

Australian Trade and Investment Commission (Austrade)

**Entity resources and planned
performance**

Australian Trade and Investment Commission

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Australian Trade and Investment Commission

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Australian Trade and Investment Commission (Austrade) is the Australian Government's international trade, education, and investment promotion agency. We also have responsibility for international and domestic tourism policy, including the publication of official tourism statistics. In some overseas locations, Austrade delivers consular and passport services on behalf of the Australian Government. Austrade operates as a statutory agency within the Foreign Affairs and Trade portfolio.

Austrade's purpose is to grow Australia's prosperity by delivering quality trade and investment services. Our outcomes are:

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

Austrade contributes to Australia's economic prosperity by providing effective support to Australian businesses, educational institutions, associations, and government. We assist them to develop international markets, win productive Foreign Direct Investment (FDI), promote international education, and strengthen the Australian tourism industry. Our clients include Australian exporters, tourism operators and international investors.

In a challenging trade environment, Austrade will continue to provide practical in-market support to businesses and institutions in markets around the world. Drawing on our commercial knowledge, international network, relationships and connections with international customers, investors and decision makers, Austrade will identify valuable trade and other opportunities for Australian businesses and institutions.

Austrade will continue to assist exporters to navigate the impacts of the COVID-19 pandemic and the disrupted geopolitical environment. As international borders reopen, Austrade's strategy is to increase activities in markets where we can have the biggest impact for Australian businesses. A high priority will be placed on activities linked to the Agri-Business Expansion Initiative (ABEI), the Australia India Business Exchange (AIBX) and in unlocking opportunities in the Association of Southeast Asian Nations (ASEAN) region.

The Simplified Trade System Implementation Taskforce leads the Government's efforts to simplify cross-border regulations, processes, and systems, and improve the experience for Australian business. The Taskforce will continue engaging closely with business to co-design reforms that deliver better regulations, business processes and solutions to simplify border systems and services, including the development of a 'tell us once' trade system.

As Australia's national investment promotion agency, we will continue to focus on projects with alignment to government priorities and clear and significant benefits to Australia. We will prioritise capital investment, employment creation and the introduction of new technologies and capabilities. Our investment promotion and attraction activities will continue to be concentrated in North America, Western Europe, and North East Asia. Austrade will also seek to diversify through India and ASEAN.

Austrade's support for tourism recovery remains a priority. We deliver a range of temporary grant programs to assist tourism regions and businesses. The *THRIVE 2030 (The Re-Imagined Visitor Economy)* strategy, to be finalised in 2022, charts a course for the recovery and sustainable growth of Australia as a domestic and international tourism destination, including through modernising Tourism Research Australia's data collections.

Austrade will continue to administer the Export Market Development Grants (EMDG) Scheme, which helps Australian small and medium enterprises to meet the challenges associated with undertaking promotion in export markets and diversification. EMDG provides upfront funding certainty for exporters and reduces regulations.

Austrade also continues to deliver timely consular and passport services to Australians in 11 overseas locations, extending the reach of Australia's consular network.

Within Australia, Austrade operates in 10 locations. Our reach is extended through the TradeStart Network, which operates in 28 locations across regional and metropolitan Australia. This network is managed and co-funded in partnership with State, Territory and local governments and industry bodies. We also partner with other Australian Government departments and agencies, businesses, industries, and peak bodies to deliver on our outcomes.

A more detailed description of Austrade's purpose and intent is in Austrade's Corporate Plan 2021–22 and Strategy 2018–2022. Our progress against our goals is detailed in our Annual Performance Statements, contained in the Austrade Annual Report.

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 Austrade’s operations) classification.

