

Royal Australian Mint

Entity resources and planned performance

Royal Australian Mint

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Royal Australian Mint

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Royal Australian Mint (the Mint) is a listed entity operating under the *Public Governance, Performance and Accountability Act 2013*. The Mint's vision is to flexibly adapt to a changing world. As a National Institution, the Mint's goal is to create public value through meeting the circulating coin and collector coin needs of Australia and selected international markets, maintaining Australia's National Coin Collection, and providing educational and cultural experiences to local and overseas visitors.

In 2023–24 the Mint will continue a strategic direction that acknowledges the long-term decline in the demand for circulating coin, the opportunities for growth in the collectible business, and the public interest in the Mint as a National Institution that helps tell the stories of Australia. The following key themes form the basis of the strategic direction:

- optimisation of the return on core business
- profitable growth of the collector and investment business
- enhancement of the visitor experience as a National Institution
- establishment as a custodian of value in future financial systems.

As the sole supplier of Australia's circulating coin requirements, the Mint is responsible for the continuous review of Australian coinage and for providing advice to the Treasury and the Government on coin related issues.

Across the forward estimates, the Mint will be focused on effectively managing its return to Commonwealth generated through seigniorage returns from circulating coin sales, surpluses from the collectible business and the provision of cultural and education services to the public.

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 the *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: Royal Australian Mint resource statement – Budget estimates for 2023–24 as at Budget May 2023

	<i>2022-23 Estimated actual \$'000</i>	2023-24 Estimate \$'000
Departmental		
Special accounts (a)		
Opening balance	111,900	117,451
Non-appropriation receipts	91,723	104,914
Total special accounts	203,623	222,365
Total departmental resourcing	203,623	222,365
Total resourcing for the Royal Australian Mint	203,623	222,365
	<i>2022-23</i>	2023-24
Average staffing level (number)	239	239

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.

- a) Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to Budget Paper No. 4 - Agency Resourcing. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.

1.3 Budget measures

The Royal Australian Mint has no new budget measures.

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.

The Mint 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 Commonwealth Performance Framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance measure 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 a complete picture of an entity's planned and actual performance.

The most recent Corporate Plan for Royal Australian Mint can be found at:
(<https://www.ramint.gov.au/corporate-plan>).

The most recent annual performance statement for Royal Australian Mint can be found at:
(<https://www.ramint.gov.au/annual-reports>).

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: The coinage needs of the Australian economy, collectors and foreign countries are met through the manufacture and sale of circulating coins, collector coins and other minted like products.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Program 1.1: Royal Australian Mint					
Administered expenses					
Special accounts					
Royal Australian Mint Special account	34,568	45,936	41,002	40,711	40,711
Administered total	34,568	45,936	41,002	40,711	40,711
Departmental expenses					
Special accounts					
Royal Australian Mint Special account	133,541	144,933	145,984	148,684	151,459
Departmental total	133,541	144,933	145,984	148,684	151,459
Total expenses for program 1.1	168,109	190,869	186,986	189,395	192,170
Total expenses for Outcome 1	168,109	190,869	186,986	189,395	192,170
	2022-23	2023-24			
Average staffing level (number)	239	239			

Table 2.1.2: Performance measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current Corporate Plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of the 2023–24 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – The coinage needs of the Australian economy, collectors and foreign countries are met through the manufacture and sale of circulating coins, collector coins and other minted like products.			
Program 1.1- Royal Australian Mint			
To produce and distribute circulating coins and minted products to meet the demands of the Australian economy, collectors and foreign countries.			
Key Activities	<ul style="list-style-type: none"> • Production, maintenance and sales to meet demand for: <ul style="list-style-type: none"> – Australian circulating coins – foreign country circulating coins – numismatic products – other custom minted products. • Maintenance of Australia’s National Coin Collection. • Cultural and education services to the public and school groups: <ul style="list-style-type: none"> – maintenance of the Mint’s visitor gallery, including building and surrounds – educational programs to school students who visit the Mint – promote public understanding about the cultural and historical significance of coins. 		
Performance criteria	2022-23	2023-24	2024-27 and the forward estimates
Produce and deliver Australian circulating coins in a cost effective and timely manner.	Seigniorage returned to Commonwealth: \$39.2m Volume: 123 million pieces	Seigniorage returned to Commonwealth: \$14.1m Volume: 128 million pieces	Seigniorage returned to Commonwealth: \$12.7m Volume: 122 million pieces
Optimum return on investment.	Return on Net Assets: 30%	Return on Net Assets: 30%	Return on Net Assets: 30%
Collectibles orders placed are produced and delivered within agreed delivery time.	Product delivered in full and on time: 90%	Product delivered in full and on time: 90%	Product delivered in full and on time: 90%
Visitor satisfaction rating of Mint experience.	Survey result: 95%	Survey result: 95%	Survey result: 95%
Visitor numbers.	Visitors: 240,000	Visitors: 240,000	Visitors: 240,000
Provide a safe, secure and sustainable operational environment.	Certification Retained: Yes Major injuries: Nil Security breaches: Nil	Certification Retained: Yes Major injuries: Nil Security breaches: Nil	Certification Retained: Yes Major injuries: Nil Security breaches: Nil
Build on brand awareness.	Net Promoter Score: 70%	Net Promoter Score: 70%	Net Promoter Score: 70%
Have engaged, motivated and committed staff.	Staff satisfaction survey result: 79%	Staff satisfaction survey result: 80%	Staff satisfaction survey result: 80%

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2023–24 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 entity resourcing and financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The Mint has 2 streams of revenue. One stream comes from production and subsequent sale of Australian circulating coins at face value to commercial banks. The second stream comes from sale of collectible products (numismatic, foreign circulating coins and other minted products).

