

**TERTIARY EDUCATION QUALITY
AND STANDARDS AGENCY**

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

TERTIARY EDUCATION QUALITY AND STANDARDS AGENCY

| | |
|---|------------|
| SECTION 1: ENTITY OVERVIEW AND RESOURCES | 158 |
| 1.1 Strategic direction statement..... | 158 |
| 1.2 Entity resource statement..... | 159 |
| 1.3 Budget measures | 160 |
| SECTION 2: OUTCOMES AND PLANNED PERFORMANCE | 161 |
| 2.1 Budgeted expenses and performance for Outcome 1 | 162 |
| SECTION 3: BUDGETED FINANCIAL STATEMENTS..... | 167 |
| 3.1 Budgeted financial statements | 167 |
| 3.2 Budgeted financial statements tables | 168 |

TERTIARY EDUCATION QUALITY AND STANDARDS AGENCY

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Tertiary Education Quality and Standards Agency (TEQSA) is Australia's independent national quality assurance and regulatory agency for higher education. All providers that offer higher education qualifications in or from Australia must be registered by TEQSA. Providers that have not been granted self-accrediting authority must also have their courses accredited by TEQSA.

TEQSA's guiding legislation is the *Tertiary Education Quality and Standards Agency Act 2011* (the Act). TEQSA commenced regulatory functions on 29 January 2012.

The Act confers powers and functions on TEQSA, among other things, to:

- register regulated entities as registered higher education providers and accredit courses of study
- conduct compliance assessments and quality assessments
- conduct accreditation assessments of accredited courses developed by providers without self-accrediting authority
- provide advice and make recommendations to the Commonwealth Minister responsible for higher education on matters relating to the quality or regulation of higher education providers
- cooperate with similar agencies in other countries
- collect, analyse, interpret and disseminate information relating to quality assurance practice and quality improvement in higher education.

TEQSA also has responsibility, as an ESOS agency under the *Education Services for Overseas Students Act 2000*, for regulating all providers delivering higher education to overseas students studying in Australia, providers delivering Foundation programs, and also providers delivering English Language Intensive Courses for Overseas Students (ELICOS) (where they have an entry arrangement with a registered higher education provider). Providers in all categories that wish to offer higher education courses to overseas students must be registered on the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS).

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 the entity'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 1' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

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

| | <i>2018–19 Estimated actual \$'000</i> | 2019–20 Estimate \$'000 |
|--|--|-------------------------------|
| Departmental | | |
| Annual appropriations - ordinary annual services (a) | | |
| Prior year appropriations available (b) | 5,879 | 7,878 |
| Departmental appropriation (c) | 17,938 | 17,539 |
| s74 External Revenue (d) | 277 | 323 |
| Departmental capital budget (e) | 1,646 | 846 |
| Annual appropriations - other services - non-operating (f) | | |
| Prior year appropriations available (b) | 100 | 100 |
| Total departmental annual appropriations | <u>25,840</u> | <u>26,686</u> |
| Total departmental resourcing | 25,840 | 26,686 |
| Administered | | |
| Total administered special appropriations | <u>200</u> | <u>200</u> |
| Total administered resourcing | 200 | 200 |
| Total resourcing for TEQSA | 26,040 | 26,886 |
| | <u>2018–19</u> | <u>2019–20</u> |
| Average staffing level (number) | 67 | 95 |

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

Prepared on a resourcing (i.e. appropriations available) basis.

- (a) Appropriation Bill (No. 1) 2019–20.
- (b) Excludes \$0m subject to administrative quarantine by Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*.
- (c) Excludes departmental capital budget (DCB).
- (d) Estimated External Revenue receipts under section 74 of the PGPA Act.
- (e) 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'.
- (f) Appropriation Bill (No. 2) 2019–20.

1.3 BUDGET MEASURES

Budget measures in Part 2 relating to entity TEQSA are detailed in Budget Paper No. 2 and are summarised below.

