

PORTFOLIO BUDGET STATEMENTS 2026-27
BUDGET RELATED PAPER NO. 1.4B

**DEFENCE PORTFOLIO
(DEPARTMENT OF VETERANS' AFFAIRS)**

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

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THE HON MATT KEOGH MP
MINISTER FOR VETERANS' AFFAIRS
MINISTER FOR DEFENCE PERSONNEL

President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear President

Dear Mr Speaker

I hereby submit Portfolio Budget Statements in support of the 2026–27 Budget for the Veterans' Affairs Portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the outcomes for the Portfolio.

I present these statements to provide accountability to the Parliament and, through it, the public.

Yours sincerely

A handwritten signature in blue ink that reads "Matt Keogh".

HON MATT KEOGH MP

6 / 5 / 2026

Encl

Abbreviations and conventions

The following notation may be used:

NEC/nec	not elsewhere classified
-	nil
..	not zero, but rounded to zero
na	not applicable (unless otherwise specified)
nfp	not for publication
\$m	\$ million
\$b	\$ billion

Figures in tables and in the text may be rounded. Figures in text are generally rounded to one decimal place, whereas figures in tables are generally rounded to the nearest thousand. Discrepancies in tables between totals and sums of components are due to rounding.

Enquiries

Should you have any enquiries regarding this publication please contact the Chief Financial Officer, Department of Veterans' Affairs on (02) 5163 8491.

Links to Portfolio Budget Statements (including Portfolio Additional Estimates Statements and Portfolio Supplementary Additional Statements) can be located on the Australian Government Budget website at: www.budget.gov.au.

**User Guide
To The
Portfolio Budget Statements**

User guide

The purpose of the *2026–27 Portfolio Budget Statements* (PB Statements) is to inform Senators and Members of Parliament of the proposed allocation of resources to government outcomes by entities within the portfolio. Entities receive resources from the annual appropriations acts, special appropriations (including standing appropriations and special accounts), and revenue from other sources.

A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills (No. 1 and No. 2) 2026–2027 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2026–2027 for the parliamentary departments) to the 2026–27 Budget. In this sense, the PB Statements are Budget related papers and are declared by the Appropriation Acts to be ‘relevant documents’ to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

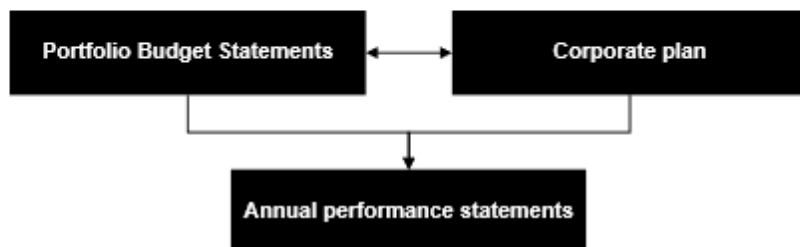
The PB Statements provide information, explanation and justification to enable Parliament to understand the purpose of each outcome proposed in the Bills.

As required under section 12 of the *Charter of Budget Honesty Act 1998*, only entities within the general government sector are included as part of the Commonwealth general government sector fiscal estimates and produce PB Statements where they receive funding (either directly or via portfolio departments) through the annual appropriation acts.

The Commonwealth performance framework

The following diagram outlines the key components of the Commonwealth performance framework. The diagram identifies the content of each of the publications and the relationship between them. Links to the publications for each entity within the portfolio can be found in the introduction to Section 2: Outcomes and planned performance.

Commonwealth performance framework
Key components of relevant publications



Portfolio Budget Statements
(typically in May) Portfolio based

Supports Annual Appropriations. Informs senators and members of parliament of the proposed allocations of other resources to government outcomes and programs.

Provides links to relevant programs undertaken by other Commonwealth entities.

Provides high-level performance information for current, ongoing programs.

Provides detailed performance information for proposed new budget measures that require a new program or significantly change an existing program.

Links to the corporate plan through reporting key activities.

Corporate plan
(by 31 August) Entity based

Primary planning document of a Commonwealth entity.

Sets out the purposes of the entity and the key activities it will undertake to achieve its purposes, over a minimum 4-year period.

Describes the environment in which the entity operates, the capability it requires to undertake its key activities, its risk oversight and management systems including key risks and how those are managed, and how it will cooperate with others, including any subsidiaries, to achieve its purposes.

Explains how the entity's performance will be measured and assessed.

Annual performance statements
(October in the following year) Entity based

Included in the Commonwealth entity's annual report.

Reports on the actual performance results for the reporting year as set out in the corporate plan and Portfolio Budget Statements.

Provides an analysis of the factors that may have contributed to the entity's performance results.

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Portfolio Overview

Veterans' Affairs Portfolio overview

Ministers and portfolio responsibilities

On 1 June 2022, the Hon Matt Keogh MP (Member for Burt) was sworn in as Minister for Veterans' Affairs and Minister for Defence Personnel.