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

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

Table 1.1: Australian Trade and Investment Commission resource statement — Budget estimates for 2022-23 as at Budget March 2022

	2021-22 <i>Estimated actual</i> \$'000	2022-23 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	63,036	48,032
Departmental appropriation (b)	246,090	261,868
s74 External Revenue (c)	22,000	22,500
Departmental capital budget (d)	13,957	15,104
Annual appropriations - other services - non-operating (e)		
Prior year appropriations available	5,251	4,911
Equity injection	4,620	4,504
Total departmental annual appropriations	354,954	356,919
Total departmental resourcing	354,954	356,919
Administered		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	239,421	48,306
Outcome 1	376,088	202,266
Total administered annual appropriations	615,509	250,572
Total administered resourcing	615,509	250,572
Total resourcing for Austrade	970,463	607,491
	2021-22	2022-23
Average staffing level (number)	1,149	1,147

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

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

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

(b) Excludes departmental capital budget (DCB).

(c) Estimated External 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) Appropriation Bill (No. 2) 2022-23.

Note: The Annual Appropriation amounts appearing for 2021-22 estimated actual do not include the Appropriation Bills (No. 3) and (No. 4) 2021-22 as they had not been enacted at the time of publication. \$382.080 million will be received through Appropriation Bill (No. 3) 2021-22. The annual appropriations received from these bills will be recognised in a future Portfolio Budget Statement but only after the Bills have received Royal Assent.

1.3 Budget measures

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

Table 1.2: Australian Trade and Investment Commission 2022-23 Budget measures

		2021-22	2022-23	2023-24	2024-25	2025-26
	Program	\$'000	\$'000	\$'000	\$'000	\$'000
Payment measures						
Australian Export and Trade Support						
	Administered payment (a)	1.2	-	-	-	-
	Departmental payment	1.1	-	21,562	-	-
	Total		-	21,562	-	-
Comprehensive Strategic Partnership with India - new initiatives (b)						
	Departmental payment	1.1	-	-	-	-
	Total		-	-	-	-
Global Business, Talent and Investment Attraction Taskforce - extension						
	Departmental payment	1.1	-	3,274	3,189	-
	Total		-	3,274	3,189	-
Tourism Support						
	Administered payment	1.2	75,500	7,500	7,500	-
	Departmental payment	1.1	3,100	3,300	3,400	-
	Total		78,600	10,800	10,900	-
Total payment measures						
	Administered		75,500	7,500	7,500	-
	Departmental		3,100	28,136	6,589	-
	Total		78,600	35,636	14,089	-

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.

(a) Decision taken but not yet announced in the 2021-22 MYEFO, with the following impact: 2022-23 \$20.000 million, 2023-24 \$20.000 million, 2024-25 \$20.000 million and 2025-26 \$20.000 million.

(b) Decision taken but not yet announced in the 2021-22 MYEFO, with the following impact: 2021-22 \$1.421 million; 2022-23 \$4.594 million, 2023-24 \$3.737 million, 2024-25 \$2.771 million and 2025-26 \$2.810 million.

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 measure described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide a complete picture of an entity's planned and actual performance.

The most recent corporate plan for Austrade can be found at:
<https://www.austrade.gov.au/about/corporate-information/corporate-plan>.

The most recent annual performance statement can be found at:
<https://www.transparency.gov.au/annual-reports/australian-trade-and-investment-commission/reporting-year/2020-21>.

2.1 Budgeted expenses and performance for Outcome 1

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

Linked programs

Department of Foreign Affairs and Trade
Programs
<ul style="list-style-type: none"> • Program 1.1 – Foreign Affairs and Trade Operations • Program 1.6 – Public Information Services and Public Diplomacy
Contribution to Outcome 1 made by linked programs
DFAT and Austrade work closely across a number of areas to promote trade and investment; address non-tariff barriers to trade; support and facilitate business; increase science, technology and innovation links; and advocate to uphold the global rules-based trading system. This cooperation results in more economic opportunities and contributes to the projection of a positive image of Australia as a destination for business, investment, tourism and study.
Department of Industry, Science, Energy and Resources
Programs
<ul style="list-style-type: none"> • Program 1.1 – Investing in science, technology and commercialisation • Program 2.2 – Growing innovative and competitive businesses, industries and regions
Contribution to Outcome 1 made by linked programs
The Department of Industry, Science, Energy and Resources’ (DISER) administration of the Modern Manufacturing Strategy requires cooperation with Austrade on National Manufacturing Priorities. DISER and Austrade also cooperate to grow the Australian space industry through the Advancing Space: Australian Civil Space Strategy 2019–2028 with the Australian Space Agency. DISER cooperates with Austrade to grow Australia’s cyber security industry in support of the 2020 Cyber Security Strategy and 2021 Digital Economy Strategy.

