

Portfolio Budget Statements 2022-23  
Budget Related Paper No. 1.3A

**Defence Portfolio**

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

# AUSTRALIAN SIGNALS DIRECTORATE

## Agency Resources and Planned Performance

<b>Section 1: ASD Overview and Resources</b> .....	<b>147</b>
1.1 Strategic Direction Statement .....	147
1.2 ASD Resource Statement .....	151
1.3 Budget Measures .....	152
<b>Section 2: ASD Outcomes and Planned Performance</b> .....	<b>153</b>
2.1 Budgeted Expenses and Performance for Outcome 1 .....	154
<b>Section 3: ASD Explanatory Tables and Budgeted Financial Statements</b> .....	<b>157</b>
3.1 Explanatory Tables.....	157
3.2 Budgeted Financial Statements .....	158

This page intentionally left blank.

# AUSTRALIAN SIGNALS DIRECTORATE

## Section 1: ASD Overview and Resources

### 1.1 STRATEGIC DIRECTION STATEMENT

The Australian Signals Directorate (ASD) defends Australia from global threats, and advances the national interest by providing foreign signals intelligence, cyber security and offensive cyber operations, as directed by Government.

ASD is a statutory agency within the Defence portfolio, reporting directly to the Minister for Defence. It operates under the *Public Governance, Performance and Accountability Act 2013* and the *Intelligence Services Act 2001*. All of ASD's activities are subject to oversight from the Inspector-General of Intelligence and Security. The Parliamentary Joint Committee on Intelligence and Security provides further oversight of ASD's administration, expenditure and enabling legislation. It also considers other matters within its scope that are referred by the Australian Senate, House of Representatives, or a Minister of the Australian Government.

The *Intelligence Services Act 2001* specifies that the organisation's functions are to:

- collect foreign signals intelligence;
- communicate foreign signals intelligence;
- prevent and disrupt offshore cyber-enabled crime;
- provide cyber security advice and assistance to Australian governments, businesses and individuals;
- support military operations;
- protect the specialised tools ASD uses to fulfil its functions; and
- cooperate with, and assist, the National Security Community's performance of its functions.

The organisation's strategic objectives include:

- ASD **delivers strategic advantage** for Australia by providing foreign signals intelligence that protects and advances Australia's national interest. Foreign intelligence collection activities are guided by priorities set by Government.
- ASD is the Australian Government's **leading cyber security agency**, and aims to make Australia the most secure place to connect online and foster national cyber security resilience. ASD's Australian Cyber Security Centre monitors cyber threats targeting Australian interests, and provides advice and information, including through the international network of Computer Emergency Response Teams (CERT) to help protect Australians. When serious cyber incidents occur, ASD leads the Australian Government response to help mitigate the threat and strengthen defences.
- ASD has a long history of **supporting Australian military operations**, with the organisation's heritage dating back to the Second World War. Today, ASD supports Australian Defence Force (ADF) operations around the globe, including by providing intelligence and offensive cyber capabilities to enable the warfighter and protect ADF personnel and assets. ASD also draws on its deep technical expertise to help the ADF stay ahead of technology advancements in the region, including the introduction of 5th generation weapons and cyber-warfare capabilities.

- ASD capabilities play an important role in **countering cyber-enabled threats**. The organisation protects Australia and Australians by preventing and disrupting offshore cyber-enabled crime, including the activities of organised criminal groups using malware to target Australians, and terrorists who use the Internet to plan and incite attacks against Australian interests.
- Finally, ASD **provides trusted advice and expertise** to government, business and the community. ASD draws on its deep technical understanding of communications technology to help the Australian Government and the public understand the nature of the cyber threat environment, how they might be vulnerable and what they can do to protect themselves.

To achieve these objectives, ASD needs to keep pace with the latest technology trends and invest in cutting-edge capabilities to gain asymmetric advantage. ASD's activities are enabled by innovative techniques, including specialist tools to detect threats in large volumes of data. ASD's mastery of technology also underpins the formulation of sound advice to protect Australia from sophisticated cyber threats.

Partnerships are critical to the organisation's success. ASD works closely with the Australian national security community, overseas intelligence and cyber security partners, academia and industry. This level of collaboration is essential to comprehensively understand the threat environment and to stay at the leading edge of technology.

