

NATIONAL ARCHIVES OF AUSTRALIA

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The primary functions of the National Archives of Australia (the Archives) are to:

- identify the archival resources of the Commonwealth
- preserve and make publicly available the archival resources of the Commonwealth
- oversee Commonwealth record-keeping, by determining standards and providing advice to Commonwealth institutions
- impose record-keeping obligations in respect of Commonwealth records.

The Archives' outcome is 'to promote the creation, management and preservation of authentic, reliable and usable Commonwealth records and to facilitate Australians' access to the archival resources of the Commonwealth'. To achieve its outcome, the Archives will:

- respond to changes in the information environment, including moving and guiding Commonwealth entities towards comprehensive digital information and records management, building capability, meeting whole-of-government requirements, and promoting accountability in information and records management
- monitor and, as appropriate, expand its capability to transfer, preserve, digitise and make records available for public access. The Archives will continue to oversee the delivery of additional preservation and storage capacity, working with entities to improve business efficiency across government by enhancing the ability to retrieve and reuse information and reducing stockpiles of paper records
- foster effective relationships with entities and strategic stakeholders, including the information and communication technology and cultural sectors. The Archives will work closely with other key information and security entities across government to ensure that digital records management issues are addressed through information strategies, standards and policies
- provide access to, promote, interpret and communicate the collection and foster engagement with Australians in cities and regional areas through its national network of reading rooms, reference services, and education and public programs. The Archives' websites and the national digitisation service will enhance the accessibility of the collection by increasing the number of record pages and interactive experiences available online.

1.2 ENTITY RESOURCE STATEMENT

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

Table 1.1 is prepared on a resourcing (that is, appropriations and cash available) basis, while the outcome expenses table in section 2 and the financial statements in section 3 are prepared on an accrual basis.

Table 1.1: Entity resource statement—Budget estimates for 2017–18 as at Budget May 2017

	2016–17 Estimated actual \$'000	2017–18 Estimate \$'000
DEPARTMENTAL		
Annual appropriations—ordinary annual services(a)		
Prior year appropriations available	18,202	17,611
Departmental appropriation(b)	71,016	63,819
s 74 retained revenue receipts(c)	2,324	1,810
Departmental capital budget(d)	4,653	4,631
Annual appropriations—other services—non-operating(e)		
Equity injection	150	–
Total net resourcing for entity	96,345	87,871
	2016–17	2017–18
Average staffing level (number)	390	375

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

Note: All figures are GST exclusive and may not match figures in the cash flow statement.

(a) Appropriation Bill (No. 1) 2017–18.

(b) Excludes the departmental capital budget.

(c) Estimated retained revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013*.

(d) Departmental capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. See Table 3.5 for further details. For accounting purposes, this amount is designated as 'contributions by owners'.

(e) Appropriation Act (No. 2) 2016–17.

1.3 BUDGET MEASURES

Measures announced in the 2016–17 Mid-Year Economic and Fiscal Outlook (MYEFO) and other measures not previously reported in a portfolio statement are summarised in Part 2 of Table 1.2.

Table 1.2: Entity 2017–18 Budget measures

Part 1: Measures announced since the 2016–17 MYEFO

The Archives has no new post-MYEFO measures.

Part 2: MYEFO measures and other measures not previously reported in a portfolio statement

	Program	2016–17 \$'000	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000
Expense measures						
Public Sector Transformation and the Efficiency Dividend(a)	1.1					
Departmental expenses		–	(1,050)	(1,758)	(2,256)	(728)
Smaller Government—collection agencies—consolidation of back office functions(b)	1.1					
Departmental expenses		–	591	–	–	–
Total expense measures		–	(459)	(1,758)	(2,256)	(728)

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

(a) This is a cross-portfolio measure that was published in the 2016–17 Budget. The lead entity is the Department of Finance.

(b) This is a cross-portfolio measure that was published in the 2014–15 Budget.

Section 2: Outcomes and planned performance

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

The Archives' outcome is described below together with its related program.

Note

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

The most recent corporate plan for the Archives can be found at <http://www.naa.gov.au/about-us/organisation/accountability/corporate-plan/2016-17-to-2019-20.aspx>.