Mr Luke Gosling OAM MP (Member for Solomon) was appointed as Special Envoy for Veterans' Affairs on 29 July 2024.

The Veterans' Affairs Portfolio is responsible for carrying out government policy and implementing programs to fulfil Australia's obligations to veterans, war widow/ers, families, serving and former members of the Australian Defence Force (ADF), certain Australian Federal Police officers with overseas service and Australian participants in British nuclear tests in Australia and their families.

The Department of Veterans' Affairs (DVA), Australian War Memorial (the Memorial) and several other statutory bodies that are administered by the Minister for Veterans' Affairs are formally part of the Defence Portfolio. The schedule to the annual Appropriation Acts lists both DVA and the Memorial as receiving monies appropriated from the Consolidated Revenue Fund. The other statutory commissions and boards in the Veterans' Affairs Portfolio receive their funding under arrangements with DVA, and their administrative staff are employees of the department.

For information on resourcing across the portfolio, please refer to Part 1: Agency Financial Resourcing in the *Budget Paper No. 4: Agency Resourcing*.

The Department of Veterans' Affairs

The purpose of DVA is to support the wellbeing of those who serve or have served in the defence of our nation, and their families. This is achieved by providing effective programs and benefits, which enhance the wellbeing of veterans and their families; providing and maintaining war graves; and delivering meaningful commemorative activities to promote community recognition and understanding of the service and sacrifice of veterans. DVA is therefore the primary Australian Government entity responsible for developing and implementing programs that assist the veteran and ex-service communities. It provides administrative support to the Repatriation Commission and the Military Rehabilitation and Compensation Commission and is responsible for advising the Commissions on policies and programs for beneficiaries and for administering these policies and programs. Under the direction of these Commissions, DVA provides wide-ranging programs and services that can be broadly grouped into three main areas: care, compensation and commemoration. DVA also administers legislation such as the *Defence Service Homes Act 1918* and the *War Graves Act 1980*.

The Australian War Memorial

The Australian War Memorial (the Memorial) was established as a Commonwealth corporate entity under the *Australian War Memorial Act 1980*. It operates within the Veterans' Affairs Portfolio as a discrete entity.

The Memorial is responsible for maintaining and developing the national Memorial to Australians who have died on or as a result of active service or in wars or warlike operations in which Australians have been on active service. It also develops, maintains and exhibits a National Collection of historical material and conducts and fosters research into Australian military history.

For information on resourcing across the portfolio, please refer to Part 1: Agency Financial Resourcing in the Budget Paper No. 4: Agency Resourcing.

Other statutory bodies*

The Repatriation Commission

The Repatriation Commission is responsible under the *Veterans' Entitlements Act 1986* (VEA) for granting pensions, allowances and other benefits, providing treatment and other services and generally administering the VEA. The functions and powers of the Repatriation Commission are set out in sections 180 and 181 of the VEA.

Military Rehabilitation and Compensation Commission

The Military Rehabilitation and Compensation Commission (MRCC) is responsible for the administration of benefits and arrangements under the *Military Rehabilitation and Compensation Act 2004* (MRCA). The Commission also determines and manages claims relating to defence service under the *Safety, Rehabilitation and Compensation (Defence-related Claims) Act 1988* (DRCA). The functions and powers of the MRCC are set out in section 362 of the MRCA and Part XI of the DRCA.

The Veterans' Review Board

The Veterans' Review Board (VRB) is a specialist, high volume tribunal. The VRB is innovative, responsive and seeks to improve access to justice for all veterans, serving members and their families by resolving applications at the earliest possible opportunity in a cost effective and efficient way. The law that establishes the VRB and governs its operations in the *Military Rehabilitation and Compensation Act 2004* (MRCA).

Office of Australian War Graves

The Office of Australian War Graves (OAWG) is the agent of the Commonwealth War Graves Commission (CWGC), established under the *War Graves Act 1980*. The OAWG manages 76 war cemeteries and war plots commemorating our war dead in Australia, Papua New Guinea and the Solomon Islands. The OAWG also cares for the more than 334,000 other final resting places of post-war dead, and other eligible veterans of war, conflicts, peace and other operations to which Australia has been committed, in over 2,330 locations.

The Repatriation Medical Authority

The Repatriation Medical Authority (RMA) is an independent statutory authority established under section 196A of the VEA. Its role is to determine Statements of Principles in relation to medical or scientific evidence connecting injuries, diseases or death with the circumstances of a particular veteran's service. Members of the RMA are eminent medical practitioners and medical scientists.