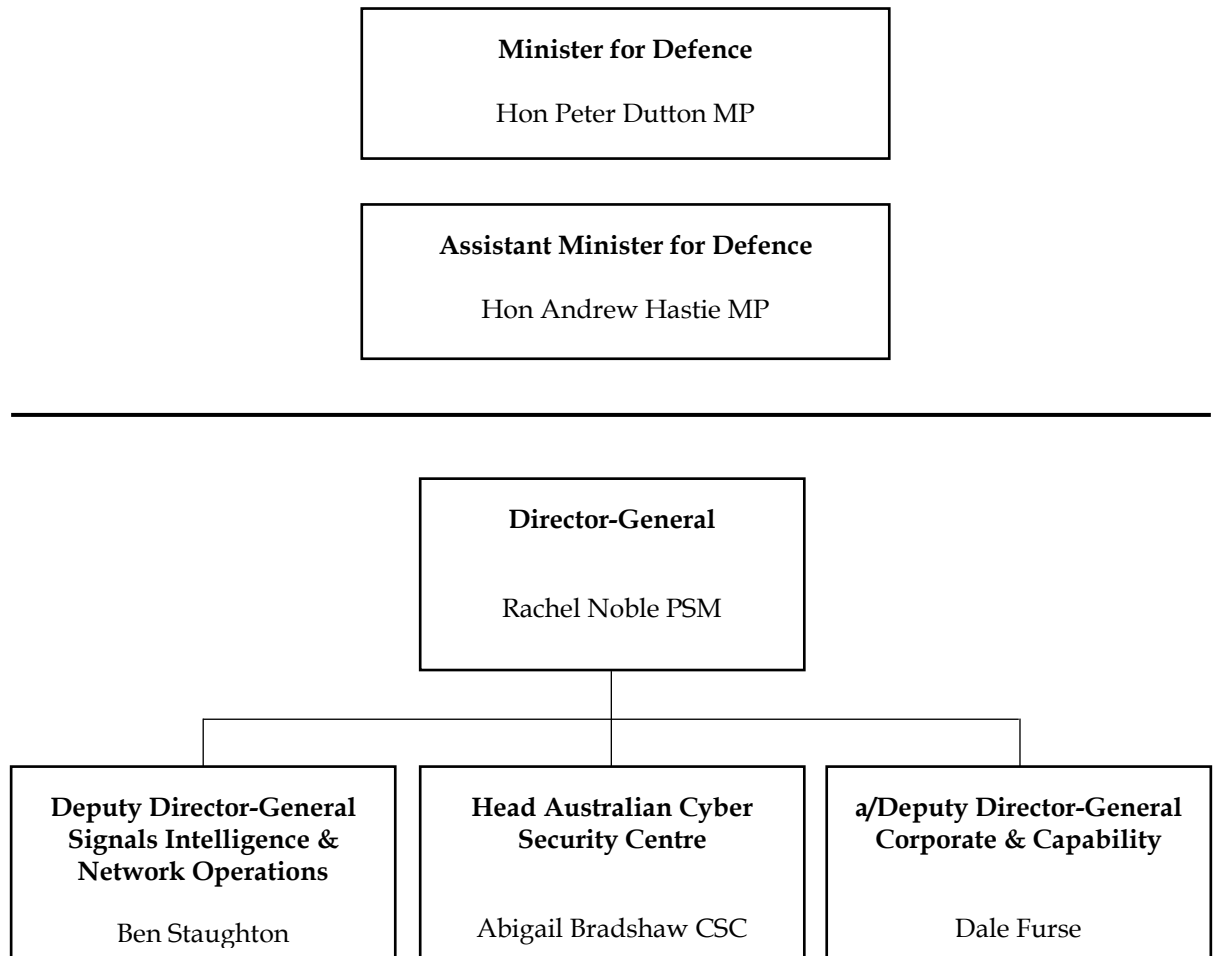
ASD's success is founded in the ingenuity of its workforce. The organisation seeks to recruit and develop a curious and imaginative workforce which is not deterred by difficult challenges. Recruiting the requisite specialist technological expertise has become increasingly challenging, given the high demand for staff with these skillsets.