The most recent annual performance statement can be found at <http://www.naa.gov.au/about-us/publications/annual-reports/2015-16/report-on-performance/annual-performance-statement>.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: To promote the creation, management and preservation of authentic, reliable and usable Commonwealth records and to facilitate Australians' access to the archival resources of the Commonwealth

Budgeted expenses for Outcome 1

Table 2.1 shows how much the Archives intends to spend (on an accrual basis) on achieving Outcome 1, broken down by program and by departmental funding sources.

Table 2.1: Budgeted expenses for Outcome 1

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
Program 1.1: National Archives of Australia					
Departmental expenses					
Departmental appropriation	71,016	63,819	61,861	66,359	67,578
s 74 retained revenue receipts(a)	2,324	1,810	1,695	1,670	1,645
Expenses not requiring appropriation in the budget year(b)	13,410	17,371	17,625	19,017	18,587
Total expenses for Outcome 1	86,750	83,000	81,181	87,046	87,810

	2016–17	2017–18
Average staffing level (number)	390	375

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

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the *Public Governance, Performance and Accountability Act 2013*.

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

Performance criteria for Outcome 1

Table 2.2 details the performance criteria for the program associated with Outcome 1. It also summarises how the program is delivered.

Table 2.2: Performance criteria for Outcome 1

Outcome 1: To promote the creation, management and preservation of authentic, reliable and usable Commonwealth records and to facilitate Australians' access to the archival resources of the Commonwealth		
Program 1.1: National Archives of Australia The Archives ensures that the official record of the Commonwealth is maintained and available to government, researchers and the public.		
Delivery	This program will be delivered by: <ul style="list-style-type: none"> identifying, securing and managing the archival resources of the Commonwealth promoting, interpreting and making available the archival resources of the Commonwealth. 	
Performance information		
Year	Performance criteria	Targets (estimated actuals)
2016–17	Percentage of entities reporting against the Archives' annual survey Percentage of entities engaging with information management training, events and services Number of identified at-risk items provided with preservation treatment Total number of visits to the Archives' online and onsite programs and services Number of records accessed Number of record pages added to RecordSearch	95% (100%) 75% (75%) 150,000 (150,000) 5,205,000 (5,205,000) 11,500,000 (6,000,000) 1,500,000 (1,300,000)
2017–18	The archival resources of the Commonwealth are identified and secured for the future. Public engagement with the national archival collection grows and enhances understanding of individual and collective history.	Records authorities will cover all Commonwealth Government entities. Records are preserved and protected. Entities transition to digital information management in accordance with the Digital Continuity 2020 Policy. The collection is promoted and accessed through multiple channels. The Archives' interactions with the public increase year on year.
2018–19 and beyond	Same as for 2017–18.	Same as for 2017–18.
Purposes(a)	The Archives' activities are directed at achieving the following two purposes: <ol style="list-style-type: none"> maintaining the official record of the nation creating valued connections between the national archival collection and government, researchers and the community. 	

(a) This is an updated purpose statement that will be reflected in the 2017–18 corporate plan.

Section 3: Budgeted financial statements

This section presents budgeted financial statements that provide a comprehensive snapshot of entity finances for the 2017–18 Budget year, including the impact of budget measures and resourcing.

3.1 DIFFERENCES BETWEEN ENTITY RESOURCING AND FINANCIAL STATEMENTS

There is no material difference between the entity resourcing and financial statements.

3.2 ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

Comprehensive income statement

In 2017–18, revenue from government decreases by \$7.197m, mainly due to the ceasing of one-off funding received in 2016–17 for the relocation of records and staff to the new National Archives Preservation Facility.

Other revenue is estimated to remain steady in the budget and forward years and is directly related to the estimated intake of collection items from Commonwealth government agencies. Revenue from sale of goods and rendering of services and rental income is estimated to reduce over the forward years as Commonwealth government agencies withdraw non-archival records from the Archives' custody.

Employee benefits are expected to reduce in 2017–18 by \$3.995m due to government savings measures affecting the Archives' appropriation.

Budgeted departmental balance sheet

Heritage and cultural assets are expected to increase in value over the forward years, primarily as a result of the intake of new collection items each year.