Table continued on the next page.

Linked programs (continued)

<p>Department of Education, Skills and Employment</p> <hr/> <p>Programs</p> <ul style="list-style-type: none"> • Program 2.7 – International Education Support
<p>Contribution to Outcome 1 made by linked program</p> <p>Program 2.7 builds partnerships through engagement with foreign governments to advance Australia’s education sector and reputation. The Program also ensures policy and legislation aligns with quality educational outcomes. The Australian Strategy for International Education 2021–2030, led by the Department of Education, Skills and Employment, strengthens the fundamentals of the international education sector and complements Austrade’s focus on enabling the sector’s ongoing international growth.</p>
<p>Department of Agriculture, Water and the Environment</p> <hr/> <p>Programs</p> <ul style="list-style-type: none"> • Program 3.13 – International Market Access • Program 4.1 – Biosecurity and Export Services
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of Agriculture, Water and the Environment and Austrade work together to achieve the best outcomes for Australian agricultural, fisheries and forestry exports, including through improved market access and addressing non-tariff measures. The agencies also work cooperatively to deliver whole-of-government programs such as the Agri-Business Expansion Initiative and the Non-Tariff Barrier Action Plan. The department also undertakes activities to preserve Australia’s favourable animal and plant health status, helping maintain overseas markets.</p>
<p>Tourism Australia</p> <hr/> <p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets
<p>Contribution to Outcome 1 made by linked program</p> <p>Austrade provides research and policy support to Tourism Australia’s activities of promoting the export of Australian tourism services. These exports contribute to Australia’s prosperity.</p>

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Linked programs (continued)

Department of Defence
Programs
<ul style="list-style-type: none"> • Program 2.1 – Strategic Policy and Intelligence
Contribution to Outcome 1 made by linked program
Implementation of the Government’s Defence Export Strategy is led by the Department of Defence through the Australian Defence Export Office. This is providing a whole-of-government coordinated approach to supporting Australian defence industry, and cooperation with Austrade is focused on growing exports to underpin sustainability and growth aligned with national priorities.
Department of Infrastructure, Transport, Regional Development and Communications
Programs
<ul style="list-style-type: none"> • Program 3.1 – Regional Development
Contribution to Outcome 1 made by linked program
The Department of Infrastructure, Transport, Regional Development and Communications supports tourism demand-driving infrastructure in Australia’s regions through the Government’s Building Better Regions Fund, and cooperation on the International Freight Assistance Mechanism (IFAM) program wind-down. We will jointly finalise the operation of IFAM in July 2022, which has been keeping global air links open while global trade disruptions persist.

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

Outcome 1:					
Contribute to Australia's economic prosperity by promoting Australia's export and other international economic interests through the provision of information, advice and services to business, associations, institutions and government					
	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
Program 1.1: Promotion of Australia's export and other international economic interests					
Departmental expenses					
Departmental appropriation	259,071	246,695	213,135	199,950	196,492
s74 External Revenue (a)	21,000	21,500	22,500	24,500	24,500
Expenses not requiring appropriation in the Budget year (b)	36,900	15,000	15,000	15,000	15,000
Departmental total	316,971	283,195	250,635	239,450	235,992
Total expenses for program 1.1	316,971	283,195	250,635	239,450	235,992
Program 1.2: Programs to promote Australia's exports and other international economic interests					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	996,099	206,266	165,400	157,900	157,900
Administered total	996,099	206,266	165,400	157,900	157,900
Total expenses for program 1.2	996,099	206,266	165,400	157,900	157,900

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Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	996,099	206,266	165,400	157,900	157,900
Administered total	996,099	206,266	165,400	157,900	157,900
Departmental expenses					
Departmental appropriation	259,071	246,695	213,135	199,950	196,492
s74 External Revenue (a)	21,000	21,500	22,500	24,500	24,500
Expenses not requiring appropriation in the Budget year (b)	36,900	15,000	15,000	15,000	15,000
Departmental total	316,971	283,195	250,635	239,450	235,992
Total expenses for Outcome 1	1,313,070	489,461	416,035	397,350	393,892
	2021-22	2022-23			
Average staffing level (number)	1,113	1,111			

(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.

