

AUSTRALIAN SIGNALS DIRECTORATE

Entity Resources and Planned Performance

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AUSTRALIAN SIGNALS DIRECTORATE

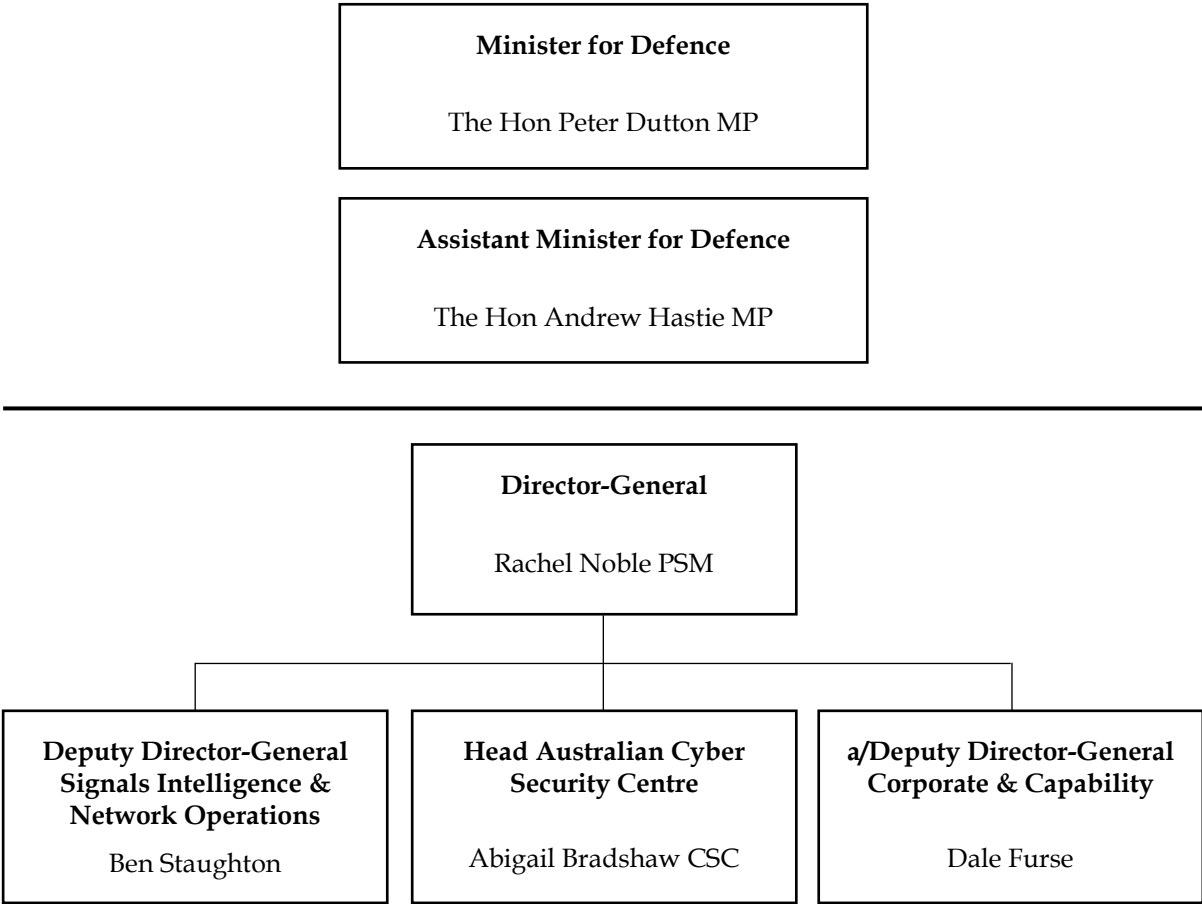
Section 1: ASD Overview and Resources

1.1 STRATEGIC DIRECTION STATEMENT

No changes have been made to the ASD Strategic Direction Statement since the *PBS 2021-22*.

ASD Organisational Chart

Figure 1: ASD Organisational Structure



This ASD Organisational Chart is effective at the time of this publication release.