**Table 1.2: Entity 2019–20 Budget measures
Part 2: Other measures not previously reported in a portfolio statement**

| | Program | 2018–19 \$'000 | 2019–20 \$'000 | 2020–21 \$'000 | 2021–22 \$'000 | 2022–23 \$'000 |
|--|---------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Measures (if applicable) | | | | | | |
| Tertiary Education Quality and Standards Agency - delayed transition to full cost recovery | | | | | | |
| | 1.1 | | | | | |
| Administered revenues | | (1,675) | (2,730) | (1,232) | (2,082) | - |
| Total | | (1,675) | (2,730) | (1,232) | (2,082) | - |
| Total measures | | | | | | |
| Administered | | (1,675) | (2,730) | (1,232) | (2,082) | - |
| Total | | (1,675) | (2,730) | (1,232) | (2,082) | - |

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.

- (a) The lead entity for measure titled 'Delayed transition to full cost recovery' is Department of Education and Training. The full measure description and package details appeared in the 2018–19 Mid-Year Economic and Fiscal Outlook (page 114) under the Education and Training portfolio.

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 TEQSA can be found at: www.teqsa.gov.au

The most recent annual performance statement can be found in the Annual Report at: www.teqsa.gov.au.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Contribute to a high quality higher education sector through streamlined and nationally consistent higher education regulatory arrangements; registration of higher education providers; accreditation of higher education courses; and investigation, quality assurance and dissemination of higher education standards and performance.

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 a high quality higher education sector through streamlined and nationally consistent higher education regulatory arrangements; registration of higher education providers; accreditation of higher education courses; and investigation, quality assurance and dissemination of higher education standards and performance.

| | 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: Regulation and Quality Assurance | | | | | |
| Departmental expenses | | | | | |
| Departmental appropriations74 External Revenue (a) | 17,013 263 | 17,539 264 | 17,466 265 | 17,591 186 | 17,711 186 |
| Expenses not requiring appropriation in the Budget year (b) | 1,094 | 842 | 949 | 1,056 | 779 |
| Departmental total | 18,370 | 18,645 | 18,680 | 18,833 | 18,676 |
| Total expenses for program 1.1 | 18,370 | 18,645 | 18,680 | 18,833 | 18,676 |
| Outcome 1 Totals by appropriation type | | | | | |
| Departmental expenses | | | | | |
| Departmental appropriations74 External Revenue (a) | 17,013 263 | 17,539 264 | 17,466 265 | 17,591 186 | 17,711 186 |
| Expenses not requiring appropriation in the Budget year (b) | 1,094 | 842 | 949 | 1,056 | 779 |
| Departmental total | 18,370 | 18,645 | 18,680 | 18,833 | 18,676 |
| Total expenses for Outcome 1 | 18,370 | 18,645 | 18,680 | 18,833 | 18,676 |

| | 2018–19 | 2019–20 |
|--|---------|---------|
| Average staffing level (number) | 67 | 95 |

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the *PGPA Act 2013*.

(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.

Performance criteria for Outcome 1

This section 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 programs.

Outcome 1: Contribute to a high quality higher education sector through streamlined and nationally consistent higher education regulatory arrangements; registration of higher education providers; accreditation of higher education courses; and investigation, quality assurance and dissemination of higher education standards and performance.