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

Table 2.1.2: Program components of Outcome 1

Program 1.2: Programs to promote Australia's exports and other international economic interests					
	2021-22	2022-23	2023-24	2024-25	2025-26
	Estimated	Budget	Forward	Forward	Forward
	actual		estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
1.2.1 - Component 1: Export Market Development Grants scheme					
Annual administered expenses:					
Ordinary annual services					
(Appropriation Bill No. 1)	157,900	157,900	157,900	157,900	157,900
Total component 1 expenses	157,900	157,900	157,900	157,900	157,900
1.2.2 - Component 2: National Tourism Icons Program					
Annual administered expenses:					
Ordinary annual services					
(Appropriation Bill No. 1)	10,990	4,000	-	-	-
Total component 2 expenses	10,990	4,000	-	-	-
1.2.3 - Component 3: International Freight Assistance Mechanism					
Annual administered expenses:					
Ordinary annual services					
(Appropriation Bill No. 1)	567,817	36,866	-	-	-
Total component 3 expenses	567,817	36,866	-	-	-
1.2.4 - Component 4: Supporting Australia's Exhibiting Zoos and Aquariums					
Annual administered expenses:					
Ordinary annual services					
(Appropriation Bill No. 1)	72,106	-	-	-	-
Total component 4 expenses	72,106	-	-	-	-
1.2.5 - Component 5: Business Events Grants					
Annual administered expenses:					
Ordinary annual services					
(Appropriation Bill No. 1)	25,726	-	-	-	-
Total component 5 expenses	25,726	-	-	-	-
1.2.6 - Component 6: Recovery of Regional Tourism					
Annual administered expenses:					
Ordinary annual services					
(Appropriation Bill No. 1)	30,000	-	-	-	-
Total component 6 expenses	30,000	-	-	-	-
1.2.7 - Component 7: COVID-19 Consumer Travel Support Program					
Annual administered expenses:					
Ordinary annual services					
(Appropriation Bill No. 1)	131,560	-	-	-	-
Total component 7 expenses	131,560	-	-	-	-
1.2.8 - Component 8: Tourism Tropical North Queensland					
Annual administered expenses:					
Ordinary annual services					
(Appropriation Bill No. 1)	-	7,500	7,500	-	-
Total component 8 expenses	-	7,500	7,500	-	-
Total program expenses	996,099	206,266	165,400	157,900	157,900

Table 2.1.3: Performance measure for Outcome 1

Table 2.1.3 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 – Contribute to Australia’s economic prosperity by promoting Australia’s export and other international economic interests through the provision of information, advice and services to business, associations, institutions and government		
Program 1.1 – Promotion of Australia’s export and other international economic interests		
Key Activities	Austrade: <ul style="list-style-type: none"> • connects export-ready Australian businesses to overseas opportunities and works with them to achieve commercial outcomes • wins productive foreign investment • promotes Australian capability internationally • works with priority industry sectors to drive sustained long-term growth of Australian exports • reduces the time, cost and risk for its clients • provides authoritative commercial insights and information to help clients make informed business decisions • informs and influences policy to support positive trade and investment outcomes, including for tourism and international education • supports Australia’s regional exporters through the TradeStart network • supports businesses through the delivery of grant and other support programs. 	
Year	Performance measures	Expected Performance Results
Current year 2021-22	High level of satisfaction for Austrade’s clients with Austrade’s services.	On track. Austrade expects the level of satisfaction to be at least 85 per cent, as measured in an annual survey.
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	High level of satisfaction for Austrade’s clients with Austrade’s services.	Maintained or improved compared to the previous year.
Forward Estimates 2023-26	As per 2022-23.	As per 2022-23.