Senior Executive Changes

The following changes have taken place since the *PBS 2021-22*:

- On 20 May 2021, Mr Ben Staughton was appointed Deputy Director-General Signals Intelligence & Network Operations.
- On 5 October 2021, Mr Brett Greenshields resigned as Deputy Director-General Corporate and Capability. Mr Dale Furse is acting in the role.

Organisational Structure

No changes have taken place since the *PBS 2021-22*.

1.2 ASD RESOURCE STATEMENT

The ASD Resource Statement details the resourcing for the Australian Signals Directorate at Additional Estimates. Table 1 outlines the total resourcing available from all sources for the 2021-22 Budget year, including variations through Appropriation Bills No. 3 and No. 4, Special Appropriations and Special Accounts.

Table 1: ASD Resource Statement – Budget Estimates for 2021-22 as at Additional Estimates February 2022

	Actual available appropriation 2020-21 \$'000	Estimate as at Budget 2021-22 \$'000	Proposed Additional Estimates 2021-22 \$'000	Total Estimate at Additional Estimates 2021-22 \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Departmental							
Annual appropriations - ordinary annual services							
Departmental appropriation	805,703	887,888	34,714	922,602	861,178	895,109	951,176
s74 External Revenue	3,336	2,771	-	2,771	2,845	2,918	2,994
Departmental Capital Budget	30,000	45,000	-	45,000	30,000	30,000	30,000
Annual appropriations - other services - non-operating							
Equity injection	174,747	125,043	61,342	186,385	92,889	108,782	42,876
Total departmental resourcing	1,013,786	1,060,702	96,056	1,156,758	986,912	1,036,809	1,027,046
Total resourcing for ASD	1,013,786	1,060,702	96,056	1,156,758	986,912	1,036,809	1,027,046

Annual Appropriations

Table 2: Appropriation Bill (No. 3) 2021-22

	2020-21 Available \$'000	2021-22 Budget Estimate \$'000	2021-22 Revised Estimate \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
Departmental Outputs					
Departmental Outputs ^[a]	835,703	932,888	967,602	34,714	-
Total	835,703	932,888	967,602	34,714	-

Note

a. Additional appropriation is provided in Appropriation Bill (No. 3).

Table 3: Appropriation Bill (No. 4) 2021-22

	2020-21 Available \$'000	2021-22 Budget Estimate \$'000	2021-22 Revised Estimate \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
Non-operating					
Equity injections ^[a]	174,747	125,043	186,385	61,342	-
Total non-operating	174,747	125,043	186,385	61,342	-

Note

a. Additional appropriation is provided in Appropriation Bill (No. 4).

1.3 BUDGET MEASURES**2021-22 Budget Measures and Other Budget Adjustments****Table 4: ASD 2021-22 Measures Since Budget**

	2021-22 Revised Estimate \$m	2022-23 Forward Estimate \$m	2023-24 Forward Estimate \$m	2024-25 Forward Estimate \$m	Total Forward Estimates \$m
Other Budget Adjustments					
Transfer of projects from Defence	91.4	9.9	6.2	6.3	113.8
Other Budget Adjustments	4.7	-	-	-	4.7
Total Other Departmental Budget Adjustments	96.1	9.9	6.2	6.3	118.5
Variation to ASD Departmental Funding	96.1	9.9	6.2	6.3	118.5

Section 2: ASD Revisions to Outcomes and Planned Performance

2.1 OUTCOME AND PERFORMANCE INFORMATION

Outcome 1: Defend Australia from global threats and advance our national interests through the provision of foreign signals intelligence, cyber security and offensive cyber operations, as directed by Government.