This combination of a uniquely skilled workforce, empowered by innovative technology, enabled by responsible financial management, and leveraging partner capabilities, positions the organisation to deliver trusted intelligence, cyber security expertise and offensive cyber operations for Australia's national interest.

From 2022-23, the Government will make the largest ever investment in the ASD's cyber and intelligence capabilities through Project REDSPICE (Resilience, Effects, Defence, Space, Intelligence, Cyber, and Enablers). Project REDSPICE will significantly expand ASD's offensive cyber capabilities, its ability to detect and respond to cyber attacks, and introduce new intelligence capabilities.

This investment will involve a substantial increase in the cyber, data science and intelligence workforce, with the creation of 1,900 ASD jobs over ten years, and additional jobs for Australian industry.

**Figure 1: ASD Organisational Structure**



**Senior Executive Changes**

No changes have taken place since the *Portfolio Additional Estimates Statements 2021-22*.

**Organisational Structure**

No changes have taken place since the *Portfolio Additional Estimates Statements 2021-22*.

**1.2 ASD RESOURCE STATEMENT****Table 1: ASD Resource Statement – Budget Estimates for 2022-23 as at Budget March 2022**

	2021-22 Estimated Actual \$'000	2022-23 Budget Estimate \$'000
<b>Departmental</b>		
Annual appropriations - ordinary annual services		
Departmental appropriation	927,259	1,193,149
s74 External Revenue	2,771	2,845
Departmental Capital Budget	45,000	30,000
Annual appropriations - other services - non-operating		
Equity injection	192,908	440,870
Total departmental annual appropriations	1,167,938	1,666,864
<b>Total departmental resourcing</b>	<b>1,167,938</b>	<b>1,666,864</b>
<b>Total resourcing for ASD</b>	<b>1,167,938</b>	<b>1,666,864</b>



### 1.3 BUDGET MEASURES

#### 2022-23 Budget Measures and Other Budget Adjustments

Table 2: ASD 2022-23 Budget Measures

	2021-22 Estimated Actual \$m	2022-23 Budget Estimate \$m	2023-24 Forward Estimate \$m	2024-25 Forward Estimate \$m	2025-26 Forward Estimate \$m
<b>Departmental Budget Measures</b>					
<b>Payment Measures</b>					
REDSPICE - Expanded cyber and intelligence capability	-	680.0	1,243.6	1,260.6	1,033.1
<b>Total Departmental Budget Measures</b>	-	<b>680.0</b>	<b>1,243.6</b>	<b>1,260.6</b>	<b>1,033.1</b>
<b>Other Budget Adjustments</b>					
Foreign Exchange	11.2	-	-	-	-
<b>Total Other Departmental Budget Adjustments</b>	<b>11.2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Variation to ASD Departmental Funding</b>	<b>11.2</b>	<b>680.0</b>	<b>1,243.6</b>	<b>1,260.6</b>	<b>1,033.1</b>

## Section 2: ASD 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 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 and annual performance statement for ASD can be found at: <https://www.asd.gov.au/publications>.

## 2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

**Outcome 1: Defend Australia from global threats and advance our national interests through the provision of foreign signals intelligence, cyber security and offensive cyber operations, as directed by Government.**

### Budgeted Expenses for Outcome 1

**Table 3: Budgeted Expenses for Outcome 1**

	2021-22 Estimated Actual \$'000	2022-23 Budget Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000	2025-26 Forward Estimate \$'000
<b>Program 1.1 - Foreign Signals Intelligence, Cyber Security and Offensive Cyber Operations</b>					
<b>Expenses funded by appropriation and own source revenue <sup>[a]</sup></b>					
Employees	309,745	382,309	491,791	582,489	632,180
Suppliers	580,347	772,713	918,471	996,954	1,082,970
Other expenses	4,502	4,077	3,642	3,197	2,740
	894,594	1,159,099	1,413,904	1,582,640	1,717,890
<b>Expenses not requiring appropriation <sup>[b]</sup></b>					
Resources received free of charge (Auditor fees)	153	155	156	155	159
Depreciation and amortisation	180,934	258,437	385,448	487,280	520,725
	181,087	258,592	385,604	487,435	520,884
<b>Total operating expenses</b>	<b>1,075,681</b>	<b>1,417,691</b>	<b>1,799,508</b>	<b>2,070,075</b>	<b>2,238,774</b>
<b>Capital expenditure funded by appropriation</b>					
Purchases of non-financial assets	237,908	501,574	828,956	667,199	307,864
Principal repayments of lease liabilities	35,436	36,895	37,550	37,842	39,175
<b>Total capital expenditure</b>	<b>273,344</b>	<b>538,469</b>	<b>866,506</b>	<b>705,041</b>	<b>347,039</b>
<b>Total funded expenditure Program 1.1 <sup>[c]</sup></b>	<b>1,167,938</b>	<b>1,697,568</b>	<b>2,280,410</b>	<b>2,287,681</b>	<b>2,064,929</b>