The Specialist Medical Review Council

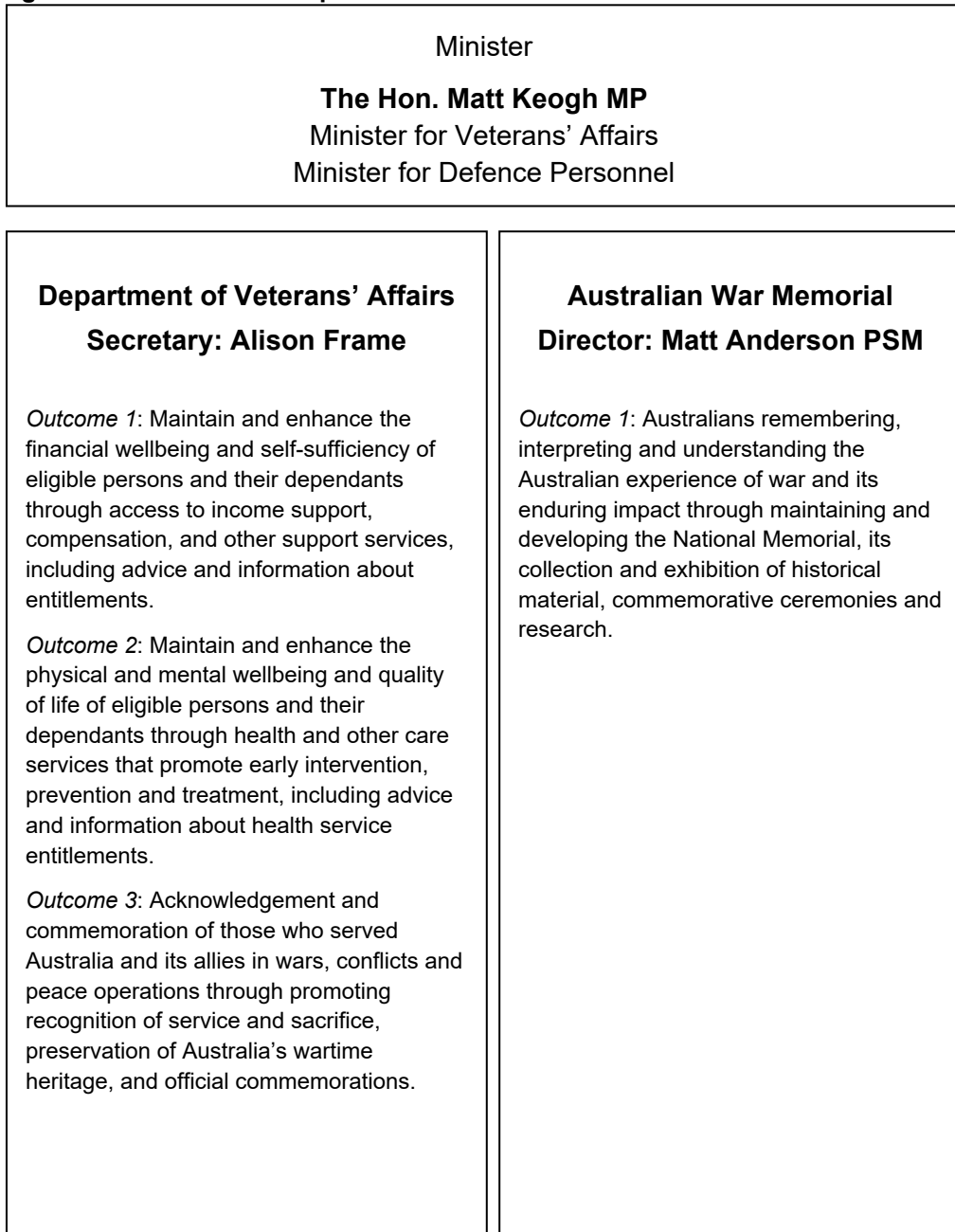
The Specialist Medical Review Council (SMRC) is an independent statutory body established under section 196V of the VEA. It has power, under section 196W of the VEA, to review determinations by the RMA. It does not review individual cases, but rather, examines the evidence upon which the decisions of the RMA are based. Members of SMRC are eminent medical practitioners and medical scientists.

Defence Service Homes Insurance Scheme

The Defence Service Homes Insurance Scheme, which is established under the *Defence Service Homes Act 1918*, provides home building insurance and claims support tailored to all ADF members and veterans, including Reservists and widow(er)s. It is self-funded through the premiums paid by policyholders, which is invested back in the Defence Service Homes Insurance Scheme, providing greater support to veterans and their families.

*On 20 February 2025, the *Veterans' Entitlements, Treatment and Support (Simplification and Harmonisation) Act 2025* (VETS Act) received Royal Assent. The resulting changes to the Veterans' Affairs Portfolio from 1 July 2026 (e.g. the merging of the Commissions) will be detailed in the next budget statement.

Figure 1: Veterans' Affairs portfolio structure and outcomes



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Department of Veterans' Affairs

**Entity resources and planned
performance**

Department of Veterans' Affairs

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Department of Veterans' Affairs

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Australian Government is committed to supporting the wellbeing of those who serve or have served in the defence of our nation, and their families.