Outcome Expense Statement

Table 5: Budgeted Expenses for Outcome 1

	2020-21 Actual Expenses \$'000	2021-22 Revised Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Program 1.1 - Foreign Signals Intelligence, Cyber Security and Offensive Cyber Operations					
Departmental expenses					
Expenses funded by appropriation	823,615	887,166	824,283	857,559	913,334
s74 External Revenue	3,336	2,771	2,845	2,918	2,994
Expenses not requiring appropriation in the budget year	200,602	181,087	190,735	183,163	169,101
Departmental total	1,027,553	1,071,024	1,017,863	1,043,640	1,085,429
Total expenses for Program 1.1	1,027,553	1,071,024	1,017,863	1,043,640	1,085,429

	2020-21	2021-22
Average Staffing Level (number)	nfp	nfp

Contributions to Outcome 1**Program 1.1: Foreign Signals Intelligence, Cyber Security and Offensive Cyber Operations**

Performance information is as reported in the *PBS 2021-22* except for the following revisions.

Program 1.1 Objective		
To defend Australia from global threats and advance our national interests through the provision of foreign signals intelligence, cyber security and offensive cyber operations, as directed by Government.		
Delivery	This program will be achieved by: <ul style="list-style-type: none"> •Providing foreign signals intelligence •Providing cyber security services •Conducting offensive cyber operations •Sustaining and securing future capabilities. 	
Performance information ^[a]		
Year	Performance measures	Targets
2021-22	ASD's foreign signals intelligence informs strategic, operational and tactical decision-making.	<i><u>ASD meets Government expectations to deliver strategic advantage and enables National Intelligence Community operations.</u></i>
		<i><u>ASD's foreign signals intelligence products and technical expertise provide effective support for military operations and activities.</u></i>
	ASD's cyber security advice, assistance and operational responses prevent, detect and remediate cyber threats to Australia.	<i><u>ASD provides quality, impactful cyber security services to government, critical infrastructure and services, business, families and individuals.</u></i>
		<i><u>ASD delivers partnerships, programs and technical capability that strengthen national cyber security and resilience.</u></i>
	ASD's offensive cyber operations deliver real world impact, including providing advantage to military operations.	<i><u>ASD's offensive cyber operations provide effective and timely support for military operations and activities.</u></i>
		<i><u>ASD offensive cyber activities meet whole-of-government security requirements to counter offshore cyber threats.</u></i>
	ASD's capability needs are met and fiscal outcomes are delivered, while managing ASD's risk and maintaining a secure internal operating environment.	<i><u>ASD's corporate services, and technology platforms and products support the achievement of mission outcomes.</u></i>
2022-23 and beyond	As per 2021-22.	As per 2021-22.
Purposes	Defend Australia from global threats and advance our national interests through the provision of foreign signals intelligence, cyber security and offensive cyber operations, as directed by Government.	
Material changes to Program 1.1 resulting from the following measures: Nil.		

Note

a. New or modified performance information that reflect new or materially changed programs are shown in *italics* and underlined.

Section 3: ASD Explanatory Tables and Budgeted Financial Statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of ASD’s finances for the 2021-22 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 EXPLANATORY TABLES

Table 6: Third Party Payments to and from Other Agencies ^[a]

	Budget Estimate 2021-22 \$'000	Revised Estimate 2021-22 \$'000	Variation \$'000
Payments made to Department of Defence for provision of services (Departmental)	94,908	94,908	-

Note

- a. Third party payments to and from other Agencies include:
- Inter-agency transactions in excess of \$20m per annum;
 - Inter-agency transactions that were in excess of \$20m in the previous year's annual statements; and
 - Inter-agency transactions relating to Budget Measures as disclosed in Defence Budget Measures.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Budgeted Financial Statements

Table 7: Comprehensive Income Statement (showing net cost of services) for the period ended 30 June