**Notes**

- a. Section 74 external revenues contribution to expenditure.
- b. Expenses not requiring appropriation include depreciation and auditor fees.
- c. Total Program funded expenditure includes operating expenses and capital expenditure funded by Appropriation and own source revenue. This excludes expenses not requiring appropriation.

	2021-22	2022-23
<b>Average Staffing Level (number)</b>	nfp	nfp

**Table 4: Performance Measures for Outcome 1**

Table 4 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.

<b>Outcome 1 – Defend Australia from global threats and advance our national interests through the provision of foreign signals intelligence, cyber security and offensive cyber operations, as directed by Government.</b>		
<b>Program 1.1- Foreign Signals Intelligence, Cyber Security and Offensive Cyber Operations</b>		
To defend Australia from global threats and advance our national interests through the provision of foreign signals intelligence, cyber security and offensive cyber operations, as directed by Government.		
<b>Key Activities</b>	<ul style="list-style-type: none"> <li>• Provide foreign signals intelligence</li> <li>• Provide cyber security services</li> <li>• Conduct offensive cyber operations</li> <li>• Sustain and secure future capabilities</li> </ul>	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Current year 2021-22	ASD meets Government expectations to deliver strategic advantage and enables National Intelligence Community operations.	Government expectations to deliver strategic advantage are met. <i>Expected to be met.</i>
		National Intelligence Community operational requirements are met. <i>Expected to be met.</i>
	ASD's foreign signals intelligence products and technical expertise provide effective support for military operations and activities.	ASD's foreign signals intelligence support the ADF's military operations and activities, technological advantage and capability development. <i>Expected to be met.</i>
	ASD provides quality, impactful cyber security services to government, critical infrastructure and services, business, families and individuals.	ASD's cyber security advice and assistance supports stakeholders to improve or maintain their cyber security posture. <i>Expected to be met.</i>
		Systems to support assistance and technical advice are available for use by ASD and relevant stakeholders. <i>Expected to be met.</i>
		ASD's Top Secret network accreditation and key management services support stakeholders' requirements. <i>Expected to be met.</i>
	ASD delivers partnerships, programs and technical capability that strengthen national cyber security and resilience.	Cyber security information and expertise exchanges with partners help prevent, detect or remediate cyber threats to Australia. <i>Expected to be met.</i>
		ASD supports emerging cyber security research that may help prevent, detect or remediate cyber threats to Australia. <i>Expected to be met.</i>
	ASD's offensive cyber operations provide effective and timely support for military operations and activities.	Offensive cyber capabilities provide effective and timely support for ADF military operations and activities. <i>Expected to be met.</i>
	ASD offensive cyber activities meet whole-of-government security requirements to counter offshore cyber threats.	Offensive cyber operations that counter offshore cyber threats meet whole-of-government requirements. <i>Expected to be met.</i>

**Budget 2022-23 | Portfolio Budget Statements**

<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Current year 2021-22	ASD's corporate services, and technology platforms and products support the achievement of mission outcomes.	ICT infrastructure support mission operations and the delivery of corporate services. <i>Expected to be met.</i>
		ASD's workforce meets mission requirements. <i>Expected to be met.</i>
<b>Year</b>	<b>Performance measures <sup>[a]</sup></b>	<b>Planned Performance Results</b>
Budget Year 2022-23	As per 2021-22.	As per 2021-22.
Forward Estimates 2023-26	As per 2022-23.	As per 2022-23.
Material changes to Program 1.1 resulting from 2022-23 Budget Measures: Nil.		