Program 1.1: Regulation and Quality Assurance

| | |
|------------------|---|
| Objective | Regulation and quality assurance ensure that quality standards are being met by all higher education providers so that the interests of students and the reputation of Australia’s higher education sector are promoted and protected. This occurs by reference to the Higher Education Threshold Standards, which are determined by the Minister for Education and Training on advice from an independent Higher Education Standards Panel. A risk-based approach is used for planning and implementing assessments of provider compliance with those Standards. |
| Delivery | The mechanisms through which Program 1.1 will be delivered are: <ul style="list-style-type: none"> • register regulated entities as registered higher education providers and accredit courses of study • conduct compliance assessments and quality assessments • conduct accreditation assessments of courses developed by providers without self-accrediting authority • provide advice and make recommendations to the Commonwealth Minister responsible for Education on matters relating to the quality and regulation of higher education providers • cooperate with similar agencies in other countries • collect, analyse, interpret and disseminate information relating to quality assurance practice and quality improvement in higher education. |
| Purpose | To protect student interests and the reputation of Australia’s higher education sector through a proportionate, risk reflective approach to quality assurance that supports diversity, innovation and excellence. We have four key objectives in delivering our purpose. We will: <ol style="list-style-type: none"> 1. quality assure and regulate the sector in a timely, transparent and risk reflective manner 2. support providers to deliver high quality higher education, protect student interests and enhance the reputation and competitiveness of Australia’s higher education sector 3. provide advice and information to inform decisions about the appropriateness and quality of higher education 4. take prompt and effective action to address substantial risks to students or the sector’s reputation. |

Performance information 1.1: Regulation and Quality Assurance

| Year | Performance criteria | Expected achievement |
|---------|--|---|
| 2018–19 | <p>TEQSA's decisions are provided in a timely manner, clearly articulating the reasons for decisions, and TEQSA gives all higher education providers a reasonable opportunity to address matters relevant to a decision by TEQSA before making a decision that affects the provider.</p> | <p>By late 2018–19, TEQSA expects to see the benefits of recent staffing, training and process improvements reflected in increased throughput of assessments, reductions in processing times and reduced carry-over into 2019–20. This timing reflects the process improvements made in late 2018, as well as the significant increase in assessment capacity from late 2018, when new staff commenced after a rigorous recruitment process.</p> <p>In 2018–19, providers continued to be informed in accordance with legislative timeframes. Where an adverse decision was proposed, a draft summary of findings was sent to providers to allow them a reasonable opportunity to respond.</p> |
| | <p>TEQSA has effective mechanisms to identify, monitor and respond to risks to the quality and standards of higher education across the sector.</p> | <p>TEQSA's use of risk factors continued to be informed by the demonstrated correlation between risk rating of providers and assessment outcomes.</p> <p>In the last 12 months TEQSA further reduced the regulatory burden on low risk providers through the development and implementation of the <i>Extensions to the period of provider registration or course accreditation</i> policy, which has resulted in the extension of registration and accreditation periods for eligible providers.</p> <p>In accordance with <i>TEQSA High Risk provider</i> policy, TEQSA met with high risk providers to be assured that they have implemented effective strategies to mitigate their risk.</p> |
| | <p>TEQSA communication with higher education providers is clear, targeted and effective.</p> | <p>The majority of providers rated TEQSA's communication as good or excellent, and continued to utilise the TEQSA website, including the National Register of Higher Education Providers, which was recently enhanced for greater usability.</p> <p>TEQSA continued to engage proactively with providers and the sector more broadly through forums and events such as the annual TEQSA conference and the Quality Enhancement Forum Series. Additionally, TEQSA held roundtables with higher education providers and their peak bodies to receive direct feedback. TEQSA continued to build its engagement with its external experts, through the creation of an Experts Advisory Board and the development and roll out of an engagement program for TEQSA Experts.</p> |

TEQSA Budget Statements

| Year | Performance criteria | Expected achievement |
|---------|--|--|
| 2018–19 | TEQSA engages in regular, constructive dialogue with international quality assurance agencies to contribute to the development of effective transnational quality assurance. | Cross border regulatory activity continued to be enhanced through engagement with international quality agencies. TEQSA's understanding of and effectiveness in international higher education, and contribution to development of transnational policy was facilitated through information sharing and staff exchange programs with international quality agencies enabled by Memoranda of Cooperation. TEQSA continued to be an active member of international quality assurance groups and also continued to welcome a range of international delegations to its Melbourne office to enhance their understanding of TEQSA's work. |

| Year | Performance criteria | Targets |
|---------|---|---|
| 2019–20 | Quality assure and regulate the sector in a timely, transparent and risk-reflective manner. | <p>Decision-making is timely and transparent, and supported by an improved case management approach. Regulation of the sector is risk-reflective, with further streamlining of evidence requirements for providers that demonstrate sustained low risk of non-compliance.</p> <p>Targets:</p> <ul style="list-style-type: none"> • 90% or more of decisions about applications for re-registration from low risk providers are made within six months • 90% or more of decisions about applications for accreditation from low risk providers are made within three months • 80% of assessment reports and expert reports where adverse findings are reported are sent to applicants for consideration and response within four months of the application date • The majority of providers rate the case management approach as good or excellent. |