	2020-21 Actual Result \$'000	2021-22 Revised Budget \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
EXPENSES					
Employee benefits	287,667	308,234	319,692	340,214	354,354
Supplier expenses	534,185	577,354	503,514	516,777	558,932
Depreciation and amortisation	164,778	180,934	190,580	183,007	168,946
Write-down of assets and impairment of assets	34,945	-	-	-	-
Foreign exchange losses	1,152	-	-	-	-
Other	4,826	4,502	4,077	3,642	3,197
Total expenses	1,027,553	1,071,024	1,017,863	1,043,640	1,085,429
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sales of goods and rendering of services	3,336	2,771	2,845	2,918	2,994
Total own-source revenue	3,336	2,771	2,845	2,918	2,994
Gains					
Reversals of previous asset write-downs	724	-	-	-	-
Other gains	155	153	155	156	155
Total gains	879	153	155	156	155
Total own-source income	4,215	2,924	3,000	3,074	3,149
Net cost of (contribution by) services	-1,023,338	-1,068,100	-1,014,863	-1,040,566	-1,082,280
Revenue from Government	805,703	922,602	861,178	895,109	951,176
Surplus (Deficit) attributable to the Australian Government	-217,635	-145,498	-153,685	-145,457	-131,104
OTHER COMPREHENSIVE INCOME					
Items not subject to subsequent reclassification to net cost of services					
Changes in asset revaluation reserves	-5,723	-	-	-	-
Total other comprehensive income/(loss)	-5,723	-	-	-	-
Total comprehensive income attributable to the Australian Government	-223,358	-145,498	-153,685	-145,457	-131,104

Note: Impact of net cash appropriation arrangements

	2020-21 Actual Result \$'000	2021-22 Revised Budget \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Surplus/(Deficit) attributable to the Australian Government prior to Net Cash Appropriation Adjustments	-65,141	-	-	-	-
less: Depreciation/amortisation expenses previously funded through revenue appropriations	164,778	180,934	190,580	183,007	168,946
add: Principal repayments on leased assets	6,561	35,436	36,895	37,550	37,842
Total comprehensive income/(loss) - as per the statement of comprehensive income	-223,358	-145,498	-153,685	-145,457	-131,104

Table 8: Budgeted Departmental Balance Sheet (as at 30 June)

	2020-21 Actual Result \$'000	2021-22 Revised Budget \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	13,398	13,398	13,398	13,398	13,398
Trade and other receivables	185,317	185,316	154,607	154,607	154,607
Total financial assets	198,715	198,714	168,005	168,005	168,005
Non-financial assets					
Land and buildings	367,947	324,446	281,368	239,249	197,541
Property, plant and equipment	312,464	403,152	406,912	403,141	347,590
Intangibles	64,822	68,086	70,417	72,082	73,271
Other non-financial assets	48,374	48,369	48,373	48,373	48,373
Total non-financial assets	793,607	844,053	807,070	762,845	666,775
Total assets	992,322	1,042,767	975,075	930,850	834,780
LIABILITIES					
Payables					
Suppliers	136,319	136,314	136,309	136,309	136,309
Other	14,489	14,489	14,489	14,489	14,489
Total payables	150,808	150,803	150,798	150,798	150,798
Interest bearing liabilities					
Leases	385,382	349,946	313,051	275,501	237,659
Total interest bearing liabilities	385,382	349,946	313,051	275,501	237,659
Provisions					
Employee provisions	100,310	100,309	100,309	100,309	100,309
Total provisions	100,310	100,309	100,309	100,309	100,309
Total liabilities	636,500	601,058	564,158	526,608	488,766
NET ASSETS	355,822	441,709	410,917	404,242	346,014
EQUITY					
Contributed equity	681,558	912,943	1,035,833	1,174,615	1,247,491
Reserves	23,663	23,663	23,663	23,663	23,663
Retained surplus (accumulated deficit)	-349,399	-494,897	-648,579	-794,036	-925,140
Total equity	355,822	441,709	410,917	404,242	346,014

Table 9: Budgeted Departmental Statement of Cash Flows (for the period ended 30 June)