**Note**

a. New or modified performance measures that reflect new or materially changed programs are shown in *italics* and underlined.

## Section 3: ASD Explanatory Tables and 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 EXPLANATORY TABLES

**Table 5: Third Party Payments to and from Other Agencies** <sup>[a]</sup>

	<b>2021-22 Estimated Actual \$'000</b>	<b>2022-23 Budget Estimate \$'000</b>
Payments made to Department of Defence for provision of services (Departmental)	94,908	97,426

**Note**

- a. Third party payments to and from other Agencies include:
- Inter-agency transactions in excess of \$20m per annum;
  - Inter-agency transactions that were in excess of \$20m in the previous year's annual statements; and
  - Inter-agency transactions relating to Budget Measures as disclosed in Defence Budget Measures.

### 3.2 BUDGETED FINANCIAL STATEMENTS

#### 3.2.1 Budgeted Financial Statements

**Table 6: Budgeted Departmental Comprehensive Income Statement (Showing Net Cost of Services) (for the period ended 30 June)**

	2021-22 Estimated Actual \$'000	2022-23 Budget Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000	2025-26 Forward Estimate \$'000
<b>EXPENSES</b>					
Employee benefits	309,745	382,309	491,791	582,489	632,180
Supplier expenses	580,500	772,868	918,627	997,109	1,083,129
Depreciation and amortisation	180,934	258,437	385,448	487,280	520,725
Write-down of assets and impairment of assets	-	-	-	-	-
Foreign exchange losses	-	-	-	-	-
Other	4,502	4,077	3,642	3,197	2,740
<b>Total expenses</b>	<b>1,075,681</b>	<b>1,417,691</b>	<b>1,799,508</b>	<b>2,070,075</b>	<b>2,238,774</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Sales of goods and rendering of services	2,771	2,845	2,918	2,994	3,064
<b>Total own-source revenue</b>	<b>2,771</b>	<b>2,845</b>	<b>2,918</b>	<b>2,994</b>	<b>3,064</b>
<b>Gains</b>					
Reversals of previous asset write-downs	-	-	-	-	-
Other gains	153	155	156	155	159
<b>Total gains</b>	<b>153</b>	<b>155</b>	<b>156</b>	<b>155</b>	<b>159</b>
<b>Total own-source income</b>	<b>2,924</b>	<b>3,000</b>	<b>3,074</b>	<b>3,149</b>	<b>3,223</b>
<b>Net cost of (contribution by) services</b>	<b>-1,072,757</b>	<b>-1,414,691</b>	<b>-1,796,434</b>	<b>-2,066,926</b>	<b>-2,235,551</b>
Revenue from Government	927,259	1,193,149	1,448,536	1,617,488	1,754,001
<b>Surplus (Deficit) attributable to the Australian Government</b>	<b>-145,498</b>	<b>-221,542</b>	<b>-347,898</b>	<b>-449,438</b>	<b>-481,550</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
<b>Items not subject to subsequent reclassification to net cost of services</b>					
Changes in asset revaluation reserves	-	-	-	-	-
<b>Total other comprehensive income/(loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income attributable to the Australian Government</b>	<b>-145,498</b>	<b>-221,542</b>	<b>-347,898</b>	<b>-449,438</b>	<b>-481,550</b>

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

	2021-22 Estimated Actual \$'000	2022-23 Budget Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000	2025-26 Forward Estimate \$'000
<b>Surplus/(Deficit) attributable to the Australian Government prior to Net Cash Appropriation Adjustments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
less: Depreciation/amortisation expenses previously funded through revenue appropriations	-180,934	-258,437	-385,448	-487,280	-520,725
add: Principal repayments on leased assets	35,436	36,895	37,550	37,842	39,175
<b>Total comprehensive income/(loss) - as per the statement of comprehensive income</b>	<b>-145,498</b>	<b>-221,542</b>	<b>-347,898</b>	<b>-449,438</b>	<b>-481,550</b>

