Special Broadcasting Service Corporation

Entity resources and planned performance

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# Special Broadcasting Service Corporation

Section 1: Entity overview and resources

* 1. Strategic direction statement

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

The SBS Charter, hybrid funding model, multiplatform content offering, and breadth of in-language services (more than 60 languages), set SBS apart from other Australian and global broadcasters and media providers. The network’s unique position in the industry enables it to present compelling, distinctive and thought-provoking content that no other Australian media organisation provides.

Maintaining Australia as a vibrant, diverse and highly cohesive society is key to Australia’s future success. SBS inspires social cohesion by exploring and celebrating both Australia’s 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.

Content creation (including in-house productions and commissioned programs), acquisition and curation are at the heart of achieving the SBS purpose. SBS creates content which explores issues and topics 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 a diverse and inclusive society. SBS is increasingly making the Australian stories it commissions available to more Australians in their preferred language by providing in-language subtitling and digital product features.

Through its multiplatform offerings across SBS television (including SBS main channel, SBS VICELAND, National Indigenous Television (NITV), SBS Food, and SBS World Movies), SBS Radio and digital platforms, such as SBS On Demand, SBS inspires a richer, deeper, understanding of Australia and the world around us. While audiences increasingly shift consumption from traditional linear broadcast television to digital platforms, SBS will continue to share content across all platforms — free-to-air television, radio and online so that it remains accessible and relevant to all Australians.

SBS is inherently multilingual. It is the most diverse multilingual media provider in the world, broadcasting in 60+ languages. SBS’ offering has evolved rapidly since it was established in 1975, supporting new migrants, and ensuring older Australians who speak a language other than English remain connected to Australian society. SBS’ integrated languages strategy delivers news, information and entertainment across a range of platforms. It provides an end-to-end ecosystem supporting social cohesion—for all Australians — from new arrivals to established communities, second- and third-generation, and across generations.

Examples of the evolution of SBS’ languages strategy include:

* Providing essential COVID-19 information in more than 60 languages throughout the pandemic, which has reached more than 11 million Australian unique visitors across SBS’ in-language digital offerings. Most recently this has involved providing rapid antigen test instruction infographics in more than 50 languages through SBS language websites and social media presence.
* Launching Arabic, Simplified Chinese, Traditional Chinese, Hindi, Korean, and Vietnamese digital services on SBS On Demand. These collections include in-language log in and navigation, subtitled news and current affairs content, as well as subtitled dramas and documentaries, with subtitled content also available in the Punjabi language.
* The SBS Settlement Guide includes ‘need-to-know’ facts about settling in Australia and has content in more than 50 SBS Radio language services. It covers aspects of daily life, local culture, history, and government services.
* SBS News in Easy English, provides five daily news podcasts (Monday–Friday) per week in simple English, read slowly and accompanied by a transcript.

SBS’ digital platforms play a pivotal role in engaging language audiences with Australian content – each language community has specific media consumption behaviours. SBS’ comprehensive digital strategy is built on evidence, including quantitative research SBS conducted with Australians who speak a language other than English in their language to understand their needs. SBS’ approach emphasises the importance of ensuring all SBS digital products (articles, audio, video across News, Health, Food and Entertainment) are designed for language users.

In late 2021-22, as part of accelerating its language offering, SBS will also launch a new channel — SBS WorldWatch — which will become the home for SBS عربي News and SBS 中文 News. These new SBS-produced television news services, launched first on SBS On Demand, provide communities with trusted coverage, context, and insight into the major national and international stories of the day in Arabic and Mandarin five nights per week.

SBS is also increasing the accessibility of its content in other ways to meet the needs of diverse Australia. SBS has long provided closed captioning which presents the audio component of television programs, presented as text on the screen, to support Australians who experience hearing loss. In addition, SBS now provides audio description for blind or vision impaired audiences on a selection of programming across four television channels—delivered both terrestrially and via VAST (Viewer Access Satellite Television).

SBS’ news and current affairs programming provides comprehensive and high quality reporting on global and domestic issues. Investment in digital news and current affairs is increasing audiences and enhancing SBS’ reputation as one of Australia’s most trusted news sources, delivered by a multiskilled team renowned for excellence in journalism. This has been particularly notable during the COVID-19 pandemic, as audiences come to SBS news services for trusted health information and analysis.

With extensive access to international program makers and suppliers, SBS will continue to acquire the best programming from around the world including in languages other than English. More content will be made available in languages other than English as more commissioned, locally produced content, flagship news and current affairs programs and NITV programming will be subtitled in multiple languages.

