



Budget

2019-20

Portfolio Budget Statements 2019-20

Budget Related Paper No. 1.3

Communications and the Arts Portfolio

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

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Chief Financial Officer, Financial Services Branch, Department of Communications and the Arts

Telephone: 02 6271 1058 (international +61 2 6271 1058)

Email: finance@communications.gov.au.

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NATIONAL LIBRARY OF AUSTRALIA

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

NATIONAL LIBRARY OF AUSTRALIA

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NATIONAL LIBRARY OF AUSTRALIA

SECTION 1: ENTITY OVERVIEW AND RESOURCES

1.1 STRATEGIC DIRECTION STATEMENT

The functions of the National Library of Australia (NLA), as defined in the National Library Act 1960, are to:

- maintain and develop a national collection of library material, including a comprehensive collection of library material relating to Australia and the Australian people
- make library material in the national collection available
- make available such other services in relation to library matters and library material as determined by the National Library Council
- cooperate in library matters with authorities or persons, whether in Australia or elsewhere, concerned with library matters.

The NLA's purpose is to collect documentary resources relating to Australia and the Australian people so that the Australian community – now and in the future – can discover, learn and create new knowledge. The NLA is committed to providing open access to the national collection and its online services. Australians – whoever they are and wherever they live – should be able to easily discover and obtain the information they are seeking and to engage with rich digital content to support their lifelong learning.

The NLA actively supports creative and intellectual endeavour and the dissemination of knowledge, ideas and information. The NLA has a strong national focus in its outlook, services, products and activities and takes a leadership role in sharing expertise and coordinating key projects across the research, collecting and cultural sectors.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the NLA 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 departmental (for the NLA's operations) classification.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome 1' table in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: NLA resource statement — Budget estimates for 2019–20 as at Budget April 2019

	2018–19 Estimated actual \$'000	2019–20 Estimate \$'000
Opening balance/cash reserves at 1 July	52,358	50,249
Funds from Government		
Annual appropriations — ordinary annual services ^(a)		
Outcome 1	55,557	55,016
Annual appropriations — other services ^(b)		
Equity injection	9,514	9,512
Total annual appropriations	65,071	64,528
Amounts received from related entities		
Amounts from portfolio department ^(c)	490	490
Amounts from other entities ^(d)	60	60
Total amounts received from related entities	550	550
Total funds from Government	65,621	65,078
Funds from other sources		
Sale of goods and services	7,931	7,781
Interest	1,015	805
Royalties	35	35
Other	857	707
Total funds from other sources	9,838	9,328
Total net resourcing for the NLA	127,817	124,655
	2018–19	2019–20
Average staffing level (number)	371	371

(a) Appropriation Bill (No. 1) 2019–20.

(b) Appropriation Bill (No. 2) 2019–20.

(c) Funding provided by the portfolio department that is not specified within the Annual Appropriation Bills as a payment to the CCE (for example, a grant awarded to a CCE from one of its portfolio department's administered programs).

(d) Amounts received from other entities within the portfolio, or from other portfolios.

The NLA is not directly appropriated as it is a Corporate Commonwealth Entity. Appropriations are made to the Department of Communications and the Arts (a Non Corporate Commonwealth Entity), which are then paid to the NLA and considered "departmental" for all purposes.

Please note: 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.

1.3 BUDGET MEASURES

Table 1.2: NLA 2019–20 Budget measures

Part 1: Measures announced since the 2018–19 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000
Expense measures						
National Library of Australia — Digitisation Fund	1.1					
Departmental expenses		-	2,500	2,500	2,500	2,500
Total		-	2,500	2,500	2,500	2,500
Total expense measures						
Departmental expenses		-	2,500	2,500	2,500	2,500
Total		-	2,500	2,500	2,500	2,500

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

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 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 NLA can be found at:
www.nla.gov.au/corporate-documents/corporate-plans.