Table continued on the next page.

Table 2.1.3: Performance criteria for Outcome 1 (continued)

Program 1.2 – Programs to promote Australia’s export and other international economic interests		
Key Activities	Austrade administers programs that support Australian businesses’ engagement in international business. It provides financial assistance for exporters through programs like the Export Market Development Grants (EMDG) Scheme.	
Year	Performance measures	Expected Performance Results
Current year 2021-22	EMDG recipients report that the receipt of a grant encouraged them to increase their export promotion activities.	On track. Austrade expects at least 70 per cent of EMDG recipients report that receiving a grant encouraged them to increase their export promotion activities.
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	EMDG recipients report that the receipt of a grant encouraged them to increase their export promotion activities.	Maintained or improved compared to the previous year.
Forward Estimates 2023-26	As per 2022-23.	As per 2022-23.

2.2 Budgeted expenses and performance for Outcome 2

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

Linked programs

Department of Foreign Affairs and Trade
<p>Programs</p> <ul style="list-style-type: none"> • Program 2.1 – Consular Services • Program 2.2 – Passport Services • Program 3.1 – Foreign Affairs and Trade Security and IT • Program 3.2 – Overseas Property
<p>Contribution to Outcome 2 made by linked programs</p> <p>Austrade delivers consular and passport services on behalf of the Australian Government in locations where DFAT does not have a presence. Where an Austrade office is located within a DFAT-managed mission or post, DFAT is responsible for the safety and security of that Austrade presence.</p>

Budgeted expenses for Outcome 2

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

Table 2.2.1: Budgeted expenses for Outcome 2

Outcome 2: The protection and welfare of Australians abroad through timely and responsive consular and passport services in specific locations overseas					
	2021-22	2022-23	2023-24	2024-25	2025-26
	Estimated	Budget	Forw ard	Forw ard	Forw ard
	actual		estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Program 2.1: Consular Services					
Departmental expenses					
Departmental appropriation	10,315	10,440	10,580	10,726	10,883
s74 External Revenue (a)	1,000	1,000	1,000	1,000	1,000
Departmental total	11,315	11,440	11,580	11,726	11,883
Total expenses for program 2.1	11,315	11,440	11,580	11,726	11,883
Outcome 2 Totals by appropriation type					
Departmental expenses					
Departmental appropriation	10,315	10,440	10,580	10,726	10,883
s74 External Revenue (a)	1,000	1,000	1,000	1,000	1,000
Departmental total	11,315	11,440	11,580	11,726	11,883
Total expenses for Outcome 2	11,315	11,440	11,580	11,726	11,883

	2021-22	2022-23
Average staffing level (number)	36	36

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.
 Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Table 2.2.3: Performance measure for Outcome 2

Table 2.2.3 details the performance measures for each program associated with Outcome 2. 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 2 – The protection and welfare of Australians abroad through timely and responsive consular and passport services in specific locations overseas		
Program 2.1 – Consular and Passport Services		
Key Activities	In overseas locations where Austrade has designated consular management responsibilities, Austrade will continue to place a high priority on helping Australians through the delivery of effective consular services, efficient passport services and practical contingency planning, in accordance with DFAT's Consular Services and Passports Client Services charters.	
Year	Performance measures	Expected Performance Results
Current year 2021-22	Effective delivery of consular and passport services to Australians overseas.	On track. Austrade expects that at least 97 per cent of routine passport applications are processed accurately as per Australian Passport Office benchmark.
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	Effective delivery of consular and passport services to Australians overseas.	Maintained or improved compared to the previous year.
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 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

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

Departmental financial statements

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

Budgeted departmental comprehensive income statement

This statement provides estimated actual financial results for 2021–22 and the estimated revenue and expenses for 2022–23 and forward years.