**Table 7: Budgeted Departmental Balance Sheet (as at 30 June)**

	2021-22 Estimated Actual \$'000	2022-23 Budget Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000	2025-26 Forward Estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	13,398	13,398	13,398	13,398	13,398
Trade and other receivables	185,316	154,607	154,607	154,607	154,607
<b>Total financial assets</b>	<b>198,714</b>	<b>168,005</b>	<b>168,005</b>	<b>168,005</b>	<b>168,005</b>
<b>Non-financial assets</b>					
Land and buildings	324,446	281,368	239,249	197,541	156,570
Property, plant and equipment	409,675	663,981	1,094,499	1,279,993	1,110,150
Intangibles	68,086	99,995	155,104	191,237	189,190
Other non-financial assets	48,373	48,373	48,373	48,373	48,373
<b>Total non-financial assets</b>	<b>850,580</b>	<b>1,093,717</b>	<b>1,537,225</b>	<b>1,717,144</b>	<b>1,504,283</b>
<b>Total assets</b>	<b>1,049,294</b>	<b>1,261,722</b>	<b>1,705,230</b>	<b>1,885,149</b>	<b>1,672,288</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	136,314	136,309	136,309	136,309	136,309
Other	14,489	14,489	14,489	14,489	14,489
<b>Total payables</b>	<b>150,803</b>	<b>150,798</b>	<b>150,798</b>	<b>150,798</b>	<b>150,798</b>
<b>Interest bearing liabilities</b>					
Leases	349,946	313,051	275,501	237,659	198,484
<b>Total interest bearing liabilities</b>	<b>349,946</b>	<b>313,051</b>	<b>275,501</b>	<b>237,659</b>	<b>198,484</b>
<b>Provisions</b>					
Employee provisions	100,309	100,309	100,309	100,309	100,309
<b>Total provisions</b>	<b>100,309</b>	<b>100,309</b>	<b>100,309</b>	<b>100,309</b>	<b>100,309</b>
<b>Total liabilities</b>	<b>601,058</b>	<b>564,158</b>	<b>526,608</b>	<b>488,766</b>	<b>449,591</b>
<b>NET ASSETS</b>	<b>448,236</b>	<b>697,564</b>	<b>1,178,622</b>	<b>1,396,383</b>	<b>1,222,697</b>
<b>EQUITY</b>					
Contributed equity	919,467	1,390,337	2,219,293	2,886,492	3,194,356
Reserves	23,663	23,663	23,663	23,663	23,663
Retained surplus (accumulated deficit)	-494,894	-716,436	-1,064,334	-1,513,772	-1,995,322
<b>Total equity</b>	<b>448,236</b>	<b>697,564</b>	<b>1,178,622</b>	<b>1,396,383</b>	<b>1,222,697</b>