The most recent annual performance statement can be found at:
www.nla.gov.au/corporate-documents/annual-report/2017-18.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Enhanced learning, knowledge creation, enjoyment and understanding of Australian life and society by providing access to a national collection of library material

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
Program 1.1: National Library of Australia					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	54,657	55,016	50,001	49,642	49,769
Payment from related entities	550	550	550	550	550
Expenses not requiring appropriation in the budget year	11,745	12,245	12,345	12,445	12,445
Revenues from other independent sources	11,038	9,878	9,638	9,638	9,638
Total expenses for program 1.1	77,990	77,689	72,534	72,275	72,402
Outcome 1 Totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	54,657	55,016	50,001	49,642	49,769
Payment from related entities	550	550	550	550	550
Expenses not requiring appropriation in the budget year	11,745	12,245	12,345	12,445	12,445
Revenues from other independent sources	11,038	9,878	9,638	9,638	9,638
Total expenses for Outcome 1	77,990	77,689	72,534	72,275	72,402
Average staffing level (number)					
	2018–19	2019–20			
	371	371			

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019–20 Budget measures have created new programs or materially changed existing

Outcome 1 — Enhanced learning, knowledge creation, enjoyment and understanding of Australian life and society by providing access to a national collection of library material		
Program 1.1 — National Library of Australia		
Purpose In accordance with the National Library Act 1960 the Library collects documentary resources relating to Australia and the Australian people so that the Australian community — now and in the future — can discover, learn and create new knowledge.		
Delivery The NLA program is delivered in the following ways: To collect today what will be important tomorrow: Through developing, describing, preserving and digitising a national collection of library material. To connect with communities, and connect communities with their national collections: Through onsite and online information services, exhibitions, publications, education programs and public events that enrich knowledge and understanding of the Library’s collections. To collaborate with others to maximize the national impact of cultural collections: Through leading, partnering and collaborating nationally and internationally to advance common aims, develop expertise and share the NLA’s experience as a leader in many digital spheres.		
Performance information		
Year	Performance criteria	Targets
2018–19	Rich, diverse national collection relevant to Australians National reach Trusted as a leader and partner by relevant stakeholders	Expected to meet criterion 30,000 Australian published materials collected, including digital Expected to meet criterion 18.5 million online engagements with the Library Expected to meet criterion 90% of stakeholders identify the Library as a trusted leader
2019–20	Collect: A rich, diverse national collection relevant to Australians Connect: National reach Collaborate: Trusted as a leader, collaborator and partner by relevant stakeholders	30,000 Australian published materials collected, including digital 19 million online engagements with the Library 90% of stakeholders identify the Library as a trusted leader, collaborator and/or partner
2020–21 and beyond	As per 2019–20	As per 2019–20

programs.

SECTION 3: BUDGETED FINANCIAL STATEMENTS

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019–20 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Explanatory notes and analysis of budgeted financial statements

Budgeted income for 2019–20 is estimated to be \$66.0 million, of which \$55.0 million is appropriation for operating expenses. Revenues from Government are budgeted to increase by \$0.4 million which reflects, in part, funding of \$2.5 million received for the Digitisation Fund and offset by declining funding received from the 250th Anniversary of James Cook’s Voyage – commemoration. From 2020–21 revenues from Government will further decrease by \$5.0 million which is mainly due to the cessation of the Public Service Modernisation Fund to support innovation, productivity improvements and efficiency.

Own-source revenue is expected to be \$1.1 million lower than 2018–19 mainly due to a lower estimated interest and other revenue.

Total budgeted operating expenses for 2019–20 are estimated to be \$77.7 million, a slight decline of \$0.3 million from the 2018–19 estimated actual in line with a reduction in revenue.

Budgeted departmental balance sheet

The NLA’s total assets are estimated to be \$1.7 billion at 30 June 2020. This value mainly comprises of the collection of heritage and cultural assets. The NLA will receive an equity injection of \$9.5 million in 2019–20 for the acquisition of heritage and cultural assets (see Table 3.5 Departmental Capital Budget Statement).

