,003)	(31,461)
Opening net book balance	39,860	36,462	25,930	24,415	126,667
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase—appropriation ordinary annual services ^(a)	-	600	6,400	5,000	12,000
Total additions	-	600	6,400	5,000	12,000
Other movements					
Depreciation/amortisation expense	-	(2,208)	(6,710)	(3,000)	(11,918)
Total other movements	-	(2,208)	(6,710)	(3,000)	(11,918)
As at 30 June 2019					
Gross book value	39,860	41,300	43,550	45,418	170,128
Accumulated depreciation/ amortisation and impairment	-	(6,446)	(17,930)	(19,003)	(43,379)
Closing net book balance	39,860	34,854	25,620	26,415	126,749

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2018–19 for depreciation expenses.

Prepared on Australian Accounting Standards basis.

PORTFOLIO GLOSSARY

Term	Meaning
Accrual Accounting	The 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.
Administered Items	The expenses, revenues, 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.
Additional Estimates	Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.
Appropriation	An authorisation by Parliament to spend moneys from the Consolidated Revenue Fund for a particular purpose.
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 process. The parliamentary departments have their own appropriations.
Capital Expenditure	Expenditure by an agency on capital projects, for example, purchasing a building.
Consolidated Revenue Fund	Section 81 of the <i>Constitution</i> stipulates that all revenue raised or money received by the Commonwealth forms the one Consolidated Revenue Fund (CRF). The CRF is not a bank account. The Official Public Account reflects most of the operations of the CRF.
Departmental Items	Assets, liabilities, revenues and expenses which 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 and Acronyms

Term	Meaning
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.
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.
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 Commonwealth. Actual outcomes are assessments of the results or impacts actually achieved.
Parameters	Agency funding is routinely adjusted for changes in parameters to ensure agency funding keeps pace with forecast changes in the economy. The Treasury calculates parameter rates, which factor in various economic indicators including inflation, production levels and exchange rates.
Revenue	Total value of resources earned or received to cover the production of goods and services.
Special Account	Balances existing within the CRF that are supported by standing appropriations under section 78 and 80 of the <i>Public Governance, Performance and Accountability Act 2013</i> (PGPA Act). Special accounts allow money in the CRF 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 (s78 PGPA Act) or through an Act of Parliament (referred to in s80 of the PGPA Act).

Term	Meaning
Special Appropriations (including Standing Appropriations)	<p>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 CRF does not generally cease at the end of the financial year.</p> <p>Standing appropriations are a sub-category consisting of ongoing special appropriations – the amount appropriated will depend on circumstances specified in the legislation.</p>

ACRONYMS

Acronym	Meaning
5G	5 th Generation wireless systems
AAS	Australian Accounting Standards
ABC	Australian Broadcasting Corporation
ACB	Administered Capital Budget
ACMA	Australian Communications and Media Authority
AFTRS	Australian Film, Television and Radio School
ANMM	Australian National Maritime Museum
CALD	Culturally and linguistically diverse
CDAB	Collection Development Acquisition Budget
CRF	Consolidated Revenue Fund
DCB	Departmental Capital Budget
GFS	Government Finance Statistics
GGs	General Government Sector
GST	Goods and Services Tax
ISSN	International Standard Serial Number
LOTE	Language Other Than English
MYEFO	Mid-Year Economic and Fiscal Outlook
NFSA	National Film and Sound Archive of Australia
NGA	National Gallery of Australia
NITV	National Indigenous Television
NLA	National Library of Australia
NMA	National Museum of Australia
NPGA	National Portrait Gallery of Australia
NBN	National Broadband Network
nbn	NBN Co Limited

Portfolio Glossary and Acronyms

Acronym	Meaning
NRS	National Relay Service
OPA	Official Public Account
OPH	Old Parliament House
PB Statements	Portfolio Budget Statements
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
SBS	Special Broadcasting Service Corporation
USO	Universal Service Obligation
VAST	Viewer Access Satellite Television