TEQSA Budget Statements

| Year | Performance criteria | Targets |
|--------------------|--|---|
| 2019–20 | Support providers to deliver high quality higher education, protect student interests and enhance the reputation and competitiveness of Australia's higher education sector. | <p>Deliver a program of support, including guidance notes and workshops, for the sector on regulatory and quality assurance matters.</p> <p>Targets:</p> <ul style="list-style-type: none"> • Establish a program for delivery of information about quality enhancement based on identified needs and evidence of good practice • Develop additional guidance notes and communicate to providers to support compliance with the Higher Education Standards Framework • Develop and publish good practice material in relation to admissions transparency and sexual harassment and sexual assault • Deliver workshops with providers and students to address the risks of contract cheating. |
| | Provide advice and information to inform decisions about the appropriateness and quality of higher education. | <p>Enhance engagement with students, particularly on key areas of concern for students, and increase accessibility of TEQSA's regulatory work.</p> <p>Targets:</p> <ul style="list-style-type: none"> • Hold three meetings of the Student Expert Advisory group to discuss and identify sector wide issues for students and to develop strategies for deeper integration of students with TEQSA's regulatory work • Develop material for students to address key areas of concern to students • Publish key data used or collected by the agency • Enhance search facilities on the National Register to meet stakeholder needs. |
| | Take prompt and effective action to address substantial risks to students or the reputation of the sector. | <p>Undertake compliance assessments of those providers that continue to present substantial risks to students and take enforcement action against entities in cases involving extensive non-compliance with the legislation administered by TEQSA.</p> <p>Targets:</p> <ul style="list-style-type: none"> • Ensure compliance assessments involve prompt, targeted action about substantial risks to students or the reputation of the sector • Report on enforcement action taken as a result of investigations and compliance assessments. |
| 2020–21 and beyond | As per 2019–20. | As per 2019–20. |

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of TEQSA's 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 Differences between entity resourcing and financial statements

There are no material differences between the resources table and the budget financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The budgeted financial statements have been updated to reflect changes and other variations since the 2018–19 Portfolio Budget Statements.

An analysis of TEQSA's budgeted financial statement for 2019–20 is provided below.

Budgeted departmental comprehensive income statement

TEQSA is budgeting for a balanced operating result in 2019–20 and remainder of the forward estimates, after adding back non-appropriated depreciation and amortisation expenses.

Total expenses excluding depreciation and amortisation expenses are estimated to be \$17.856 million in 2019–20. This is an increase of \$0.527 million from the 2018–19 estimated actual. The increase in expenditure reflects the full average staffing level (ASL) required to allow TEQSA to effectively undertake its regulatory and quality assurance functions as the agency transitions from partial cost recovery to full cost recovery in 2019–20.

Budgeted departmental balance sheet

The budgeted net position at the end of 2019–20 is estimated to be \$7.055 million. Net position has increased slightly since 2018–19 mainly due to the increase in employee provisions.

Schedule of budgeted income and expenses administered on behalf of Government

The schedule of budgeted income and expenses reflects the fees and levies collected from regulatory services by TEQSA on behalf of Government.

Revenue estimated for 2019–20 is \$7.427 million, which is \$4.908 million higher than the estimated actual revenue for 2018–19. The increase is a result of a new fee structure, which is to commence in 2020 and anticipated increase in volume of applications.