As part of SBS, NITV is the home of Indigenous storytelling, delivering Australia’s only national Aboriginal and Torres Strait Islander television news service. Stories of youth, culture, languages, aspirations and children’s learning are key components of NITV’s content, and continue to provide a platform for First Nations voices and an important channel for communities to see themselves reflected on screen. With programs that inspire and instil pride, NITV drives greater education and understanding about Aboriginal and Torres Strait Islander peoples’ heritage and culture amongst all Australians. NITV is broadcast free-to-air with national coverage, including through the Viewer Access Satellite Television (VAST) service, and with an extensive digital presence. SBS is also delivering more First Nations content across all its platforms, driving greater audiences for these stories.

SBS is unique internationally, delivering over 60 language services on radio and online, and dedicated digital music channels, to the 21 per cent of Australians who speak a language other than English at home.

SBS Radio communicates a diversity of views and perspectives to Australian audiences, using both traditional radio and digital delivery via app, podcast, dedicated webpages and social media. While migrants to Australia have access to homeland news and information via SBS WorldWatch, satellite television and the internet, SBS Radio continues to play a fundamental role in driving inclusion. It provides trusted, independent Australian news and information, celebrates cultures, and gives multicultural voices a key platform within the Australian community—all in the audiences’ first language. SBS’ 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 the SBS Settlement Guide, which assists new migrants to navigate life in Australia. Throughout the course of the COVID-19 pandemic, SBS’s ability to provide crucial information online via its one stop multilingual coronavirus portal in more than 60 languages has once again underlined its important place in multicultural Australia.

Through trusted relationships with culturally and linguistically diverse communities and increased reach through digital media, SBS facilitates participation in Australian social, cultural, economic and political discourse. Using these connections, SBS provides a trusted platform for 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 all Australians. In 2021, SBS launched a Beyond 3% initiative which seeks to increase First Nations investment in Indigenous media platforms by media agencies. SBS will also continue to invest in its digital advertising capabilities to capitalise on the growing shift to digital content.

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. Over the seven-year period up to 2021-22, SBS’s efficiency program will culminate in over $58 million of realised savings in 2021-22. SBS has reinvested these efficiencies in the growth of its digital services and distinctive cross platform content in line with its Charter. Across this period (2015-16 to 2021-22 estimate), SBS is on target to quadruple digital consumption hours and achieve a 100 per cent uplift in first run Australian content.

In the coming years, SBS will continue to deliver on its purpose and Charter with a continued focus on building a distinctive network across both traditional and digital platforms, to ensure a diverse array of views and voices are represented in mainstream media. SBS will continue to provide its valued services to the community, telling stories otherwise untold, supporting cultural, economic and civic participation, and inspiring all Australians to experience the benefits of social inclusion.

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 administered (on behalf of the Government or the public) and Departmental (for 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 2022-23 as at Budget March 2022

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | **11,790** | **10,242** |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Outcome 1 | 310,021 | 316,805 |
| Total annual appropriations | 310,021 | 316,805 |
| **Total funds from Government** | **310,021** | **316,805** |
| **Funds from other sources** |  |  |
| Interest | 397 | 425 |
| Royalties | 1,122 | 1,300 |
| Sale of goods and services | 146,763 | 150,361 |
| Other | 96 | 98 |
| **Total funds from other sources** | **148,378** | **152,184** |
| **Total net resourcing for SBS** | **470,189** | **479,231** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 1,238 | 1,267 |

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

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

1. Appropriation Bill (No. 1) 2022-23.

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

1.3 Budget measures

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

Table 1.2: SBS 2022-23 Budget measures

**Part 1: Measures announced since the 2021-22 Mid-Year Economic and Fiscal Outlook (MYEFO)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2021-22 $'000 | 2022-23 $'000 | 2023-24 $'000 | 2024-25 $'000 | 2025-26 $'000 |
| **Payment measures** |  |  |  |  |  |  |
| National Broadcasters – funding for the next triennium (a) | 1.1,1.2 |  |  |  |  |  |
| Departmental payments |  | - | - | - | - | - |
| **Total** |  | **-** | **-** | **-** | **-** | **-** |
| **Total payment measures** |  |  |  |  |  |  |
| Departmental |  | - | - | - | - | - |
| **Total** |  | **-** | **-** | **-** | **-** | **-** |

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

1. This measure includes funding of $12.3 million in 2022-23, $12.5 million in 2023-24 and $12.7 million in 2024-25 that was rolled into SBS’ base funding from 2022-23 on an ongoing basis. The new base funding to SBS for the triennium will be $315.8 million in 2022-23, $321.6 million in 2023-24 and $318.6 million in 2024-25. As provision for this funding has already been included in the forward estimates, it has no net budget impact.

