

NATIONAL ARCHIVES OF AUSTRALIA

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The strategic direction statement for the National Archives of Australia (the National Archives) can be found in the 2018-19 Portfolio Budget Statements. There has been no change to the National Archives' strategic direction as a result of Additional Estimates.

1.2 ENTITY RESOURCE STATEMENT

The entity resource statement details the resourcing for the National Archives at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2018-19 budget year, including variations through Appropriation Bill No. 3.

Table 1.1: Entity resource statement – additional estimates for 2018-19 as at Additional Estimates February 2019

	Actual available appropriation 2017-18 \$'000	Estimate as at Budget 2018-19 \$'000	Proposed Additional Estimates 2018-19 \$'000	Total estimate at Additional Estimates 2018-19 \$'000
DEPARTMENTAL				
Annual appropriations – ordinary annual services (a)				
Prior year appropriations available (b)	22,295	23,890	–	23,890
Departmental appropriation	63,608	61,492	1,000	62,492
s74 External Revenue (c)	3,029	1,695	–	1,695
Departmental capital budget (d)	4,631	5,838	–	5,838
Total resourcing for entity	93,563	92,915	1,000	93,915
			Actual 2017-18	2018-19
Average staffing level (number)			339	355

Prepared on a resourcing (appropriations available) basis.

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

- (a) *Appropriation Act No. 1 2018-19* and *Appropriation Bill No. 3 2018-19*
 (b) Excludes \$0.228m withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*.
 (c) Estimated external revenue receipts under section 74 of the *PGPA Act*.
 (d) Departmental capital budgets are not separately identified in *Appropriation Act No. 1* and form part of ordinary annual services items. See Table 3.6 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

1.3 ENTITY MEASURES

Table 1.2 summarises new government measures taken since the 2018-19 Budget.

Table 1.2: Entity 2018-19 measures since Budget

Program	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Expense measures				
Digitisation of Prime Ministers' Records	1.1			
Departmental expenses	1,000	2,000	–	–
Total expense measures	1,000	2,000	–	–

Prepared on a Government Financial Statistics (fiscal) basis.

1.4 ADDITIONAL ESTIMATES, RESOURCING AND VARIATIONS TO OUTCOMES

Table 1.3 details the Additional Estimates resulting from new measures and other variations since the 2018-19 Budget in Appropriation Bill No. 3.

Table 1.3: Additional estimates and other variations to outcomes since 2018-19 Budget

	Program impacted	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
OUTCOME 1					
DEPARTMENTAL					
Annual appropriations					
Digitisation of Prime Ministers' Records	1.1	1,000	2,000	–	–
Changes in Parameters					
Net decrease	1.1	–	–	–	(66)
Net impact on appropriations for Outcome 1 (departmental)		1,000	2,000	–	(66)
Total net impact on appropriations for Outcome 1		1,000	2,000	–	(66)

Prepared on a Government Financial Statistics (fiscal) basis.

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

Table 1.4 details the Additional Estimates sought for the National Archives through Appropriation Bill No. 3.

Table 1.4: Appropriation Bill No. 3 2018-19

	2017-18 Available \$'000	2018-19 Budget \$'000	2018-19 Revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
DEPARTMENTAL PROGRAMS					
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.	68,239	67,330	68,330	1,000	–
Total departmental	68,239	67,330	68,330	1,000	–

Note: 2017-18 available appropriation is included as a comparison with this year's appropriation.

Section 2: Revisions to outcomes and planned performance

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 National Archives intends to spend (on an accrual basis) on achieving Outcome 1, broken down by program and departmental funding sources.

Table 2.1: Budgeted expenses for Outcome 1

	2017-18 Actual expenses \$'000	2018-19 Revised estimated expenses \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
Program 1.1:					
National Archives of Australia					
Departmental expenses					
Departmental appropriation	59,488	62,492	67,926	67,272	67,994
s74 External Revenue (a)	3,029	1,695	1,670	1,645	1,645
Expenses not requiring appropriation in the budget year (b)	21,005	19,546	17,965	16,706	15,866
Total departmental	83,522	83,733	87,561	85,623	85,505
Total expenses for program 1.1	83,522	83,733	87,561	85,623	85,505
Total expenses for Outcome 1	83,522	83,733	87,561	85,623	85,505
	2017-18	2018-19			
Average staffing level (number)	339	355			

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

There are no changes to the performance information for Outcome 1 as reported in the 2018-19 Portfolio Budget Statements.

Section 3: Special account flows and budgeted financial statements

3.1 SPECIAL ACCOUNT FLOWS

Estimates of special account flows

The National Archives has no special accounts.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Analysis of budgeted financial statements

The National Archives' budgeted departmental income has been updated to:

- reflect additional government appropriation revenue of \$3 million over two years from 2018-19, for the Digitisation of Prime Ministers' Records expense measure outlined in the 2018-19 Mid-Year Economic and Fiscal Outlook; and
- reflect indexation and parameter adjustments.