Through the 2026-27 Budget, the Government is providing \$14.6 billion in funding to enable the Department of Veterans' Affairs (DVA) to support more than 357,000 DVA veteran and dependant clients through compensation, treatment, rehabilitation and other support services, as well as national commemoration activities.

DVA's strategic priorities are shaped by the continued implementation of the Australian Government's response to the Royal Commission into Defence and Veteran Suicide. In the 2026-27 Budget, this includes two new measures addressing or partially addressing recommendations 71, 107 and 108, as well as sustained demand for services and the need to ensure the long-term sustainability and integrity of the veteran support system.

DVA continues to uphold Australia's promise to those who have served – to support them, and their families, to live well, rebuild and find new ways to contribute beyond the uniform.

DVA's priorities for 2026-27 include the implementation of legislative reform through the *Veterans' Entitlements, Treatment and Support (Simplification and harmonisation) Act 2025* (the VETS Act) commencing on 1 July 2026. The new Act streamlines and harmonises key aspects of compensation and rehabilitation arrangements with a focus on clearer eligibility settings, simpler processes and improved client experience. It supports faster, more consistent decision-making and helps ensure veterans and families of veterans can access the right supports at the right time.

The Department will establish the Veteran and Family Wellbeing Agency, with operations commencing 1 July 2026. This reflects a renewed commitment to supporting access to wellbeing support covering the whole of life for veterans and their families – recognising that wellbeing is holistic and includes physical and mental health, financial security, purpose and connection to community. The agency will strengthen navigation and connection to Commonwealth and community services, and focus on prevention, supporting earlier intervention for those at risk. It will work with Defence to help align pathways into healthcare, counselling, rehabilitation, employment and other wraparound supports, complementing DVA's other ongoing early intervention initiatives and partnerships.

Strengthening the integrity of the veteran support system remains an ongoing priority. DVA will continue to ensure that payments and services are directed to veteran and families of veterans and that providers and advocates operate in line with expected standards. This includes strengthening how the system prevents, detects and responds to inappropriate behaviour, while reinforcing confidence in a system built on care, safety and trust.

Early intervention and prevention are central to improving the long-term wellbeing outcomes for veterans. DVA will continue to partner with Defence to improve support during transition and after service, including through better identification of need and core coordinated support arrangements – ensuring veterans can access the right care as early as possible.

Families also play a critical role in veteran wellbeing. The Department will continue to improve access to information, counselling and community supports for partners and carers, including for those in regional and remote areas, recognising the vital contribution families make in supporting those who have served.

To support delivery of these outcomes, DVA will continue to strengthen its digital, data and workforce capabilities to enable efficient, accessible and sustainable service delivery. More detailed information on operational activities is set out in the Department's Corporate Plan and on its website.

Commemoration remains a core part of DVA's role, ensuring Australia recognises and remembers the service and sacrifice of veterans and families of veterans. In 2026, DVA will continue to deliver and support national and community commemorative activities, maintain key memorial sites and heritage responsibilities, and work with ex-service organisations, states and territories, and the broader community to strengthen participation and education. These efforts help preserve stories of service, support national understanding of the veteran experience, and ensure commemoration remains meaningful for future generations.

DVA will continue to deliver its core functions while embedding reform and strengthening system stewardship, positioning the Department to respond to future demand and deliver sustainable, high-quality outcomes for veterans and families of veterans.

1.2 Entity resource statement

Table 1.1 shows the total resourcing 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' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis. Amounts presented below are consistent with amounts presented in the Appropriation Bills themselves.

Table 1.1: Department of Veterans’ Affairs resource statement — Budget estimates for 2026-27 as at Budget May 2026

	<i>2025-26 Estimated Actual \$'000</i>	<i>2026-27 Estimate \$'000</i>
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	121,858	102,474
Departmental appropriation (b)(k)	653,941	687,775
s74 External Revenue (c)	8,098	8,340
Departmental capital budget (d)	15,880	16,160
Annual appropriations - other services - non-operating (e)		
Equity injections	2,235	-
Total departmental annual appropriations	802,012	814,749
Special accounts (f)		
Opening balance	28,291	28,291
Appropriation receipts (g)	120	120
Non-appropriation receipts (h)	114,619	118,272
Total special accounts	143,030	146,683
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	120	120
Total departmental resourcing	944,922	961,312
Administered		
Annual appropriations - ordinary annual services (a)		
Outcome 1	75,932	119,021
Outcome 2	35,847	23,107
Outcome 3	50,056	48,851
Administered capital budget (i)	593	170
Payments to corporate entities (j)	50,642	65,633
Annual appropriations - other services - non-operating		
Payments to corporate entities	120,613	32,010
Total administered annual appropriations	333,683	288,792

Continued on next page

Table 1.1: Department of Veterans' Affairs resource statement — Budget estimates for 2026-27 as at Budget May 2026 (continued)