Section 2: Outcomes and planned performance

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

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

|  |
| --- |
| **Note:**  Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance measures described in Portfolio Budget Statements will be read with broader information provided in an entity’s corporate plans and annual performance statements – included in Annual Reports – to provide a complete picture of an entity’s planned and actual performance.  The most recent corporate plan for (SBS) can be found at: (https://www.sbs.com.au/aboutus/corporate-plan-2021-22).  The most recent annual performance statement can be found at: (https://www.sbs.com.au/aboutus/sbs-2020-21-annual-report). |

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 SBS intends to spend (on an accrual basis) on achieving the outcome, broken down by program.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.1: SBS General Operational Activities** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 239,376 | 244,897 | 249,580 | 245,496 | 250,041 |
| Revenues from other independent sources | 145,314 | 151,804 | 149,851 | 150,062 | 150,076 |
| **Total expenses for Program 1.1** | **384,690** | **396,701** | **399,431** | **395,558** | **400,117** |
| **Program 1.2: SBS Transmission and Distribution Services** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 70,645 | 71,908 | 72,974 | 74,144 | 74,972 |
| **Total expenses for Program 1.2** | **70,645** | **71,908** | **72,974** | **74,144** | **74,972** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 310,021 | 316,805 | 322,554 | 319,640 | 325,013 |
| Revenues from other independent sources | 145,314 | 151,804 | 149,851 | 150,062 | 150,076 |
| **Total expenses for Outcome 1** | **455,335** | **468,609** | **472,405** | **469,702** | **475,089** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 1,238 | 1,267 |

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 measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

|  |  |  |
| --- | --- | --- |
| **Outcome 1** – 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. | | |
| **Key Activities** | Content creation, acquisition, curation and content commercialisation | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Current year 2021‑22 | Number of hours of TV programming broadcast in CALD – all linear channels | 29,996 hours of CALD programming broadcast  (Target - 28,500 hours)  Target expected to be met |
|  | Number of hours of locally commissioned programs broadcast (first run) all *linear channels except NITV* (a) | 269 hours  (Target - 180 hours)  Target expected to be met |
|  | Number of hours of locally commissioned programs broadcast (first run) NITV (a) | 21 hours –due to COVID-19 disruptions on Indigenous productions  (Target – 45 hours)  Target not expected to be met |
|  | Percentage of radio broadcasts in languages other than English | 97%  (Target – 90%)  Target expected to be met |
|  | Total Digital Registrations | 10.7 million  (Target – 10.2 million)  Target expected to be met |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022‑23 | Number of hours of TV programming broadcast in CALD – all linear channels | 34,300 hours of CALD programming broadcast |
|  | Number of hours of locally commissioned programs broadcast (first run) all *linear channels except NITV* (a) | 272 hours |
|  | Number of hours of locally commissioned programs broadcast (first run) NITV (a) | 35 hours |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year  2022-23 cont. | Percentage of radio broadcasts in languages other than English | 90% |
|  | Total Digital Registrations | 11.6 million |
| Forward Estimates 2023-26 | As per 2022-23 | As per 2022-23 except:  Number of hours of locally commissioned programs broadcast (first run) all *linear channels except NITV* (a)   * 2023-26: 180 hours   Total Digital Registrations:   * 2023-24: 12.3 million * 2024-25: 12.8 million * 2025-26: 13.2 million |

1. This includes commissioned and in-house productions but excludes news and current affairs, special events and sports programming.

| **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. | | |
| --- | --- | --- |
| **Key Activities** | Content broadcast and transmission | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Current year  2021-22 | Population reach – Digital transmission sites (including VAST Satellite) | 100%  (Target – 100%)  Target expected to be met |
|  | Availability of digital television transmission services (fully managed services) | 99.82%  (Target – 99.82%)  Target expected to be met |
|  | Population reach for terrestrial services (excluding satellite) | 97%  (Target – 97%)  Target expected to be met |
|  | Availability of Radio transmission services (fully managed services) | 99.86%  (Target – 99.86%)  Target expected to be met |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022-23 | Population reach – Digital transmission sites (including VAST Satellite) | 100% |
|  | Availability of digital television transmission services (fully managed services) | 99.82% |
|  | Population reach for terrestrial services (excluding satellite) | 97% |
|  | Availability of Radio transmission services (fully managed services) | 99.86% |
| Forward Estimates 2023-26 | As per 2022-23 | As per 2022-23 |