	2020-21 Actual Result \$'000	2021-22 Revised Budget \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	877,599	922,602	861,178	895,109	951,176
Goods and services	4,312	2,771	2,845	2,918	2,994
Net GST received	35,335	50,578	47,193	46,548	42,443
Other	-	-	-	-	-
Total cash received	917,246	975,951	911,216	944,575	996,613
Cash used					
Employees	279,077	308,234	319,692	340,214	354,354
Suppliers	542,399	577,201	503,359	516,621	558,777
Net GST paid	35,409	50,578	47,193	46,548	42,443
Other cash used	175	-	-	-	-
Cash transfer to the Official Public Account (receivables)	67,917	-	-	-	-
Interest payments on lease liabilities	4,826	4,502	4,077	3,642	3,197
Total cash used	929,803	940,515	874,321	907,025	958,771
Net cash from (used by) operating activities	-12,557	35,436	36,895	37,550	37,842
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
Proceeds from sales of intangibles	-	-	-	-	-
Other cash received	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of infrastructure, plant and equipment	94,003	219,385	141,593	126,782	60,876
Purchase of intangibles	17,012	12,000	12,000	12,000	12,000
Selling costs on sale of assets	-	-	-	-	-
Finance costs	-	-	-	-	-
Total cash used	111,015	231,385	153,593	138,782	72,876
Net cash from (used by) investing activities	-111,015	-231,385	-153,593	-138,782	-72,876
FINANCING ACTIVITIES					
Cash received					
Appropriations - contributed equity	107,900	231,385	153,593	138,782	72,876
Receipts from other entities on account of restructure	-	-	-	-	-
Total cash received	107,900	231,385	153,593	138,782	72,876
Cash used					
Repayment of debt	6,561	35,436	36,895	37,550	37,842
Cash to the Official Public Account	-	-	-	-	-
Total cash used	6,561	35,436	36,895	37,550	37,842
Net cash from (used by) financing activities	101,339	195,949	116,698	101,232	35,034
Net increase (decrease) in cash and cash equivalents held	-22,232	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	35,630	13,398	13,398	13,398	13,398
Effect of exchange rate movements on cash and cash equivalents at beginning of the reporting period	-	-	-	-	-
Cash and cash equivalents at the end of the reporting period	13,398	13,398	13,398	13,398	13,398

Table 10: Departmental Statement of Changes in Equity – Summary of Movement (Budget Year 2021-22)

	Retained Earnings \$'000	Asset Revaluation Reserve \$'000	Other Reserves \$'000	Contributed Equity/ Capital \$'000	Total Equity \$'000
Opening balance as at 1 July 2021					
Balance carried forward from previous period	-349,399	23,663	-	681,558	355,822
Adjustment for changes in accounting policies	-	-	-	-	-
Adjusted opening balance	-349,399	23,663		681,558	355,822
Comprehensive income					
Comprehensive income recognised directly in equity:					
Gain/loss on revaluation of property	-	-	-	-	-
Subtotal comprehensive income	-	-	-	-	-
Surplus (Deficit) for the period	-145,498	-	-	-	-145,498
Total comprehensive income recognised directly in equity	-145,498	-	-	-	-145,498
Transactions with owners					
<i>Distribution to owners</i>					
Returns on capital:					
Restructuring	-	-	-	-	-
Other	-	-	-	-	-
<i>Contributions by owners</i>					
Appropriation (equity injection)	-	-	-	186,385	186,385
Departmental Capital Budget (DCB)	-	-	-	45,000	45,000
Other	-	-	-	-	-
Sub-total transaction with owners	-	-	-	231,385	231,385
Transfers between equity components	-	-	-	-	-
Estimated closing balance as at 30 June 2022	-494,897	23,663	-	912,943	441,709
Closing balance attributable to the Australian Government					
	-494,897	23,663	-	912,943	441,709

Table 11: Statement of Departmental Asset Movements (Budget Year 2021-22)