	2025-26 <i>Estimated Actual</i> \$'000	2026-27 Estimate \$'000
Special appropriations		
Outcome 1		
<i>Papua New Guinea (Members of the Forces Benefits) Act 1957</i>	28	29
<i>Veterans' Entitlements Act 1986</i>	4,427,795	4,207,490
<i>Compensation (Japanese Internment) Act 2001</i>	25	25
<i>Defence Service Homes Act 1918</i>	222	-
<i>Safety, Rehabilitation and Compensation (Defence-related Claims) Act 1988</i>	820,998	615,698
<i>Military Rehabilitation and Compensation Act 2004</i>	4,488,344	3,834,214
<i>Treatment Benefits (Special Access) Act 2019</i>	10	10
Total Outcome 1	9,737,422	8,657,466
Outcome 2		
<i>Veterans' Entitlements Act 1986</i>	4,427,407	4,340,344
<i>Safety, Rehabilitation and Compensation (Defence-related Claims) Act 1988</i>	56,254	17,544
<i>Military Rehabilitation and Compensation Act 2004</i>	674,647	1,332,524
<i>Australian Participants in British Nuclear Tests and British Commonwealth Occupation Force (Treatment) Act 2006</i>	7,075	10,289
<i>Public Governance, Performance and Accountability Act 2013 - s77 Repayments</i>	5	5
<i>Treatment Benefits (Special Access) Act 2019</i>	1,588	1,628
Total Outcome 2	5,166,976	5,702,334
Total administered special appropriations	14,904,398	14,359,800
Special accounts (g)		
Opening balance	319	319
Non-appropriation receipts (i)	45	45
Total special accounts	364	364
<i>less payments to corporate entities from annual/special appropriations</i>	171,255	97,643
Total administered resourcing	15,067,190	14,551,313
Total resourcing for DVA	16,012,112	15,512,625
	2025-26	2026-27
Average staffing level (number)	3,528	3,417

Third party payments from and on behalf of other entities

	2025-26 Estimated actual \$'000	2026-27 Estimate \$'000
Payments made on behalf of the Department of Social Services		
<i>Social Security (Administration) Act 1999</i>	77,114	81,013
Payments made by Services Australia on behalf of DVA		
<i>Veterans' Entitlements Act 1986</i>	3,332,075	3,158,180
<i>Military Rehabilitation and Compensation Act 2004</i>	399,678	797,520
<i>Safety, Rehabilitation and Compensation (Defence-related Claims) Act 1988</i>	6,483	2,100
<i>Australian Participants in British Nuclear Tests and British Commonwealth Occupation Force (Treatment) Act 2006</i>	6,155	8,951
<i>Treatment Benefits (Special Access) Act 2019</i>	1,355	1,389
Payments made to Services Australia for processing payment of health care provider treatment accounts and the provision of IT services	113,904	85,962
Payments made to the Department of Social Services for the Community Grant Hub services	3,221	3,275
Receipts received from the Department of Social Services for the provision of services	218	232
Payments made to corporate entities within the Portfolio		
Australian War Memorial - Bill 1	50,642	65,633
Australian War Memorial - Bill 2	120,613	32,010

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

Annual appropriation amounts are reported.

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

- (a) Appropriation Bill (No. 1) 2026–2027.
- (b) Excludes departmental capital budget (DCB).
- (c) Estimated External Revenue receipts under section 74 of the PGPA Act.
- (d) 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'.
- (e) Appropriation Bill (No. 2) 2026–2027.
- (f) 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.
- (g) Amounts credited to the special account(s) from DVA's annual appropriations.
- (h) Amounts credited to the special account(s) from other entities.
- (i) Administered capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.10 for further details. For accounting purposes, this amount is designated as a 'contribution by owner'.
- (j) 'Corporate entities' are corporate Commonwealth entities and Commonwealth companies as defined under the PGPA Act.
- (k) Includes \$32.7 million that is under administrative quarantine in 2025-26 and is yet to be released.

1.3 Budget measures

Budget measures in Part 1 relating to the Department of Veterans' Affairs are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Department of Veterans' Affairs 2026-27 Budget measures

Part 1: Measures announced since the 2025-26 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000
Payment measures						
Better Care for Older Australians (a)	2.4					
Administered payment		-	6	7	7	8
Total		-	6	7	7	8
Continuing to Support Veterans and their Families (b)	various					
Administered payment		-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Modernising Payment of the Pension Supplement to Recipients Overseas (b) (c)	1.1					
Administered payment		-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Pharmaceutical Benefits Scheme New and Amended Listings (a) (d)	2.1, 2.3					
Administered payment		8,664	27,723	25,871	24,366	26,070
Total		8,664	27,723	25,871	24,366	26,070
Reducing Spending on Consultants, Contractors and Labour Hire, and Non-wage Expenses – one year extension (e)	1.1-1.6					
Departmental payment		-	-	-	-	(22,104)
Total		-	-	-	-	(22,104)
Residential Aged Care Supply and Equity of Access (a)	2.4					
Administered payment		-	348	1,478	2,629	4,137
Departmental payment		-	678	-	-	-
Total		-	1,026	1,478	2,629	4,137
Royal Commission into Defence and Veteran Suicide – continued implementation (f)	2.5					
Departmental payment		-	3,616	3,672	5,568	-
Total		-	3,616	3,672	5,568	-