**Table 8: Budgeted Departmental Statement of Cash Flows (for the period ended 30 June)**

	2021-22 Estimated Actual \$'000	2022-23 Budget Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000	2025-26 Forward Estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	927,259	1,193,149	1,448,536	1,617,488	1,754,001
Goods and services	2,771	2,845	2,918	2,994	3,064
Net GST received	50,578	47,193	46,548	42,443	44,535
Other	-	-	-	-	-
<b>Total cash received</b>	<b>980,608</b>	<b>1,243,187</b>	<b>1,498,002</b>	<b>1,662,925</b>	<b>1,801,600</b>
<b>Cash used</b>					
Employees	309,745	382,309	491,791	582,489	632,180
Suppliers	580,347	772,713	918,471	996,954	1,082,970
Net GST paid	50,578	47,193	46,548	42,443	44,535
Other cash used	-	-	-	-	-
Cash transfer to the Official Public Account (receivables)	-	-	-	-	-
Interest payments on lease liabilities	4,502	4,077	3,642	3,197	2,740
<b>Total cash used</b>	<b>945,172</b>	<b>1,206,292</b>	<b>1,460,452</b>	<b>1,625,083</b>	<b>1,762,425</b>
<b>Net cash from (used by) operating activities</b>	<b>35,436</b>	<b>36,895</b>	<b>37,550</b>	<b>37,842</b>	<b>39,175</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
Proceeds from sales of intangibles	-	-	-	-	-
Other cash received	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of infrastructure, plant and equipment	237,908	501,574	828,956	667,199	307,864
Selling costs on sale of assets	-	-	-	-	-
Finance costs	-	-	-	-	-
<b>Total cash used</b>	<b>237,908</b>	<b>501,574</b>	<b>828,956</b>	<b>667,199</b>	<b>307,864</b>
<b>Net cash from (used by) investing activities</b>	<b>-237,908</b>	<b>-501,574</b>	<b>-828,956</b>	<b>-667,199</b>	<b>-307,864</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	237,908	501,574	828,956	667,199	307,864
Receipts from other entities on account of restructure	-	-	-	-	-
<b>Total cash received</b>	<b>237,908</b>	<b>501,574</b>	<b>828,956</b>	<b>667,199</b>	<b>307,864</b>
<b>Cash used</b>					
Repayment of debt	35,436	36,895	37,550	37,842	39,175
Cash to the Official Public Account	-	-	-	-	-
<b>Total cash used</b>	<b>35,436</b>	<b>36,895</b>	<b>37,550</b>	<b>37,842</b>	<b>39,175</b>
<b>Net cash from (used by) financing activities</b>	<b>202,472</b>	<b>464,679</b>	<b>791,406</b>	<b>629,357</b>	<b>268,689</b>
<b>Net increase (decrease) in cash and cash equivalents held</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	13,398	13,398	13,398	13,398	13,398
Effect of exchange rate movements on cash and cash equivalents at beginning of the reporting period	-	-	-	-	-
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>13,398</b>	<b>13,398</b>	<b>13,398</b>	<b>13,398</b>	<b>13,398</b>

**Table 9: 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
<b>Opening balance as at 1 July 2022</b>					
Balance carried forward from previous period	-494,894	23,663	-	919,467	448,236
Adjustment for changes in accounting policies	-	-	-	-	-
<b>Adjusted opening balance</b>	<b>-494,894</b>	<b>23,663</b>		<b>919,467</b>	<b>448,236</b>
<b>Comprehensive income</b>					
Comprehensive income recognised directly in equity:					
Gain/loss on revaluation of property	-	-	-	-	-
<b>Subtotal comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Surplus (Deficit) for the period	-221,542	-	-	-	-221,542
<b>Total comprehensive income recognised directly in equity</b>	<b>-221,542</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-221,542</b>
<b>Transactions with owners</b>					
<i>Distribution to owners</i>					
Returns on capital:					
Restructuring	-	-	-	-	-
Other	-	-	-	-	-
<i>Contributions by owners</i>					
Appropriation (equity injection)	-	-	-	440,870	440,870
Departmental Capital Budget (DCB)	-	-	-	30,000	30,000
Other	-	-	-	-	-
<b>Sub-total transaction with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>470,870</b>	<b>470,870</b>
Transfers between equity components	-	-	-	-	-
<b>Estimated closing balance as at 30 June 2023</b>	<b>-716,436</b>	<b>23,663</b>	<b>-</b>	<b>1,390,337</b>	<b>697,564</b>
<b>Closing balance attributable to the Australian Government</b>					
	<b>-716,436</b>	<b>23,663</b>	<b>-</b>	<b>1,390,337</b>	<b>697,564</b>