The Mint's Departmental projected results for the 2023–24 and forward years reflect the Mint's focus on identifying opportunities in its collectible business (refer to Table 3.1), and implementation of technology and process improvements to enable the Mint to manufacture its products in a more efficient manner which is expected to deliver a reduction in cost and improved throughput.

An after-tax surplus is budgeted on the sale of collectible products of \$32.4 million which will contribute to the total return to the Commonwealth.

3.2 Budgeted financial statements tables

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EXPENSES					
Employee benefits	25,111	30,781	31,704	32,655	33,700
Suppliers	98,654	101,427	101,135	100,601	100,601
Depreciation and amortisation	7,488	5,305	5,585	6,649	8,379
Finance costs	999	950	950	950	950
Other expenses	1,289	6,470	6,520	7,829	7,829
Total expenses	133,541	144,933	145,894	148,684	151,459
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	162,164	181,121	182,863	182,573	182,573
Rental income	582	300	300	300	300
Royalties	100	-	-	-	-
Other	630	290	290	290	690
Total own-source revenue	163,476	181,711	183,453	183,163	183,563
Total own-source income	163,476	181,711	183,453	183,163	183,563
Net (cost of)/contribution by services	29,935	36,778	37,559	34,479	32,104
Notional income tax expense	8,980	4,363	3,741	7,287	10,151
Surplus/(deficit) attributable to the Australian Government	20,955	32,415	33,818	27,193	21,953
Total comprehensive income/(loss)	20,955	32,415	33,818	27,193	21,953
Total comprehensive income/(loss) attributable to the Australian Government	20,955	32,415	33,818	27,193	21,953

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	117,451	104,357	124,744	145,827	157,297
Trade and other receivables	1,639	428	428	428	428
Total financial assets	119,090	104,785	125,172	146,255	157,725
Non-financial assets					
Land and buildings	48,172	52,591	54,257	53,200	51,797
Property, plant and equipment	10,834	14,799	18,905	27,610	28,330
Intangibles	1,403	1,929	2,035	2,962	2,962
Heritage and cultural	24,755	24,755	24,755	24,755	24,755
Inventories	68,924	71,264	70,949	65,049	66,249
Tax assets	2,765	1,532	1,532	1,532	1,532
Other non-financial assets	2,002	2,002	2,002	2,002	2,002
Total non-financial assets	158,855	168,873	174,435	177,110	177,627
Total assets	277,945	273,658	299,607	323,365	335,352
LIABILITIES					
Payables					
Suppliers	3,598	3,598	3,598	3,598	3,598
Other payables	45,520	20,808	25,003	29,404	28,043
Total payables	49,118	24,406	28,601	33,002	31,641
Interest bearing liabilities					
Leases	36,183	35,964	35,677	33,667	31,536
Total interest bearing liabilities	36,183	35,964	35,677	33,667	31,536
Provisions					
Employee provisions	7,245	7,462	7,686	7,917	8,154
Other provisions	2,078	2,089	2,089	2,089	2,089
Total provisions	9,323	9,551	9,775	10,006	10,243
Total liabilities	94,624	69,921	74,053	76,675	73,420
Net assets	183,321	203,736	225,554	246,690	261,932
EQUITY*					
Parent entity interest					
Contributed equity	77,903	77,903	77,903	77,903	77,903
Reserves	44,856	44,856	44,856	44,856	44,856
Retained surplus (accumulated deficit)	60,562	80,977	102,795	123,931	139,173
Total parent entity interest	183,321	203,736	225,554	246,690	261,932
Total equity	183,321	203,736	225,554	246,690	261,932

Prepared on Australian Accounting Standards basis.

*‘Equity’ is the residual interest in assets after deduction of liabilities.