The National Archives' budgeted departmental balance sheet has been updated to reflect the closing balances from 2017-18.

3.2.2 Budgeted financial statements

Table 3.2: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2017-18 Actual \$'000	2018-19 Revised budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
EXPENSES					
Employee benefits	33,399	34,544	32,536	33,413	33,572
Suppliers	34,358	34,451	41,333	39,564	40,333
Grants	20	–	–	–	–
Depreciation and amortisation	15,240	14,178	13,132	12,086	11,040
Finance costs	186	60	60	60	60
Losses from asset sales	318	500	500	500	500
Total expenses	83,521	83,733	87,561	85,623	85,505
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	2,580	1,695	1,670	1,645	1,645
Rental income	120	–	–	–	–
Other revenue	4,892	10,000	10,000	10,000	10,000
Total own-source revenue	7,592	11,695	11,670	11,645	11,645
Gains					
Other gains	75	75	75	75	75
Total gains	75	75	75	75	75
Total own-source income	7,667	11,770	11,745	11,720	11,720
Net cost of/(contribution by) services	(75,854)	(71,963)	(75,816)	(73,903)	(73,785)
Revenue from Government	63,819	62,492	67,926	67,272	67,994
Surplus/(deficit) attributable to the Australian Government	(12,035)	(9,471)	(7,890)	(6,631)	(5,791)
Total comprehensive income/(loss) attributable to the Australian Government	(12,035)	(9,471)	(7,890)	(6,631)	(5,791)
Note: Impact of net cash appropriation arrangements					
	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Total comprehensive income/(loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriations	3,205	4,707	5,242	5,455	5,249
Less depreciation/amortisation expenses previously funded through revenue appropriations (a)	15,240	14,178	13,132	12,086	11,040
Total comprehensive income/(loss) as per the statement of comprehensive income	(12,035)	(9,471)	(7,890)	(6,631)	(5,791)

Prepared on Australian Accounting Standards basis.

- (a) From 2010-11, the government introduced net cash appropriation arrangements. This meant *Appropriation Act No. 1* or Bill No. 3 revenue appropriations for the depreciation and amortisation expenses of non-corporate Commonwealth entities were replaced with a separate capital budget (the departmental capital budget, or DCB) provided through *Appropriation Act No. 1* or Bill No. 3 equity appropriations. For information regarding departmental capital budgets, refer to Table 3.6: Departmental capital budget statement.

Table 3.3: Budgeted departmental balance sheet (as at 30 June)

	2017-18 Actual \$'000	2018-19 Revised budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	277	277	277	277	277
Trade and other receivables	24,635	24,635	24,635	24,635	24,635
Total financial assets	24,912	24,912	24,912	24,912	24,912
Non-financial assets					
Property, plant and equipment	11,980	9,557	8,164	8,089	9,019
Heritage and cultural assets	1,480,365	1,483,710	1,487,055	1,490,400	1,493,745
Intangibles	16,145	16,383	16,648	16,694	16,821
Inventories	140	140	140	140	140
Other non-financial assets	1,418	1,418	1,418	1,418	1,418
Total non-financial assets	1,510,048	1,511,208	1,513,425	1,516,741	1,521,143
Total assets	1,534,960	1,536,120	1,538,337	1,541,653	1,546,055
LIABILITIES					
Payables					
Suppliers	7,548	12,281	16,479	20,464	24,655
Other payables	1,003	1,003	1,003	1,003	1,003
Total payables	8,551	13,284	17,482	21,467	25,658
Provisions					
Employee provisions	11,326	11,326	11,326	11,326	11,326
Other provisions	7,033	7,093	7,153	7,213	7,273
Total provisions	18,359	18,419	18,479	18,539	18,599
Total liabilities	26,910	31,703	35,961	40,006	44,257
Net assets	1,508,050	1,504,417	1,502,376	1,501,647	1,501,798
EQUITY (a)					
Parent entity interest					
Contributed equity	46,701	52,539	58,388	64,290	70,232
Reserves	365,858	365,858	365,858	365,858	365,858
Retained surplus/(accumulated deficit)	1,095,491	1,086,020	1,078,130	1,071,499	1,065,708
Total parent entity interest	1,508,050	1,504,417	1,502,376	1,501,647	1,501,798
Total equity	1,508,050	1,504,417	1,502,376	1,501,647	1,501,798

Prepared on Australian Accounting Standards basis.

(a) Equity is the residual interest in assets after the deduction of liabilities.