Other payables increase in the budget and forward years as a result of accounting treatment for the straight-lining of rent for the new National Archives Preservation Facility.

3.3 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
EXPENSES					
Employee benefits	38,483	34,488	33,909	32,703	33,531
Suppliers	35,484	35,792	34,552	41,623	41,559
Grants	40	–	–	–	–
Depreciation and amortisation	12,183	12,183	12,183	12,183	12,183
Finance costs	60	37	37	37	37
Losses from asset sales	500	500	500	500	500
Total expenses	86,750	83,000	81,181	87,046	87,810
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	2,198	1,720	1,695	1,670	1,645
Rental income	126	90	–	–	–
Other	10,000	10,000	10,000	10,000	10,000
Total own-source revenue	12,324	11,810	11,695	11,670	11,645
Gains					
Other	76	75	75	75	75
Total gains	76	75	75	75	75
Total own-source income	12,400	11,885	11,770	11,745	11,720
Net (cost of)/contribution by services	(74,350)	(71,115)	(69,411)	(75,301)	(76,090)
Revenue from government	71,016	63,819	61,861	66,359	67,576
Surplus/(deficit) attributable to the Australian Government	(3,334)	(7,296)	(7,550)	(8,942)	(8,514)
Total comprehensive income/(loss) attributable to the Australian Government	(3,334)	(7,296)	(7,550)	(8,942)	(8,514)

Note: Impact of net cash appropriation arrangements

	2016–17 \$'000	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	8,849	4,887	4,633	3,241	3,669
Less depreciation/amortisation expenses previously funded through revenue appropriations	12,183	12,183	12,183	12,183	12,183
Total comprehensive income/(loss) as per the statement of comprehensive income	(3,334)	(7,296)	(7,550)	(8,942)	(8,514)

Prepared on Australian Accounting Standards basis.

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

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	199	199	199	199	199
Trade and other receivables	18,649	19,240	19,240	19,240	19,240
Other financial assets	20	20	20	20	20
Total financial assets	18,868	19,459	19,459	19,459	19,459
Non-financial assets					
Property, plant and equipment	21,317	19,784	19,433	18,615	17,838
Heritage and cultural assets	1,462,573	1,466,111	1,469,649	1,473,187	1,476,725
Intangibles	16,968	16,911	16,879	17,331	17,783
Inventories	142	142	142	142	142
Other non-financial assets	1,442	1,442	1,442	1,442	1,442
Total non-financial assets	1,502,442	1,504,390	1,507,545	1,510,717	1,513,930
Total assets	1,521,310	1,523,849	1,527,004	1,530,176	1,533,389
LIABILITIES					
Payables					
Other payables	2,315	7,482	12,312	18,534	24,328
Total payables	2,315	7,482	12,312	18,534	24,328
Provisions					
Employee provisions	12,355	12,355	12,355	12,355	12,355
Other provisions	9,643	9,680	9,717	9,754	9,791
Total provisions	21,998	22,035	22,072	22,109	22,146
Total liabilities	24,313	29,517	34,384	40,643	46,474
Net assets	1,496,997	1,494,332	1,492,620	1,489,533	1,486,915
EQUITY					
Parent entity interest					
Contributed equity	42,070	46,701	52,539	58,394	64,290
Reserves	346,337	346,337	346,337	346,337	346,337
Retained surplus/(accumulated deficit)	1,108,590	1,101,294	1,093,744	1,084,802	1,076,288
Total parent entity interest	1,496,997	1,494,332	1,492,620	1,489,533	1,486,915
Total equity	1,496,997	1,494,332	1,492,620	1,489,533	1,486,915

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity—summary of movement (budget year 2017–18)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2017				
Balance carried forward from previous period	1,108,590	346,337	42,070	1,496,997
Adjustment for changes in accounting policies	–	–	–	–
Adjusted opening balance	1,108,590	346,337	42,070	1,496,997
Comprehensive income				
Surplus/(deficit) for the period	(7,296)	–	–	(7,296)
Total comprehensive income	(7,296)	–	–	(7,296)
Of which:				
Attributable to the Australian Government	(7,296)	–	–	(7,296)
Transactions with owners				
Contributions by owners				
Departmental capital budget	–	–	4,631	4,631
Sub-total transactions with owners	–	–	4,631	4,631
Estimated closing balance as at 30 June 2018	1,101,294	346,337	46,701	1,494,332
Closing balance attributable to the Australian Government	1,101,294	346,337	46,701	1,494,332

Prepared on Australian Accounting Standards basis.