Total income in 2022–23 is estimated to be \$279.8 million and includes \$22.6 million in funding for the new measures outlined in Table 1.2: Australian Trade and Investment Commission 2022–23 Budget Measures.

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

Budgeted departmental balance sheet

This statement discloses the estimated end of year financial position for Austrade. Austrade’s budgeted net asset position at the end of 2022–23 of \$54.9 million, an increase of \$4.8 million from the closing 2021–22 position.

Departmental capital budget statement

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

Departmental statement of asset movements

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

Schedule of administered activity

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

Schedule of budgeted income and expenses administered on behalf of Government

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

Administered expenses of \$206.3 million for 2022–23 relate to the International Freight Assistance Mechanism (IFAM) (\$36.9 million), Export Market Development Grants (EMDG) Scheme (\$157.9 million), National Tourism Icons Program (\$4.0 million) and Tourism Tropical North Queensland (\$7.5 million). The EMDG Scheme comprises \$150.0 million in grant expenditure and \$7.9 million in expenditure for the costs of administration on behalf of the Government.

Schedule of budgeted assets and liabilities administered on behalf of Government

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

Total administered assets and liabilities for 2022–23 are estimated at \$1.1 million and \$24.3 million respectively.

Schedule of budgeted administered cash flows

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

3.2. Budgeted financial statements tables

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
EXPENSES					
Employee benefits	178,620	171,429	155,696	150,305	147,289
Suppliers	91,602	87,268	70,239	64,076	63,220
Depreciation and amortisation	57,446	35,406	35,815	36,339	36,999
Finance costs	618	532	465	456	367
Total expenses	328,286	294,635	262,215	251,176	247,875
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	20,500	21,000	22,000	24,000	24,000
Rental income	500	500	500	500	500
Other revenue	1,000	1,000	1,000	1,000	1,000
Total own-source revenue	22,000	22,500	23,500	25,500	25,500
Total own-source income	22,000	22,500	23,500	25,500	25,500
Net (cost of)/contribution by services	(306,286)	(272,135)	(238,715)	(225,676)	(222,375)
Revenue from Government	268,864	257,347	223,205	210,142	206,835
Surplus/(deficit) attributable to the Australian Government	(37,422)	(14,788)	(15,510)	(15,534)	(15,540)
Total comprehensive income/(loss) attributable to the Australian Government	(37,422)	(14,788)	(15,510)	(15,534)	(15,540)

Table continued on the next page.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of					
Comprehensive Income	(37,422)	(14,788)	(15,510)	(15,534)	(15,540)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	36,900	15,000	15,000	15,000	15,000
plus: depreciation/amortisation expenses for ROU assets (b)	20,546	20,406	20,815	21,339	21,999
less: principal repayments on leased assets (b)	20,024	20,618	20,305	20,805	21,459
Net Cash Operating Surplus/ (Deficit)	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

(b) Applies leases 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 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	4,595	9,116	9,116	9,116	9,116
Trade and other receivables	63,368	58,847	58,847	58,847	58,847
Total financial assets	67,963	67,963	67,963	67,963	67,963
Non-financial assets					
Land and buildings	81,485	74,106	77,750	66,800	67,777
Property, plant and equipment	6,697	5,675	4,803	3,081	1,309
Intangibles	32,034	37,152	38,439	40,091	41,162
Other non-financial assets	3,573	3,573	3,573	3,573	3,573
Total non-financial assets	123,789	120,506	124,565	113,545	113,821
Total assets	191,752	188,469	192,528	181,508	181,784
LIABILITIES					
Payables					
Suppliers	18,327	18,327	18,327	18,327	18,327
Other payables	10,584	10,584	10,584	10,584	10,584
Total payables	28,911	28,911	28,911	28,911	28,911
Interest bearing liabilities					
Leases	66,220	58,117	62,050	52,183	53,682
Total interest bearing liabilities	66,220	58,117	62,050	52,183	53,682
Provisions					
Employee provisions	43,566	43,566	43,566	43,566	43,566
Other provisions	2,947	2,947	2,947	2,947	2,947
Total provisions	46,513	46,513	46,513	46,513	46,513
Total liabilities	141,644	133,541	137,474	127,607	129,106
Net assets	50,108	54,928	55,054	53,901	52,678
EQUITY*					
Parent entity interest					
Contributed equity	187,512	207,120	222,756	237,137	251,454
Reserves	40,293	40,293	40,293	40,293	40,293
Retained surplus (accumulated deficit)	(177,697)	(192,485)	(207,995)	(223,529)	(239,069)
Total parent entity interest	50,108	54,928	55,054	53,901	52,678
Total equity	50,108	54,928	55,054	53,901	52,678