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
EXPENSES					
Employee benefits	35,074	34,276	33,757	33,757	33,757
Suppliers	21,510	21,812	17,023	16,664	16,791
Grants	731	731	731	731	731
Depreciation and amortisation	20,555	20,760	20,913	21,013	21,013
Write-down and impairment of assets	120	110	110	110	110
Total expenses	77,990	77,689	72,534	72,275	72,402
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	7,931	7,781	7,781	7,781	7,781
Interest	1,015	805	730	730	730
Royalties	35	35	35	35	35
Other	2,057	1,257	1,092	1,092	1,092
Total own-source revenue	11,038	9,878	9,638	9,638	9,638
Gains					
Other	1,595	1,595	1,595	1,595	1,595
Total gains	1,595	1,595	1,595	1,595	1,595
Total own-source income	12,633	11,473	11,233	11,233	11,233
Net (cost of)/contribution by services	(65,357)	(66,216)	(61,301)	(61,042)	(61,169)
Revenue from Government	54,657	55,016	50,001	49,642	49,769
Surplus/(deficit) attributable to the Australian Government	(10,700)	(11,200)	(11,300)	(11,400)	(11,400)
Total comprehensive income/(loss)	(10,700)	(11,200)	(11,300)	(11,400)	(11,400)
Total comprehensive income/(loss) attributable to the Australian Government	(10,700)	(11,200)	(11,300)	(11,400)	(11,400)
Note: Impact of net cash appropriation arrangements					
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	400	-	-	-	-
less heritage and cultural depreciation expenses previously funded through revenue appropriations ^(a)	11,100	11,200	11,300	11,400	11,400
Total comprehensive income/(loss) — as per the statement of comprehensive income	(10,700)	(11,200)	(11,300)	(11,400)	(11,400)

(a) From 2009-10, the Government replaced Bill 1 revenue appropriations for the heritage and cultural depreciation expenses of designated Collection Institutions, with a separate capital budget (the Collection Development Acquisition Budget, or CDAB) provided through Bill 2 equity appropriations. For information regarding CDABs, please refer to Table 3.5 Departmental Capital Budget Statement.
Prepared on Australian Accounting Standards basis.

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

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	16,283	16,426	16,387	14,723	13,032
Trade and other receivables	1,325	1,325	1,325	1,325	1,325
Other investments	37,966	33,966	30,966	30,966	30,966
Other financial assets	612	612	612	612	612
Total financial assets	56,186	52,329	49,290	47,626	45,935
Non-financial assets					
Land and buildings	241,659	241,306	241,123	241,123	241,123
Property, plant and equipment	16,337	18,607	20,096	20,096	20,096
Heritage and cultural assets	1,317,428	1,313,334	1,309,159	1,305,899	1,302,638
Intangibles	72,047	77,025	81,381	84,641	87,901
Inventories	1,010	1,010	1,010	1,120	1,120
Other non-financial assets	1,686	1,686	1,686	1,686	1,686
Total non-financial assets	1,650,167	1,652,968	1,654,455	1,654,565	1,654,564
Total assets	1,706,353	1,705,297	1,703,745	1,702,191	1,700,499
LIABILITIES					
Payables					
Suppliers	3,203	3,603	3,664	3,868	3,868
Grants	60	60	60	60	60
Other payables	594	826	936	936	936
Total payables	3,857	4,489	4,660	4,864	4,864
Provisions					
Employee provisions	11,630	11,630	11,630	11,630	11,630
Other provisions	81	81	81	81	81
Total provisions	11,711	11,711	11,711	11,711	11,711
Total liabilities	15,568	16,200	16,371	16,575	16,575
Net assets	1,690,785	1,689,097	1,687,374	1,685,616	1,683,924
EQUITY					
Parent entity interest					
Contributed equity	118,166	127,678	137,255	146,897	156,605
Reserves	220,541	220,541	220,541	220,541	220,541
Retained surplus (accumulated deficit)	1,352,078	1,340,878	1,329,578	1,318,178	1,306,778
Total equity	1,690,785	1,689,097	1,687,374	1,685,616	1,683,924

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019–20)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2019					
Balance carried forward from previous period	1,352,078	220,541	-	118,166	1,690,785
Surplus/(deficit) for the period	(11,200)	-	-	-	(11,200)
Total comprehensive income	(11,200)	-	-	-	(11,200)
Transactions with owners					
Contributions by owners					
Equity injection — Appropriation	-	-	-	9,512	9,512
Sub-total transactions with owners	-	-	-	9,512	9,512
Estimated closing balance as at 30 June 2020	1,340,878	220,541	-	127,678	1,689,097
Closing balance attributable to the Australian Government	1,340,878	220,541	-	127,678	1,689,097

Prepared on Australian Accounting Standards basis.