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2022-23 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

SBS’ operating result for 2022–23 reports a breakeven position. This does not include the anticipated impact of a one-off event in 2022-23 which SBS estimates will generate a negative net financial impact of up to $23.2 million. In order to address the financial impact of this event, SBS has preserved two consecutive significant surpluses generated across 2019-20 and 2020-21 and is planning to deliver a further surplus in 2021-22. In aggregate, the 2022-23 SBS balance sheet projects a retained surplus of $43.9 million and an estimated cash and investment balance of $50.2 million which will more than offset this one-off event impact.

SBS continues to monitor additional opportunities to address the net financial impact of this event.

Own-source revenue largely generated from sales of goods and services is budgeted at $151.9 million for 2022–23 and is reducing to $150.0 million in 2023-24 and beyond.

As part of the triennium outcome, the 2022-23 Budget includes funding of $12.3 million in 2022-23, $12.5 million in 2023‑24 and $12.7 million in 2024-25 for the continuation of the Funding Adequacy measure and the reinstatement of funding associated with reductions made to the SBS budget in anticipation of the increased advertising flexibility legislative amendment in 2015-16 which did not pass the Parliament. The $12.3 million of additional funding provided in 2022‑23 rolls into SBS’ base appropriation ongoing from 2022-23.

The Budget also includes $1.0 million per annum of funding in 2022-23 to 2024-25 for the continuation of Audio Description services for audiences who are blind or vision-impaired.

3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | | 2023-24 Forward estimate $'000 | | 2024-25 Forward estimate $'000 | | 2025-26 Forward estimate $'000 | |
| **EXPENSES** |  |  | |  | |  | |  | |
| Employee benefits | 168,097 | 170,598 | | 172,108 | | 174,772 | | 177,349 | |
| Suppliers | 266,013 | 281,246 | | 283,397 | | 278,387 | | 281,111 | |
| Depreciation and amortisation | 20,581 | 16,222 | | 16,402 | | 16,105 | | 16,226 | |
| Finance costs | 644 | 543 | | 498 | | 438 | | 403 | |
| **Total expenses** | **455,335** | **468,609** | | **472,405** | | **469,702** | | **475,089** | |
| **LESS:** |  |  | |  | |  | |  | |
| **OWN-SOURCE INCOME** |  |  | |  | |  | |  | |
| **Own-source revenue** |  |  | |  | |  | |  | |
| Sale of goods and rendering of services | 147,049 | 148,673 | | 146,944 | | 147,054 | | 147,053 | |
| Interest | 397 | 425 | | 425 | | 425 | | 449 | |
| Rental income | 1,353 | 1,382 | | 1,400 | | 1,425 | | 1,449 | |
| Royalties | 1,122 | 1,300 | | 1,512 | | 1,500 | | 1,501 | |
| Other | 96 | 98 | | 100 | | 150 | | 126 | |
| **Total own-source revenue** | **150,017** | **151,878** | | **150,381** | | **150,554** | | **150,578** | |
| **Total own-source income** | **150,017** | **151,878** | | **150,381** | | **150,554** | | **150,578** | |
| **Net (cost of)/contribution by services** | **(305,318)** | **(316,731)** | | **(322,024)** | | **(319,148)** | | **(324,511)** | |
| Revenue from Government | 310,021 | 316,805 | | 322,554 | | 319,640 | | 325,013 | |
| **Surplus/(deficit) attributable to the Australian Government** | **4,703** | **74** | | **530** | | **492** | | **502** | |
| **Total comprehensive income/(loss)** | **4,703** | **74** | | **530** | | **492** | | **502** | |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **4,703** | **74** | | **530** | | **492** | | **502** | |
| **Note: Impact of net cash appropriation arrangements** | | |  | |  | |  | |
| **Total comprehensive income/(loss) - as per statement of comprehensive income** | **4,703** | **74** | | **530** | | **492** | | **502** | |
| plus: depreciation/amortisation expenses for ROU assets (a) | 9,302 | 3,643 | | 3,589 | | 3,625 | | 3,726 | |
| less: lease principal repayments (a) | (9,234) | (3,684) | | (3,684) | | (3,600) | | (3,580) | |
| **Net cash operating surplus/ (deficit)** | **4,771** | **33** | | **435** | | **517** | | **648** | |

Prepared on Australian Accounting Standards basis.