Prepared on Australian Accounting Standards basis.

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

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

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2022				
Balance carried forward from previous period	(177,697)	40,293	187,512	50,108
Adjusted opening balance	(177,697)	40,293	187,512	50,108
Comprehensive income				
Surplus/(deficit) for the period	(14,788)	-	-	(14,788)
Total comprehensive income	(14,788)	-	-	(14,788)
of which:				
Attributable to the Australian Government	(14,788)	-	-	(14,788)
Contributions by owners				
Equity injection - Appropriation	-	-	4,504	4,504
Departmental Capital Budget (DCB)	-	-	15,104	15,104
Sub-total transactions with owners	-	-	19,608	19,608
Estimated closing balance as at 30 June 2023	(192,485)	40,293	207,120	54,928
Closing balance attributable to the Australian Government	(192,485)	40,293	207,120	54,928

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 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	267,372	261,868	223,205	210,142	206,835
Sale of goods and rendering of services	21,000	21,500	22,500	24,500	24,500
Other	1,000	1,000	1,000	1,000	1,000
Total cash received	289,372	284,368	246,705	235,642	232,335
Cash used					
Employees	178,620	171,429	155,696	150,305	147,289
Suppliers	91,602	87,268	70,239	64,076	63,220
Interest payments on lease liability	618	532	465	456	367
Total cash used	270,840	259,229	226,400	214,837	210,876
Net cash from/(used by) operating activities	18,532	25,139	20,305	20,805	21,459
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	21,040	19,608	15,636	14,381	14,317
Total cash used	21,040	19,608	15,636	14,381	14,317
Net cash from/(used by) investing activities	(21,040)	(19,608)	(15,636)	(14,381)	(14,317)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	18,577	19,608	15,636	14,381	14,317
Total cash received	18,577	19,608	15,636	14,381	14,317
Cash used					
Principal payments on lease liability	20,024	20,618	20,305	20,805	21,459
Total cash used	20,024	20,618	20,305	20,805	21,459
Net cash from/(used by) financing activities	(1,447)	(1,010)	(4,669)	(6,424)	(7,142)
Net increase/(decrease) in cash held	(3,955)	4,521	-	-	-
Cash and cash equivalents at the beginning of the reporting period	8,550	4,595	9,116	9,116	9,116
Cash and cash equivalents at the end of the reporting period	4,595	9,116	9,116	9,116	9,116

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 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	13,957	15,104	15,202	14,230	14,299
Equity injections - Bill 2	4,620	4,504	434	151	18
Total new capital appropriations	18,577	19,608	15,636	14,381	14,317
Provided for:					
Purchase of non-financial assets	18,577	19,608	15,636	14,381	14,317
Total items	18,577	19,608	15,636	14,381	14,317
PURCHASE OF NON-FINANCIAL ASSETS					
ASSETS					
Funded by capital appropriations (a)	7,083	4,504	434	151	18
Funded by capital appropriation - DCB (b)	13,957	15,104	15,202	14,230	14,299
TOTAL	21,040	19,608	15,636	14,381	14,317
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	21,040	19,608	15,636	14,381	14,317
Total cash used to acquire assets	21,040	19,608	15,636	14,381	14,317

Prepared on Australian Accounting Standards basis.