**Table 10: Statement of Departmental Asset Movements (Budget year 2022-23)**

	Buildings \$'000	Other property, plant and equipment \$'000	Heritage & cultural \$'000	Computer software & intangibles \$'000	Total \$'000
<b>As at 1 July 2022</b>					
Gross book value	12,256	562,718	244	114,235	689,453
Gross book value - ROU assets	440,456	11,359	-	-	451,815
Accumulated depreciation/amortisation and impairment	-2,937	-164,646	-	-46,149	-213,732
Accumulated depreciation/amortisation and impairment - ROU assets	-125,329	-	-	-	-125,329
<b>Opening net book balance</b>	<b>324,446</b>	<b>409,431</b>	<b>244</b>	<b>68,086</b>	<b>802,207</b>
<b>Capital asset additions</b>					
<b>Estimated expenditure on new or replacement assets</b>					
By purchase - appropriation equity <sup>[a]</sup>	-	424,776	-	46,798	471,574
By purchase - appropriation equity - ROU assets	-	-	-	-	-
By purchase - appropriation ordinary annual services <sup>[b]</sup>	-	30,000	-	-	30,000
By purchase - appropriation ordinary annual services - ROU assets	-	-	-	-	-
By purchase - donated funds	-	-	-	-	-
By purchase - other	-	-	-	-	-
By purchase - other - ROU assets	-	-	-	-	-
Assets received as gifts/donations	-	-	-	-	-
From acquisition of entities or operations (including restructuring)	-	-	-	-	-
<b>Total additions</b>	<b>-</b>	<b>454,776</b>	<b>-</b>	<b>46,798</b>	<b>501,574</b>
<b>Other movements</b>					
Assets held for sale or in a disposal group held for sale	-	-	-	-	-
ROU assets held for sale or in a disposal group held for sale	-	-	-	-	-
Depreciation/amortisation expense	-2,219	-200,470	-	-14,889	-217,578
Depreciation/amortisation on ROU assets	-40,859	-	-	-	-40,859
Disposals <sup>[c]</sup>	-	-	-	-	-
From disposal of entities or operations (including restructuring)	-	-	-	-	-
From disposal of entities or operations (including restructuring) on ROU assets	-	-	-	-	-
Other	-	-	-	-	-
Other - ROU assets	-	-	-	-	-
<b>Total other movements</b>	<b>-43,078</b>	<b>-200,470</b>	<b>-</b>	<b>-14,889</b>	<b>-258,437</b>
<b>As at 30 June 2023</b>					
Gross book value	12,256	1,017,494	244	161,033	1,191,027
Gross book value - ROU assets	440,456	11,359	-	-	451,815
Accumulated depreciation/amortisation and impairment	-5,156	-365,116	-	-61,038	-431,310
Accumulated depreciation/amortisation and impairment - ROU assets	-166,188	-	-	-	-166,188
<b>Closing net book balance</b>	<b>281,368</b>	<b>663,737</b>	<b>244</b>	<b>99,995</b>	<b>1,045,344</b>

**Notes**

a. 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022-23, including Collection Development Acquisition Budget.

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

c. Net proceeds may be returned to the Official Public Account.

**Table 11: Departmental Capital Budget Statement (for the period ended 30 June)**

	2021-22 Estimated Actual \$'000	2022-23 Budget Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000	2025-26 Forward Estimate \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Capital budget - Bill 1 (DCB)	45,000	30,000	30,000	30,000	30,000
Equity injections - Bill 2	192,908	440,870	798,956	637,199	277,864
Loans - Bill 2	-	-	-	-	-
<b>Total new capital appropriations</b>	<b>237,908</b>	<b>470,870</b>	<b>828,956</b>	<b>667,199</b>	<b>307,864</b>
<b>Provided for:</b>					
Purchase of non-financial assets	237,908	470,870	828,956	667,199	307,864
Annual finance lease costs	-	-	-	-	-
Other Items	-	-	-	-	-
<b>Total items</b>	<b>237,908</b>	<b>470,870</b>	<b>828,956</b>	<b>667,199</b>	<b>307,864</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations	192,908	471,574	798,956	637,199	277,864
Funded by capital appropriation - DCB	45,000	30,000	30,000	30,000	30,000
Funded by finance leases	-	-	-	-	-
Funded internally from departmental resources	-	-	-	-	-
Funded by special appropriations	-	-	-	-	-
<b>TOTAL</b>	<b>237,908</b>	<b>501,574</b>	<b>828,956</b>	<b>667,199</b>	<b>307,864</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	237,908	501,574	828,956	667,199	307,864
less additions by finance lease	-	-	-	-	-
less additions by creditors/borrowings	-	-	-	-	-
plus borrowing/finance costs	-	-	-	-	-
plus annual finance lease costs	-	-	-	-	-
less gifted assets	-	-	-	-	-
less s75 transfers/restructuring	-	-	-	-	-
<b>Total cash used to acquire assets</b>	<b>237,908</b>	<b>501,574</b>	<b>828,956</b>	<b>667,199</b>	<b>307,864</b>

### **3.2.2 Notes to the Budgeted Financial Statements**

The budgeted financial statements have been prepared in accordance with the Australian Accounting Standards and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (FRR)*.