1. Applies to lease arrangements under AASB 16 Leases.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 10,242 | 11,708 | 11,181 | 10,859 | 11,087 |
| Trade and other receivables | 28,389 | 28,433 | 28,434 | 29,842 | 29,852 |
| Other investments | 18,108 | 38,538 | 36,829 | 32,625 | 32,813 |
| ***Total financial assets*** | ***56,739*** | ***78,679*** | ***76,444*** | ***73,326*** | ***73,752*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 103,123 | 101,121 | 99,039 | 96,454 | 93,828 |
| Property, plant and equipment | 53,483 | 52,263 | 49,643 | 44,741 | 41,272 |
| Intangibles | 14,641 | 11,641 | 9,941 | 9,741 | 9,541 |
| Inventories | 93,422 | 97,432 | 104,407 | 107,050 | 112,003 |
| Other non-financial assets | 37,190 | 13,521 | 12,022 | 14,523 | 13,124 |
| ***Total non-financial assets*** | ***301,859*** | ***275,978*** | ***275,052*** | ***272,509*** | ***269,768*** |
| **Total assets** | **358,598** | **354,657** | **351,496** | **345,835** | **343,520** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 25,579 | 24,649 | 24,396 | 23,877 | 24,749 |
| Other payables | 17,807 | 17,707 | 17,453 | 16,501 | 16,471 |
| ***Total payables*** | ***43,386*** | ***42,356*** | ***41,849*** | ***40,378*** | ***41,220*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 38,118 | 34,434 | 30,750 | 25,568 | 21,919 |
| ***Total interest bearing liabilities*** | ***38,118*** | ***34,434*** | ***30,750*** | ***25,568*** | ***21,919*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 36,323 | 37,023 | 37,523 | 38,023 | 38,013 |
| Other provisions | 1,039 | 1,038 | 1,038 | 1,038 | 1,038 |
| ***Total provisions*** | ***37,362*** | ***38,061*** | ***38,561*** | ***39,061*** | ***39,051*** |
| **Total liabilities** | **118,866** | **114,851** | **111,160** | **105,007** | **102,190** |
| **Net assets** | **239,732** | **239,806** | **240,336** | **240,828** | **241,330** |
| **EQUITY** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 110,403 | 110,403 | 110,403 | 110,403 | 110,403 |
| Reserves | 85,457 | 85,457 | 85,457 | 85,457 | 85,457 |
| Retained surplus (accumulated deficit) | 43,872 | 43,946 | 44,476 | 44,968 | 45,470 |
| ***Total parent entity interest*** | ***239,732*** | ***239,806*** | ***240,336*** | ***240,828*** | ***241,330*** |
| **Total equity** | **239,732** | **239,806** | **240,336** | **240,828** | **241,330** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Other reserves  $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2022** |  |  |  |  |  |
| Balance carried forward from previous period | 43,872 | 87,024 | (1,567) | 110,403 | 239,732 |
| ***Adjusted opening balance*** | ***43,872*** | ***87,024*** | ***(1,567)*** | ***110,403*** | ***239,732*** |
| **Comprehensive income** |  |  |  |  |  |
| Surplus/(deficit) for the period | 74 | - | - | - | 74 |
| ***Total comprehensive income*** | ***74*** | ***-*** | ***-*** | ***-*** | ***74*** |
| **Estimated closing balance as at 30 June 2023** | **43,946** | **87,024** | **(1,567)** | **110,403** | **239,806** |
| **Closing balance attributable to the Australian Government** | **43,946** | **87,024** | **(1,567)** | **110,403** | **239,806** |