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

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

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

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022				
Gross book value	24,560	13,856	134,953	173,369
Gross book value - ROU assets	131,213	-	-	131,213
Accumulated depreciation/ amortisation and impairment	(5,525)	(7,159)	(102,919)	(115,603)
Accumulated depreciation/amortisation and impairment - ROU assets	(68,763)	-	-	(68,763)
Opening net book balance	81,485	6,697	32,034	120,216
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	12	-	4,492	4,504
By purchase - appropriation ordinary annual services (b)	3,500	278	11,326	15,104
By purchase - other - ROU assets	12,515	-	-	12,515
Total additions	16,027	278	15,818	32,123
Other movements				
Depreciation/amortisation expense	(3,000)	(1,300)	(10,700)	(15,000)
Depreciation/amortisation on ROU assets	(20,406)	-	-	(20,406)
Total Other movements	(23,406)	(1,300)	(10,700)	(35,406)
As at 30 June 2023				
Gross book value	28,072	14,134	150,771	192,977
Gross book value - ROU assets	143,728	-	-	143,728
Accumulated depreciation/ amortisation and impairment	(8,525)	(8,459)	(113,619)	(130,603)
Accumulated depreciation/amortisation and impairment - ROU assets	(89,169)	-	-	(89,169)
Closing net book balance	74,106	5,675	37,152	116,933

Prepared on Australian Accounting Standards basis.

- (a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022-23.
- (b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2022-23 for depreciation/amortisation expenses, DCBs or other operational expenses.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
EXPENSES					
Employee benefits	5,543	5,043	5,043	5,043	5,043
Suppliers	202,388	32,281	2,852	2,852	2,852
Grants	788,168	168,942	157,505	150,005	150,005
Total expenses administered on behalf of Government	996,099	206,266	165,400	157,900	157,900
Net (cost of)/contribution by services	996,099	206,266	165,400	157,900	157,900
Total comprehensive income/(loss)	(996,099)	(206,266)	(165,400)	(157,900)	(157,900)

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	80	80	80	80	80
Trade and other receivables	1,008	1,008	1,008	1,008	1,008
Total financial assets	1,088	1,088	1,088	1,088	1,088
Total assets administered on behalf of Government	1,088	1,088	1,088	1,088	1,088
LIABILITIES					
Payables					
Suppliers	4,936	4,936	4,936	4,936	4,936
Grants	3,202	3,202	3,202	3,202	3,202
Other payables	128	128	128	128	128
Total payables	8,266	8,266	8,266	8,266	8,266
Provisions					
Employee provisions	2,420	2,420	2,420	2,420	2,420
Other provisions	13,569	13,569	13,569	13,569	13,569
Total provisions	15,989	15,989	15,989	15,989	15,989
Total liabilities administered on behalf of Government	24,255	24,255	24,255	24,255	24,255
Net assets/(liabilities)	(23,167)	(23,167)	(23,167)	(23,167)	(23,167)

Prepared on Australian Accounting Standards basis.

Table 3.9: Schedule of budgeted administered 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					
Other	91,517	-	-	-	-
Total cash received	91,517	-	-	-	-
Cash used					
Grant	725,231	168,942	157,505	150,005	150,005
Suppliers	202,388	32,281	2,852	2,852	2,852
Employees	5,543	5,043	5,043	5,043	5,043
Total cash used	933,162	206,266	165,400	157,900	157,900
Net cash from/(used by) operating activities	(841,645)	(206,266)	(165,400)	(157,900)	(157,900)
Net increase/(decrease) in cash held	(841,645)	(206,266)	(165,400)	(157,900)	(157,900)
Cash and cash equivalents at beginning of reporting period	80	80	80	80	80
Cash from Official Public Account for: - Appropriations	841,645	206,266	165,400	157,900	157,900
Total cash from Official Public Account	841,645	206,266	165,400	157,900	157,900
Cash to Official Public Account for: - Appropriations	-	-	-	-	-
Total cash to Official Public Account	-	-	-	-	-
Cash and cash equivalents at end of reporting period	80	80	80	80	80

Prepared on Australian Accounting Standards basis.