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 | 8,610 | 11,277 | 11,138 | 11,609 | 11,830 |
| Suppliers | 8,633 | 6,488 | 6,550 | 6,121 | 6,110 |
| Depreciation and amortisation (a) | 1,041 | 789 | 896 | 1,003 | 726 |
| Finance costs | 86 | 91 | 96 | 100 | 10 |
| Total expenses | 18,370 | 18,645 | 18,680 | 18,833 | 18,676 |
| LESS: | | | | | |
| OWN-SOURCE INCOME | | | | | |
| Own-source revenue | | | | | |
| Sale of goods and rendering of services | 5 | 5 | 5 | 5 | 5 |
| Rental income | 258 | 259 | 260 | 181 | 181 |
| Total own-source revenue | 263 | 264 | 265 | 186 | 186 |
| Gains | | | | | |
| Other | 53 | 53 | 53 | 53 | 53 |
| Total gains | 53 | 53 | 53 | 53 | 53 |
| Total own-source income | 316 | 317 | 318 | 239 | 239 |
| Net (cost of)/contribution by services | (18,054) | (18,328) | (18,362) | (18,594) | (18,437) |
| Revenue from Government | 17,938 | 17,539 | 17,466 | 17,591 | 17,711 |
| Surplus/(deficit) attributable to the Australian Government | (116) | (789) | (896) | (1,003) | (726) |
| Total other comprehensive income | - | - | - | - | - |
| Total comprehensive income/(loss) | (116) | (789) | (896) | (1,003) | (726) |
| Total comprehensive income/(loss) attributable to the Australian Government | (116) | (789) | (896) | (1,003) | (726) |
| Note: Impact of net cash appropriation arrangements | | | | | |
| | 2018–19 \$'000 | 2019–20 \$'000 | 2020–21 \$'000 | 2021–22 \$'000 | 2022–23 \$'000 |
| Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations | 925 | - | - | - | - |
| less depreciation/amortisation expenses previously funded through revenue appropriations (a) | 1,041 | 789 | 896 | 1,003 | 726 |
| Total comprehensive income/(loss) - as per the statement of comprehensive income | (116) | (789) | (896) | (1,003) | (726) |

Prepared on Australian Accounting Standards basis.

- (a) From 2010–11, the Government introduced net cash appropriation arrangements. This involved 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.

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 | 160 | 160 | 160 | 160 | 160 |
| Trade and other receivables | 9,248 | 9,762 | 9,267 | 8,739 | 8,588 |
| Total financial assets | 9,408 | 9,922 | 9,427 | 8,899 | 8,748 |
| Non-financial assets | | | | | |
| Land and buildings | 623 | 557 | 277 | 507 | 899 |
| Property, plant and equipment | 305 | 255 | 420 | 426 | 327 |
| Intangibles | 1,541 | 1,515 | 1,493 | 1,314 | 1,214 |
| Other non-financial assets | 181 | 174 | 169 | 169 | 169 |
| Total non-financial assets | 2,650 | 2,501 | 2,359 | 2,416 | 2,609 |
| Total assets | 12,058 | 12,423 | 11,786 | 11,315 | 11,357 |
| LIABILITIES | | | | | |
| Payables | | | | | |
| Suppliers | 520 | 314 | 320 | 295 | 288 |
| Other payables | 1,053 | 861 | 414 | 158 | 158 |
| Total payables | 1,573 | 1,175 | 734 | 453 | 446 |
| Provisions | | | | | |
| Employee provisions | 2,684 | 3,481 | 3,425 | 3,481 | 3,481 |
| Other provisions | 803 | 712 | 616 | 516 | 429 |
| Total provisions | 3,487 | 4,193 | 4,041 | 3,997 | 3,910 |
| Total liabilities | 5,060 | 5,368 | 4,775 | 4,450 | 4,356 |
| Net assets | 6,998 | 7,055 | 7,011 | 6,865 | 7,001 |
| EQUITY* | | | | | |
| Parent entity interest | | | | | |
| Contributed equity | 13,060 | 13,906 | 14,758 | 15,615 | 16,477 |
| Retained surplus (accumulated deficit) | (6,062) | (6,851) | (7,747) | (8,750) | (9,476) |
| Total parent entity interest | 6,998 | 7,055 | 7,011 | 6,865 | 7,001 |
| Total equity | 6,998 | 7,055 | 7,011 | 6,865 | 7,001 |