Continued on next page

Part 1: Measures announced since the 2025-26 Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)

	Program	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000
Payment measures (continued)						
Strengthening Medicare (a)	2.1					
Administered payment		-	1,299	1,366	2,169	2,255
Total		-	1,299	1,366	2,169	2,255
Total payment measures						
Administered		8,664	29,376	28,722	29,171	32,470
Departmental		-	4,294	3,672	5,568	(22,104)
Total		8,664	33,670	32,394	34,739	10,366

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

- (a) The lead entity for this measure is the Department of Health, Disability and Ageing. The full measure description and package details appear in the Budget Paper No. 2 under the Health, Disability and Ageing portfolio.
- (b) This measure has been announced since the 2025-26 MYEFO and was published in the 2025-26 Veterans' Affairs Portfolio Supplementary Additional Estimates Statements.
- (c) The lead entity for this measure is the Department of Social Services. The full measure description and package details appear in the Budget Paper No. 2 under the Social Services portfolio.
- (d) Part of this measure has been announced since the 2025-26 MYEFO and was published in the 2025-26 Veterans' Affairs Portfolio Additional Estimates Statements.
- (e) The full measure description and package details appear in the Budget Paper No. 2 under Cross Portfolio.
- (f) The lead entity for this measure is the Department of Defence. The full measure description and package details appear in the Budget Paper No. 2 under the Defence 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 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 the Department of Veterans' affairs can be found at:
<https://www.dva.gov.au/documents-and-publications/dva-corporate-plans>

The most recent annual performance statement can be found at:
<https://www.dva.gov.au/documents-and-publications/annual-reports>

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Maintain and enhance the financial wellbeing and self-sufficiency of eligible persons and their dependants through access to income support, compensation, and other support services, including advice and information about entitlements.

Linked programs

Services Australia
Programs <ul style="list-style-type: none">• Program 1.1 – Strategy and Corporate Enabling• Program 1.2 – Customer Service Delivery• Program 1.3 – Technology and Transformation
Department of Social Services
Programs <ul style="list-style-type: none">• Program 1.3 – Support for Seniors
Contribution to Outcome 1 made by linked programs <p>Outcome 1 contributes to the linked programs above by the provision of services and payments on behalf of entities listed.</p>

Budgeted expenses for Outcome 1

The following tables show how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program and Administered and Departmental funding sources, as well as whether the expense is funded in the budget year.

Table 2.1.1a: Budgeted expenses requiring an appropriation in the budget year for Outcome 1

Outcome 1:	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 1.1: Veterans' Income Support and Allowances					
Administered Expenses					
Special Appropriations	1,707,362	1,651,401	1,584,554	1,509,519	1,510,546
Total expenses for program 1.1	1,707,362	1,651,401	1,584,554	1,509,519	1,510,546
Program 1.2: Veterans' Disability Support					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1)	16,066	15,556	15,911	15,879	16,268
Special Appropriations	1,829,222	1,752,836	1,748,011	1,772,712	1,772,712
Total expenses for program 1.2	1,845,288	1,768,392	1,763,922	1,788,591	1,788,980
Program 1.3: Assistance to Defence Widow/ers and Dependents					
Administered Expenses					
Special Appropriations	898,666	812,343	761,479	785,127	785,127
Total expenses for program 1.3	898,666	812,343	761,479	785,127	785,127
Program 1.4: Assistance and Other Compensation for Veterans and Dependents					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1)	11,274	23,629	28,074	29,239	31,866
Special Appropriations	4,808	2,012	1,602	1,602	1,602
Administered total	16,082	25,641	29,676	30,841	33,468
Departmental Expenses					
Special Accounts	73,790	62,496	65,640	69,314	74,946
Departmental total	73,790	62,496	65,640	69,314	74,946
Total expenses for program 1.4	89,872	88,137	95,316	100,155	108,414

Continued on next page

Table 2.1.1a: Budgeted expenses requiring an appropriation in the budget year for Outcome 1 (continued)