Prepared on Australian Accounting Standards basis

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 310,021 | 316,805 | 322,554 | 319,640 | 325,013 |
| Sale of goods and rendering of services | 166,130 | 165,249 | 166,740 | 165,320 | 166,422 |
| Interest | 397 | 425 | 425 | 425 | 449 |
| Other | 400 | 600 | 1,612 | 1,650 | 1,627 |
| ***Total cash received*** | ***476,948*** | ***483,079*** | ***491,331*** | ***487,035*** | ***493,511*** |
| **Cash used** |  |  |  |  |  |
| Employees | 164,896 | 170,398 | 171,609 | 174,523 | 177,369 |
| Suppliers | 313,702 | 276,557 | 307,776 | 303,000 | 301,743 |
| Other | 644 | 543 | 498 | 438 | 403 |
| ***Total cash used*** | ***479,242*** | ***447,498*** | ***479,883*** | ***477,961*** | ***479,515*** |
| **Net cash from/(used by) operating activities** | **(2,294)** | **35,581** | **11,448** | **9,074** | **13,996** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Proceeds from sales of financial instruments | 230,000 | 229,847 | 222,478 | 226,024 | 229,173 |
| ***Total cash received*** | ***230,000*** | ***229,847*** | ***222,478*** | ***226,024*** | ***229,173*** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Purchase of financial instruments |  |  |  |  |  |
| Investments | 210,020 | 250,278 | 220,769 | 221,820 | 229,361 |
| ***Total cash used*** | ***220,020*** | ***260,278*** | ***230,769*** | ***231,820*** | ***239,361*** |
| **Net cash from/(used by) investing activities** | **9,980** | **(30,431)** | **(8,291)** | **(5,796)** | **(10,188)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 9,234 | 3,684 | 3,684 | 3,600 | 3,580 |
| ***Total cash used*** | ***9,234*** | ***3,684*** | ***3,684*** | ***3,600*** | ***3,580*** |
| **Net cash from/(used by) financing activities** | **(9,234)** | **(3,684)** | **(3,684)** | **(3,600)** | **(3,580)** |
| **Net increase/(decrease) in cash held** | **(1,548)** | **1,466** | **(527)** | **(322)** | **228** |
| Cash and cash equivalents at the beginning of the reporting period | 11,790 | 10,242 | 11,708 | 11,181 | 10,859 |
| **Cash and cash equivalents at the end of the reporting period** | **10,242** | **11,708** | **11,181** | **10,859** | **11,087** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded internally from Departmental resources (a) | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| **TOTAL** | **10,000** | **10,000** | **10,000** | **10,000** | **10,000** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| **Total cash used to acquire assets** | **10,000** | **10,000** | **10,000** | **10,000** | **10,000** |

Prepared on Australian Accounting Standards basis.

1. 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.

Table 3.6: Statement of Departmental asset movements (Budget year 2022-23)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Asset Category** | | | | |
|  | Land    $'000 | Buildings    $'000 | Other property, plant and equipment $'000 | Computer software and intangibles $'000 | Total    $'000 |
| **As at 1 July 2022** |  |  |  |  |  |
| Gross book value | 53,963 | 45,095 | 29,822 | 43,207 | 172,087 |
| Gross book value - ROU assets | - | 10,607 | 62,326 | - | 72,933 |
| Accumulated depreciation/ amortisation and impairment | - | (3,292) | (6,365) | (28,566) | (38,223) |
| Accumulated depreciation/ amortisation and impairment - ROU assets | - | (3,250) | (32,300) | - | (35,550) |
| **Opening net book balance** | **53,963** | **49,160** | **53,483** | **14,641** | **171,247** |
| **Capital asset additions** |  |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |  |
| By purchase – appropriation ordinary annual services (a) | - | 600 | 7,900 | 1,500 | 10,000 |
| By purchase – appropriation ordinary annual services – ROU assets | - | - | - | - | - |
| **Total additions** | **-** | **600** | **7,900** | **1,500** | **10,000** |
| **Other movements** |  |  |  |  |  |
| Depreciation/amortisation expense | - | (1,776) | (6,303) | (4,500) | (12,579) |
| Depreciation/amortisation on ROU assets | - | (826) | (2,817) | - | (3,643) |
| **Total other movements** | **-** | **(2,602)** | **(9,120)** | **(4,500)** | **(16,222)** |
| **As at 30 June 2023** |  |  |  |  |  |
| Gross book value | 53,963 | 45,695 | 37,722 | 44,707 | 182,087 |
| Gross book value - ROU assets | - | 10,607 | 62,326 | - | 72,933 |
| Accumulated depreciation/ amortisation and impairment | - | (5,068) | (12,668) | (33,066) | (50,802) |
| Accumulated depreciation/ amortisation and impairment - ROU assets | - | (4,076) | (35,117) | - | (39,193) |
| **Closing net book balance** | **53,963** | **47,158** | **52,263** | **11,641** | **165,025** |

Prepared on Australian Accounting Standards basis.

1. ‘Appropriation ordinary annual services’ refers to funding provided through Appropriation Bill (No. 1) 2022‑23 for depreciation/amortisation expenses, DCBs or other operational expenses.