* 'Equity' is the residual interest in assets after deduction of liabilities.
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 | (6,062) | - | - | 13,060 | 6,998 |
| Adjusted opening balance | (6,062) | - | - | 13,060 | 6,998 |
| Comprehensive income | | | | | |
| Other comprehensive income | - | - | - | - | - |
| Surplus/(deficit) for the period | (789) | - | - | - | (789) |
| Total comprehensive income | (789) | - | - | - | (789) |
| Contributions by owners | | | | | |
| Departmental Capital Budget (DCB) | - | - | - | 846 | 846 |
| Sub-total transactions with owners | - | - | - | 846 | 846 |
| Estimated closing balance as at 30 June 2020 | | | | | |
| | (6,851) | - | - | 13,906 | 7,055 |
| Closing balance attributable to the Australian Government | (6,851) | - | - | 13,906 | 7,055 |

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 | 14,924 | 16,966 | 17,834 | 18,095 | 17,837 |
| Sale of goods and rendering of services | 277 | 264 | 265 | 186 | 186 |
| Net GST received | 822 | 647 | 714 | 606 | 617 |
| Other | 51 | 59 | 65 | 28 | 14 |
| Total cash received | 16,074 | 17,936 | 18,878 | 18,915 | 18,654 |
| Cash used | | | | | |
| Employees | 7,384 | 10,357 | 11,252 | 11,549 | 11,830 |
| Suppliers | 8,581 | 6,654 | 6,506 | 6,113 | 6,064 |
| Net GST paid | 873 | 647 | 652 | 610 | 606 |
| Other | 333 | 477 | 561 | 440 | 97 |
| Total cash used | 17,171 | 18,135 | 18,971 | 18,712 | 18,597 |
| Net cash from/(used by) operating activities | (1,097) | (199) | (93) | 203 | 57 |
| INVESTING ACTIVITIES | | | | | |
| Cash used | | | | | |
| Purchase of property, plant and equipment and intangibles | 549 | 647 | 759 | 1,060 | 919 |
| Total cash used | 549 | 647 | 759 | 1,060 | 919 |
| Net cash from/(used by) investing activities | (549) | (647) | (759) | (1,060) | (919) |
| FINANCING ACTIVITIES | | | | | |
| Cash received | | | | | |
| Contributed equity | 1,646 | 846 | 852 | 857 | 862 |
| Total cash received | 1,646 | 846 | 852 | 857 | 862 |
| Net cash from/(used by) financing activities | 1,646 | 846 | 852 | 857 | 862 |
| Net increase/(decrease) in cash held | - | - | - | - | - |
| Cash and cash equivalents at the beginning of the reporting period | 160 | 160 | 160 | 160 | 160 |
| Cash and cash equivalents at the end of the reporting period | 160 | 160 | 160 | 160 | 160 |

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 | | | | | |
| Capital budget - Bill 1 (DCB) | 1,646 | 846 | 852 | 857 | 862 |
| Total new capital appropriations | 1,646 | 846 | 852 | 857 | 862 |
| <i>Provided for:</i> | | | | | |
| <i>Purchase of non-financial assets</i> | 549 | 647 | 759 | 857 | 862 |
| <i>Other Items</i> | 1,097 | 199 | 93 | - | - |
| Total items | 1,646 | 846 | 852 | 857 | 862 |
| PURCHASE OF NON-FINANCIAL ASSETS | | | | | |
| Funded by capital appropriation - DCB (a) | 549 | 647 | 759 | 1,060 | 919 |
| TOTAL | 549 | 647 | 759 | 1,060 | 919 |
| RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE | | | | | |
| Total purchases | 549 | 647 | 759 | 1,060 | 919 |
| Total cash used to acquire assets | 549 | 647 | 759 | 1,060 | 919 |

Prepared on Australian Accounting Standards basis.