	Buildings \$'000	Other property, plant and equipment \$'000	Heritage & cultural \$'000	Computer software & intangibles \$'000	Total \$'000
As at 1 July 2021					
Gross book value	12,256	336,810	244	102,235	451,545
Gross book value - ROU assets	440,456	11,359	-	-	451,815
Accumulated depreciation/amortisation and impairment	-718	-35,950	-	-37,412	-74,080
Accumulated depreciation/amortisation and impairment - ROU assets	-84,047	-	-	-	-84,047
Opening net book balance	367,947	312,219	244	64,823	745,233
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase - appropriation equity ^[a]	-	174,385	-	12,000	186,385
By purchase - appropriation equity - ROU assets	-	-	-	-	-
By purchase - appropriation ordinary annual services ^[b]	-	45,000	-	-	45,000
By purchase - appropriation ordinary annual services - ROU assets	-	-	-	-	-
By purchase - donated funds	-	-	-	-	-
By purchase - other	-	-	-	-	-
By purchase - other - ROU assets	-	-	-	-	-
Assets received as gifts/donations	-	-	-	-	-
From acquisition of entities or operations (including restructuring)	-	-	-	-	-
Total additions	-	219,385	-	12,000	231,385
Other movements					
Assets held for sale or in a disposal group held for sale	-	-	-	-	-
ROU assets held for sale or in a disposal group held for sale	-	-	-	-	-
Depreciation/amortisation expense	-2,219	-128,696	-	-8,737	-139,652
Depreciation/amortisation on ROU assets	-41,282	-	-	-	-41,282
Disposals ^[c]	-	-	-	-	-
From disposal of entities or operations (including restructuring)	-	-	-	-	-
From disposal of entities or operations (including restructuring) on ROU assets	-	-	-	-	-
Other	-	-	-	-	-
Other - ROU assets	-	-	-	-	-
Total other movements	-43,501	-128,696	-	-8,737	-180,934
As at 30 June 2022					
Gross book value	12,256	556,195	244	114,235	682,930
Gross book value - ROU assets	440,456	11,359	-	-	451,815
Accumulated depreciation/amortisation and impairment	-2,937	-164,646	-	-46,149	-213,732
Accumulated depreciation/amortisation and impairment - ROU assets	-125,329	-	-	-	-125,329
Closing net book balance	324,446	402,908	244	68,086	795,684

Notes

a. "Appropriation equity" refers to equity injections or Administered Assets and Liabilities appropriations provided through *Appropriation Act (No. 2) 2021-2022* and *Appropriation Bill (No. 4) 2021-2022*, including Collection Development Acquisition Budget.

b. "Appropriation ordinary annual services" refers to funding provided through *Appropriation Act (No. 1) 2021-2022* and *Appropriation Bill (No. 3) 2021-2022* for depreciation/amortisation expenses, Departmental Capital Budget or other operational expenses.

c. Net Proceeds may be returned to the Official Public Account.

Table 12: Departmental Capital Budget Statement (for the period ended 30 June)

	2020-21 Actual Result \$'000	2021-22 Revised Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	30,000	45,000	30,000	30,000	30,000
Equity injections - Bill 2	195,459	186,385	92,889	108,782	42,876
Loans - Bill 2	-	-	-	-	-
Total new capital appropriations	225,459	231,385	122,889	138,782	72,876
Provided for:					
<i>Purchase of non-financial assets</i>	225,459	231,385	122,889	138,782	72,876
<i>Annual finance lease costs</i>	-	-	-	-	-
<i>Other Items</i>	-	-	-	-	-
Total items	225,459	231,385	122,889	138,782	72,876
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	72,446	186,385	123,593	108,782	42,876
Funded by capital appropriation -DCB	24,161	45,000	30,000	30,000	30,000
Funded by finance leases	-	-	-	-	-
Funded internally from departmental resources	-	-	-	-	-
Funded by special appropriations	-	-	-	-	-
TOTAL	96,607	231,385	153,593	138,782	72,876
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	96,607	231,385	153,593	138,782	72,876
less additions by finance lease	-	-	-	-	-
less additions by creditors/borrowings	-	-	-	-	-
plus borrowing/finance costs	-	-	-	-	-
plus annual finance lease costs	-	-	-	-	-
less gifted assets	-	-	-	-	-
less s75 transfers/restructuring	-	-	-	-	-
Total cash used to acquire assets	96,607	231,385	153,593	138,782	72,876

3.2.2 Notes to the Financial Statements

The financial statements have been prepared in accordance with the Australian Accounting Standards and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (FRR)*.

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