Outcome 1:	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 1.5: Veterans' Children Education Scheme					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1)	18,384	17,455	17,046	17,144	17,572
Total expenses for program 1.5	18,384	17,455	17,046	17,144	17,572
Program 1.6: Military Rehabilitation and Compensation Acts Payments - Income Support and Compensation					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1)	30,436	62,391	63,831	63,831	75,601
Special Appropriations	5,309,342	4,451,897	4,419,684	5,574,340	5,790,949
Special Accounts	60	60	60	60	60
Total expenses for program 1.6 (a)	5,339,838	4,514,348	4,483,575	5,638,231	5,866,610
Outcome 1 Total expenses requiring an appropriation in the budget year					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1)	76,160	119,031	124,862	126,093	139,481
Special Appropriations	9,749,400	8,670,489	8,515,330	9,643,300	9,860,936
Special Accounts	60	60	60	60	60
Administered total	9,825,620	8,789,580	8,640,252	9,769,453	10,000,477
Departmental Expenses					
Departmental appropriation	445,483	437,834	443,044	422,224	420,229
s74 External Revenue (b)	7,858	8,101	8,346	8,598	8,607
Special Accounts	73,790	62,496	65,640	69,314	74,946
Departmental total	527,131	508,431	517,030	500,136	503,782
Total Expenses requiring an appropriation in the budget year for Outcome 1	10,352,751	9,298,011	9,157,282	10,269,589	10,504,259

(a) Program 1.6 reflects budgeted expenses to be incurred in the budget year for payments of accepted claims to veterans under the Safety, Rehabilitation and Compensation (Defence-related Claims) Act 1988 (DRCA) and the Military Rehabilitation and Compensation Act 2004 (MRCA).

(b) Estimates expenses incurred in relation to receipts retained under section 74 of the PGPA Act 20213.

Table 2.1.1b: Budgeted expenses not requiring an appropriation in the budget year for Outcome 1

Outcome 1:	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 1.7: Adjustment to the Military Rehabilitation and Compensation Acts Liability Provision - Income Support and Compensation					
Administered Expenses					
Expenses not requiring appropriation in the Budget year (c)	1,493,500	1,957,900	3,105,700	3,717,900	3,820,600
Total expenses for program 1.7	1,493,500	1,957,900	3,105,700	3,717,900	3,820,600
Outcome 1 Totals not requiring an appropriation in the budget year					
Administered Expenses					
Expenses not requiring appropriation in the Budget year (c)	1,493,500	1,957,900	3,105,700	3,717,900	3,820,600
Administered total	1,493,500	1,957,900	3,105,700	3,717,900	3,820,600
Departmental Expenses					
Expenses not requiring appropriation in the Budget year (d)	27,721	27,852	27,860	28,415	28,415
Departmental total	27,721	27,852	27,860	28,415	28,415
Total Expenses not requiring an appropriation in the budget year for Outcome 1	1,521,221	1,985,752	3,133,560	3,746,315	3,849,015

(c) Administered expenses not requiring appropriation in the Budget year reflects accrual accounting movements in the balance of Military Compensation Scheme provision and reflect future expenses to be paid over the term that the department is supporting a veteran. These budgets reflect expenses that do not impact the underlying cash balance in the year they are reported.

(d) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, and audit fees.

Table 2.1.1c: Total budgeted expenses for Outcome 1

Outcome 1:	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Outcome 1 Total expenses					
Administered Expenses					
Requiring an appropriation	9,825,620	8,789,580	8,640,252	9,769,453	10,000,477
Not requiring an appropriation	1,493,500	1,957,900	3,105,700	3,717,900	3,820,600
Administered total	11,319,120	10,747,480	11,745,952	13,487,353	13,821,077
Departmental Expenses					
Requiring an appropriation	527,131	508,431	517,030	500,136	503,782
Not requiring an appropriation	27,721	27,852	27,860	28,415	28,415
Departmental total	554,852	536,283	544,890	528,551	532,197
Total Expenses for Outcome 1	11,873,972	11,283,763	12,290,842	14,015,904	14,353,274

	2025-26	2026-27
Average Staffing Level (number)	2,325	2,251

Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

Note: Departmental appropriation splits and totals are indicative estimates and may change during the budget year as government priorities change.

Table 2.1.2: Program components of Outcome 1**Program 1.1: Veterans' Income Support and Allowances**

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Special Appropriations:					
<i>Veterans' Entitlements Act 1986</i>					
Income support pensions	1,701,194	1,645,015	1,578,016	1,502,981	1,503,844
Other allowances	6,168	6,386	6,538	6,538	6,702
Total program expenses	1,707,362	1,651,401	1,584,554	1,509,519	1,510,546

Program 1.2: Veterans' Disability Support

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Annual Administered Expenses:					
Ordinary annual services (Appropriation Bill No. 1)					
Medical examinations, fares and expenses	15,220	15,556	15,911	15,879	16,245
Vehicle Assistance Scheme	846	-	-	-	-
Special Appropriations:					
<i>Veterans' Entitlements Act 1986</i>					
Disability pensions	1,828,213	1,751,858	1,747,072	1,771,773	1,771,773
Loss of earnings	267	268	266	266	273
Recreation transport allowance	732	700	663	663	679
<i>Treatment Benefits (Special Access) Act 2019</i>					
Southeast Asia Treaty Organisation pharmacy supplement	10	10	10	10	10
Total program expenses	1,845,288	1,768,392	1,763,922	1,788,591	1,788,980