(a) Does not include annual finance lease costs. Include purchases from current and previous years' Departmental Capital Budgets (DCBs).

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

| | Buildings | Other property, plant and equipment | Computer software and intangibles | Total |
|---|--------------|-------------------------------------|-----------------------------------|--------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| As at 1 July 2019 | | | | |
| Gross book value | 1,168 | 762 | 3,959 | 5,889 |
| Accumulated depreciation/ amortisation and impairment | (545) | (457) | (2,418) | (3,420) |
| Opening net book balance | 623 | 305 | 1,541 | 2,469 |
| Capital asset additions | | | | |
| Estimated expenditure on new or replacement assets | | | | |
| By purchase - appropriation equity (a) | - | - | - | - |
| By purchase - appropriation ordinary annual services (b) | 200 | 97 | 350 | 647 |
| Total additions | 200 | 97 | 350 | 647 |
| Other movements | | | | |
| Depreciation/amortisation expense | (266) | (147) | (376) | (789) |
| Total other movements | (266) | (147) | (376) | (789) |
| As at 30 June 2020 | | | | |
| Gross book value | 1,368 | 859 | 4,309 | 6,536 |
| Accumulated depreciation/ amortisation and impairment | (811) | (604) | (2,794) | (4,209) |
| Closing net book balance | 557 | 255 | 1,515 | 2,327 |

Prepared on Australian Accounting Standards basis.

- (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.

Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government (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 | | | | | |
| Total expenses administered on behalf of Government | - | - | - | - | - |
| Non-taxation revenue | | | | | |
| Fees and fines | 2,519 | 7,427 | 11,718 | 14,390 | 16,472 |
| Total non-taxation revenue | 2,519 | 7,427 | 11,718 | 14,390 | 16,472 |
| Total own-source revenue administered on behalf of Government | 2,519 | 7,427 | 11,718 | 14,390 | 16,472 |
| Total own-sourced income administered on behalf of Government | 2,519 | 7,427 | 11,718 | 14,390 | 16,472 |
| Net (cost of)/contribution by services | 2,519 | 7,427 | 11,718 | 14,390 | 16,472 |
| Surplus/(deficit) before income tax | 2,519 | 7,427 | 11,718 | 14,390 | 16,472 |
| Income tax expense | | | | | |
| Surplus/(deficit) after income tax | 2,519 | 7,427 | 11,718 | 14,390 | 16,472 |
| Total comprehensive income/(loss) | 2,519 | 7,427 | 11,718 | 14,390 | 16,472 |

Prepared on Australian Accounting Standards basis.

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

TEQSA returns all administered revenue to the Consolidated Revenue Fund and does not have administered assets or liabilities. Therefore, Table 3.8 is not presented.

Table 3.9: Schedule of budgeted administered 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 | | | | | |
| Sales of goods and rendering of services | 2,519 | 7,427 | 11,718 | 14,390 | 16,472 |
| Total cash received | 2,519 | 7,427 | 11,718 | 14,390 | 16,472 |
| Cash used | | | | | |
| Total cash used | - | - | - | - | - |
| Net cash from/(used by) operating activities | 2,519 | 7,427 | 11,718 | 14,390 | 16,472 |
| Net increase/(decrease) in cash held | 2,519 | 7,427 | 11,718 | 14,390 | 16,472 |
| Cash and cash equivalents at beginning of reporting period | | | | | |
| Cash from Official Public Account for: | | | | | |
| - Appropriations | 200 | 200 | 200 | 200 | 200 |
| Total cash from Official Public Account | 200 | 200 | 200 | 200 | 200 |
| Cash and cash equivalents at end of reporting period | 2,719 | 7,627 | 11,918 | 14,590 | 16,672 |

Prepared on Australian Accounting Standards basis.

Table 3.10: Administered capital budget statement (for the period ended 30 June)

TEQSA does not have any administered capital budget; therefore, Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2019–20)

TEQSA does not have any administered assets; therefore, Table 3.11 is not presented.