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

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	71,607	63,228	61,861	66,359	67,576
Sale of goods and rendering of services	2,324	1,810	1,695	1,670	1,645
Net GST received	3,043	3,142	2,793	3,364	3,406
Total cash received	76,974	68,180	66,349	71,393	72,627
Cash used					
Employees	38,737	34,488	33,909	32,703	33,531
Suppliers	38,064	33,692	32,440	38,690	39,096
Net GST paid	133	–	–	–	–
Other	40	–	–	–	–
Total cash used	76,974	68,180	66,349	71,393	72,627
Net cash from/(used by) operating activities	–	–	–	–	–
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	4,803	4,631	5,838	5,855	5,896
Total cash used	4,803	4,631	5,838	5,855	5,896
Net cash from/(used by) investing activities	(4,803)	(4,631)	(5,838)	(5,855)	(5,896)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	4,803	4,631	5,838	5,855	5,896
Total cash received	4,803	4,631	5,838	5,855	5,896
Net cash from/(used by) financing activities	4,803	4,631	5,838	5,855	5,896
Net increase/(decrease) in cash held	–	–	–	–	–
Cash and cash equivalents at the beginning of the reporting period	199	199	199	199	199
Cash and cash equivalents at the end of the reporting period	199	199	199	199	199

Prepared on Australian Accounting Standards basis.

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

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget—Bill 1 (DCB)	4,653	4,631	5,838	5,855	5,896
Equity injections—Bill 2	150	–	–	–	–
Total new capital appropriations	4,803	4,631	5,838	5,855	5,896
Provided for:					
Purchase of non-financial assets	4,803	4,631	5,838	5,855	5,896
Total items	4,803	4,631	5,838	5,855	5,896
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations(a)	150	–	–	–	–
Funded by capital appropriation—DCB(b)	4,653	4,631	5,838	5,855	5,896
Funded internally from departmental resources(c)	10,000	10,000	10,000	10,000	10,000
Total purchases of non-financial assets	14,803	14,631	15,838	15,855	15,896
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	14,803	14,631	15,838	15,855	15,896
Less gifted assets	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Total cash used to acquire assets	4,803	4,631	5,838	5,855	5,896

Prepared on Australian Accounting Standards basis.

DCB = departmental capital budget.

(a) Includes prior year Act 2, 4 and 6 appropriations.

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

(c) Includes funding from donations and contributions.

Table 3.6: Statement of asset movements (budget year 2017–18)

	Other property, plant & equipment \$'000	Heritage & cultural \$'000	Computer software & intangibles \$'000	Total \$'000
As at 1 July 2017				
Gross book value	26,789	1,477,860	37,466	1,542,115
Accumulated depreciation/amortisation and impairment	(5,472)	(15,287)	(20,498)	(41,257)
Opening net book balance	21,317	1,462,573	16,968	1,500,858
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase—appropriation ordinary annual services(a)	3,200	–	1,431	4,631
Assets received as gifts/donations	–	10,000	–	10,000
Total additions	3,200	10,000	1,431	14,631
Other movements				
Depreciation/amortisation expense	(4,733)	(5,962)	(1,488)	(12,183)
Other	–	(500)	–	(500)
Total other movements	(4,733)	(6,462)	(1,488)	(12,683)
As at 30 June 2018				
Gross book value	29,989	1,487,360	38,897	1,556,246
Accumulated depreciation/amortisation and impairment	(10,205)	(21,249)	(21,986)	(53,440)
Closing net book balance	19,784	1,466,111	16,911	1,502,806
Estimated operating expenditure in income statement for heritage and cultural assets				
		\$'000		
Operations and maintenance		24,787		
Preservation and conservation		4,595		
Total operating expenditure on heritage and cultural assets		29,382		

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2017–18 for depreciation and amortisation expenses, departmental capital budgets or other operational expenses.