Table 3.3: Departmental statement of changes in equity – summary of movement (Budget year 2023–24)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2023					
Balance carried forward from previous period	60,562	24,856	20,000	77,903	183,321
Adjusted Opening balance	60,562	24,856	20,000	77,903	183,321
Comprehensive income					
Surplus/(deficit) for the period	32,415	-	-	-	32,415
Total comprehensive income	32,415	-	-	-	32,415
Transactions with owners					
Distributions to owners					
Dividends	(12,000)	-	-	-	(12,000)
Sub-total transactions with owners	(12,000)	-	-	-	(12,000)
Estimated closing balance as at 30 June 2024	80,977	24,856	20,000	77,903	203,736
Closing balance attributable to the Australian Government	80,977	24,856	20,000	77,903	203,736

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sale of goods and rendering of services	188,246	175,432	183,163	182,873	182,873
Net GST received	9,450	-	-	-	-
Other	550	558	110	110	510
Total cash received	198,246	175,990	183,273	182,983	183,383
Cash used					
Employees	24,882	31,261	31,480	32,424	33,463
Suppliers	102,328	103,587	100,640	94,521	101,621
Net GST paid	9,450	1,949	3,524	2,998	3,531
Interest payments on lease liability	988	950	950	950	950
Other	22,884	15,790	(1,821)	3,976	4,298
Total cash used	160,532	153,537	134,773	134,869	143,863
Net cash from/(used by) operating activities	37,714	22,453	48,500	48,114	39,520
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	2,955	12,634	9,853	15,224	7,696
Total cash used	2,955	12,634	9,853	15,224	7,696
Net cash from/(used by) investing activities	(2,955)	(12,634)	(9,853)	(15,224)	(7,696)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	1,688	1,789	1,897	2,010	2,131
Dividends paid	27,520	21,124	16,363	9,797	18,223
Total cash used	29,208	22,913	18,260	11,807	20,354
Net cash from/(used by) financing activities	(29,208)	(22,913)	(18,260)	(11,807)	(20,354)
Net increase/(decrease) in cash held	5,551	(13,094)	20,387	21,083	11,470
Cash and cash equivalents at the beginning of the reporting period	111,900	117,451	104,357	124,744	145,827
Cash and cash equivalents at the end of the reporting period	117,451	104,357	124,744	145,827	157,297

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources	8,500	12,645	12,645	12,645	5,500
TOTAL	8,500	12,645	12,645	12,645	5,500
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	8,500	12,645	12,645	12,645	5,500
Total cash used to acquire assets	8,500	12,645	12,645	12,645	5,500

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of departmental asset movements (Budget year 2023–24)

	Buildings	Other property, plant and equipment	Heritage and cultural	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2023					
Gross book value	14,757	15,894	24,755	6,038	61,444
Gross book value - ROU assets	41,735	-	-	-	41,735
Accumulated depreciation/amortisation and impairment	12	(5,060)	-	(4,635)	(9,683)
Accumulated depreciation/amortisation and impairment - ROU assets	(8,332)	-	-	-	(8,332)
Opening net book balance	48,172	10,834	24,755	1,403	85,164
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase - other	4,932	6,733	-	980	12,645
Total additions	4,932	6,733	-	980	12,645
Other movements					
Depreciation/amortisation expense	-	(2,768)	-	(454)	(3,222)
Depreciation/amortisation on ROU assets	(2,083)	-	-	-	(2,083)
Other - ROU assets	1,570	-	-	-	1,570
Total other movements	(513)	(2,768)	-	(454)	(3,735)
As at 30 June 2024					
Gross book value	19,689	22,627	24,755	7,018	74,089
Gross book value - ROU assets	43,305	-	-	-	43,305
Accumulated depreciation/amortisation and impairment	12	(7,828)	-	(5,089)	(12,905)
Accumulated depreciation/amortisation and impairment - ROU assets	(10,415)	-	-	-	(10,415)
Closing net book balance	52,591	14,799	24,755	1,929	94,074

Prepared on Australian Accounting Standards basis.

Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EXPENSES					
Suppliers	32,446	42,661	37,661	37,304	37,304
Other expenses	2,122	3,275	3,341	3,407	3,407
Total expenses administered on behalf of Government	34,568	45,936	41,002	40,711	40,711
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Sale of goods and rendering of services	59,506	60,081	53,687	52,090	52,090
Total non-taxation revenue	59,506	60,081	53,687	52,090	52,090
Total own-source revenue administered on behalf of Government	59,506	60,081	53,687	52,090	52,090
Total own-sourced income administered on behalf of Government	59,506	60,081	53,687	52,090	52,090
Net (cost of)/contribution by services	(24,938)	(14,145)	(12,685)	(11,379)	(11,379)
Surplus/(deficit) before income tax	24,938	14,145	12,685	11,379	11,379
Prepared on Australian Accounting Standards basis					

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
ASSETS					
Financial assets					
Trade and other receivables	11,515	17,420	16,026	16,026	16,026
Total financial assets	11,515	17,420	16,026	16,026	16,026
Non-financial assets					
Inventories	2,459	2,620	2,620	2,620	2,620
Total non-financial assets	2,459	2,620	2,620	2,620	2,620
Total assets administered on behalf of Government	13,974	20,040	18,646	18,646	18,646
Net assets/(liabilities)	13,974	20,040	18,646	18,646	18,646

Prepared on Australian Accounting Standards basis.

Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June)

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Other	36,708	8,079	14,079	11,378	11,378
Total cash received	36,708	8,079	14,079	11,378	11,378
Net cash from/(used by) operating activities	36,708	8,079	14,079	11,378	11,378
Net increase/(decrease) in cash held	36,708	8,079	14,079	11,378	11,378
Cash to Official Public Account for:					
- Special accounts	(36,708)	(8,079)	(14,079)	(11,378)	(11,378)
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.