Table 3.4: Departmental statement of changes in equity – summary of movement (2018-19 budget year)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2018					
Balance carried forward from previous period	1,095,491	365,858	–	46,701	1,508,050
Adjusted opening balance	1,095,491	365,858	–	46,701	1,508,050
Comprehensive income					
Surplus/(deficit) for the period	(9,471)	–	–	–	(9,471)
Total comprehensive income	(9,471)	–	–	–	(9,471)
Of which:					
Attributable to the Australian Government	(9,471)	–	–	–	(9,471)
Transactions with owners					
Contributions by owners					
Departmental capital budget (DCB)	–	–	–	5,838	5,838
Sub-total transactions with owners	–	–	–	5,838	5,838
Estimated closing balance as at 30 June 2019	1,086,020	365,858	–	52,539	1,504,417
Closing balance attributable to the Australian Government	1,086,020	365,858	–	52,539	1,504,417

Prepared on Australian Accounting Standards basis.

Table 3.5: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2017-18 Actual \$'000	2018-19 Revised budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	65,154	62,492	67,926	67,272	67,994
Sale of goods and rendering of services	2,429	1,695	1,670	1,645	1,645
Net GST received	3,144	3,268	3,301	3,265	3,265
Other	(9)	–	–	–	–
Total cash received	70,718	67,455	72,897	72,182	72,904
Cash used					
Employees	33,191	34,544	32,536	33,413	33,572
Suppliers	33,459	32,911	40,361	38,769	39,332
s74 external revenue transferred to Official Public Account	3,030	–	–	–	–
Other	20	–	–	–	–
Total cash used	69,700	67,455	72,897	72,182	72,904
Net cash from/(used by) operating activities	1,018	–	–	–	–
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant, and equipment and intangibles	5,538	5,838	5,849	5,902	5,942
Total cash used	5,538	5,838	5,849	5,902	5,942
Net cash from/(used by) investing activities	(5,538)	(5,838)	(5,849)	(5,902)	(5,942)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	4,631	5,838	5,849	5,902	5,942
Total cash received	4,631	5,838	5,849	5,902	5,942
Total cash used	–	–	–	–	–
Net cash from/(used by) financing activities	4,631	5,838	5,849	5,902	5,942
Net increase/(decrease) in cash held	111	–	–	–	–
Cash and cash equivalents at the beginning of the reporting period	166	277	277	277	277
Cash and cash equivalents at the end of the reporting period	277	277	277	277	277

Prepared on Australian Accounting Standards basis.

Table 3.6: Departmental capital budget statement (for the period ended 30 June)

	2017-18 Actual \$'000	2018-19 Revised budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget – Act No. 1 and Bill NO. 3 (DCB)	5,538	5,838	5,849	5,902	5,942
Total new capital appropriations	5,538	5,838	5,849	5,902	5,942
Provided for:					
Purchase of non-financial assets	5,538	5,838	5,849	5,902	5,942
Total Items	5,538	5,838	5,849	5,902	5,942
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation – DCB (a)	5,538	5,838	5,849	5,902	5,942
Funded internally from departmental resources (b)	4,892	10,000	10,000	10,000	10,000
Total amount spent	10,430	15,838	15,849	15,902	15,942
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	10,430	15,838	15,849	15,902	15,942
Less gifted assets	(4,892)	(10,000)	(10,000)	(10,000)	(10,000)
Total cash required to acquire assets	5,538	5,838	5,849	5,902	5,942

Prepared on Australian Accounting Standards basis.

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

(b) Includes funding from donations and contributions.

Table 3.7: Statement of asset movements (2018-19 budget year)

	Other property, plant and equipment \$'000	Heritage and cultural \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2018				
Gross book value	28,389	1,481,690	37,054	1,547,133
Accumulated depreciation/amortisation and impairment	(16,409)	(1,325)	(20,909)	(38,643)
Opening net book balance	11,980	1,480,365	16,145	1,508,490
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase – appropriation ordinary annual services (a)	4,330	–	1,508	5,838
Assets received as gifts/donations	–	10,000	–	10,000
Total additions	4,330	10,000	1,508	15,838
Other movements				
Depreciation/amortisation expense	(6,753)	(6,155)	(1,270)	(14,178)
Other	–	(500)	–	(500)
Total other movements	(6,753)	(6,655)	(1,270)	(14,678)
As at 30 June 2019				
Gross book value	32,719	1,491,190	38,562	1,562,471
Accumulated depreciation/amortisation and impairment	(23,162)	(7,480)	(22,179)	(52,821)
Closing net book balance	9,557	1,483,710	16,383	1,509,650

Estimated operating expenditure in income statement for heritage and cultural assets

	\$'000
Operations and maintenance	25,361
Preservation and conservation	5,581
Total operating expenditure on heritage and cultural assets	30,942

Prepared on Australian Accounting Standards basis.

- (a) "Appropriation ordinary annual services" refers to funding provided through *Appropriation Act No. 1 2018-19* for depreciation and amortisation expenses, departmental capital budgets or other operational expenses.