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

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	55,857	55,566	50,551	50,192	50,319
Sale of goods and rendering of services	7,931	7,781	7,781	7,781	7,781
Interest	1,015	805	730	730	730
Other	1,792	742	577	577	577
Total cash received	66,595	64,894	59,639	59,280	59,407
Cash used					
Employees	35,102	34,044	33,647	33,757	33,757
Suppliers	20,035	19,927	15,477	15,085	15,306
Other	731	731	731	731	731
Total cash used	55,868	54,702	49,855	49,573	49,794
Net cash from/(used by) operating activities	10,727	10,192	9,784	9,707	9,613
INVESTING ACTIVITIES					
Cash received					
Investments	1,000	4,000	3,000	-	-
Total cash received	1,000	4,000	3,000	-	-
Cash used					
Purchase of property, plant and equipment and intangibles	19,350	23,561	22,400	21,013	21,012
Total cash used	19,350	23,561	22,400	21,013	21,012
Net cash from/(used by) investing activities	(18,350)	(19,561)	(19,400)	(21,013)	(21,012)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	9,514	9,512	9,577	9,642	9,708
Total cash received	9,514	9,512	9,577	9,642	9,708
Net cash from/(used by) financing activities	9,514	9,512	9,577	9,642	9,708
Net increase/(decrease) in cash held	1,891	143	(39)	(1,664)	(1,691)
Cash and cash equivalents at the beginning of the reporting period	14,392	16,283	16,426	16,387	14,723
Cash and cash equivalents at the end of the reporting period	16,283	16,426	16,387	14,723	13,032

Prepared on Australian Accounting Standards basis.

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

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections — Bill 2	9,514	9,512	9,577	9,642	9,708
Total new capital appropriations	9,514	9,512	9,577	9,642	9,708
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	9,514	9,512	9,577	9,642	9,708
Total items	9,514	9,512	9,577	9,642	9,708
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	9,514	9,512	9,577	9,642	9,708
Funded internally from departmental resources ^(b)	9,836	14,049	12,823	11,371	11,304
TOTAL	19,350	23,561	22,400	21,013	21,012
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	19,350	23,561	22,400	21,013	21,012
Total cash used to acquire assets	19,350	23,561	22,400	21,013	21,012

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

(b) Includes sources of funding from current Bill and prior year Act 1 appropriations, donations and contributions, gifts, internally developed assets and proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2019–20)

	Land	Buildings	Other property, plant and equipment	Heritage and cultural	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2019						
Gross book value	16,315	229,776	21,869	1,328,846	88,916	1,685,722
Accumulated depreciation/amortisation and impairment	-	(4,432)	(5,532)	(11,418)	(16,869)	(38,251)
Opening net book balance	16,315	225,344	16,337	1,317,428	72,047	1,647,471
Capital asset additions						
Estimated expenditure on new or replacement assets						
By purchase — appropriation equity ^(a)	-	-	-	7,106	2,406	9,512
By purchase — appropriation ordinary annual services ^(b)	-	4,045	5,270	-	4,734	14,049
Total additions	-	4,045	5,270	7,106	7,140	23,561
Other movements						
Depreciation/amortisation expense	-	(4,398)	(3,000)	(11,200)	(2,162)	(20,760)
Total other movements	-	(4,398)	(3,000)	(11,200)	(2,162)	(20,760)
As at 30 June 2020						
Gross book value	16,315	233,821	27,139	1,335,952	96,056	1,709,283
Accumulated depreciation/amortisation and impairment	-	(8,830)	(8,532)	(22,618)	(19,031)	(59,011)
Closing net book balance	16,315	224,991	18,607	1,313,334	77,025	1,650,272
Estimated operating expenditure in income statement for heritage and cultural assets						\$'000
Operations and Maintenance						13,100
Preservation and Conservation						1,338
Total operating expenditure on heritage and cultural assets						14,438

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2019–20, including CDABs.

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2019–20 for depreciation/amortisation expenses, DCBs or other operational expenses.

Prepared on Australian Accounting Standards basis.