Program 1.3: Assistance to Defence Widowers and Dependants

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Special Appropriations:					
<i>Veterans' Entitlements Act 1986</i>					
War & Defence Widows pension	898,666	812,343	761,479	785,127	785,127
Total program expenses	898,666	812,343	761,479	785,127	785,127

Program 1.4: Assistance and Other Compensation for Veterans and Dependents

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Annual Administered Expenses:					
Ordinary annual services (Appropriation Bill No. 1)					
Compensation and Legal Expenses	2,031	2,077	2,133	2,131	2,180
Discretionary Payments	464	481	504	504	516
Advocacy Grants and Support	7,034	19,287	21,947	24,773	29,122
Veterans' Access to Community Information	1,745	1,784	3,490	1,831	48
Special Appropriations:					
<i>Veterans' Entitlements Act 1986</i>					
Funeral benefits	4,226	1,542	1,216	1,216	1,216
Prisoners of War in Europe	449	349	276	276	276
Compensation payments for British Commonwealth and Allied veterans	80	67	55	55	55
<i>Compensation (Japanese Internment) Act 2001</i>					
Prisoners of War in Japan	25	25	25	25	25
<i>Papua New Guinea (Members of the Forces Benefits) Act 1957</i>					
PNG pensions	28	29	30	30	30
Special Accounts:					
Defence Services Home Insurance Scheme (DSHIS)	73,790	62,496	65,640	69,314	74,946
Total program expenses	89,872	88,137	95,316	100,155	108,414

Program 1.5: Veterans' Children Education Scheme

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Annual Administered Expenses:					
Ordinary annual services (Appropriation Bill No. 1)					
Veterans' Children Education Scheme	18,384	17,455	17,046	17,144	17,572
Total program expenses	18,384	17,455	17,046	17,144	17,572

Program 1.6: Military Rehabilitation and Compensation Acts Payments - Income Support and Compensation

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Annual Administered Expenses:					
Ordinary annual services (Appropriation Bill No. 1)					
Other income support and compensation-related payments - DRCA	947	1,761	1,709	1,709	1,709
Other income support and compensation-related payments - MRCA	29,489	60,630	62,122	62,122	62,122
Special Appropriations:					
<i>Safety, Rehabilitation and Compensation (Defence-related Claims) Act 1988</i>					
Permanent impairment	569,074	544,328	235,521	-	-
Benefits for eligible dependants	50,456	59,612	61,580	61,776	61,657
Incapacity payments	175,132	25	10	10	10
Medical examinations	18,054	5,275	5,396	5,391	5,385
Death payments	6,958	-	-	-	-
Other income support and compensation-related payments	1,324	1,376	1,410	1,410	1,410
<i>Military Rehabilitation and Compensation Act 2004</i>					
Permanent impairment	3,776,370	2,880,209	3,116,756	4,446,219	4,607,330
Benefits for eligible dependants	55,273	162,283	168,681	168,681	168,681
Income maintenance payments	522,543	741,193	775,254	834,701	901,067
Medical examinations	133,467	46,023	43,180	44,326	45,283
Other income support and compensation-related payments	691	11,573	11,896	11,826	11,896
Special Accounts:					
Military death claim compensation	60	60	60	60	60
Total program expenses	5,339,838	4,514,348	4,483,575	5,638,231	5,866,610

Program 1.7: Adjustment to the Military Rehabilitation and Compensation Acts Liability Provision - Income Support and Compensation

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Administered Expenses:					
Expenses not requiring appropriation in the Budget year	1,493,500	1,957,900	3,105,700	3,717,900	3,820,600
Total program expenses	1,493,500	1,957,900	3,105,700	3,717,900	3,820,600

Table 2.1.3: Performance measures for Outcome 1

Table 2.1.3 details the performance measures for each program associated with Outcome 1. It is used by entities to describe the results they plan to achieve and the related key activities, as detailed in the current corporate plan (i.e. 2025-26), the context in which these activities are delivered, and how the performance of these activities will be measured. Where relevant, details of the 2026–27 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – Maintain and enhance the financial wellbeing and self-sufficiency of eligible persons and their dependants through access to income support, compensation and other support services, including advice and information about entitlements.		
Program 1.1: Veterans' Income Support and Allowances		
This program delivers means-tested income support pensions and other allowances to eligible veterans and dependants under the <i>Veterans' Entitlements Act 1986</i> . Income support provides a regular means-tested payment for eligible veterans and their dependants with limited means.		
Key Activities	Providing financial support and compensation services for eligible veterans and families.	
Year	Performance measures	Expected performance results
Current Year 2025–26	<p>0.1 Client Satisfaction: Client satisfaction with delivery and access to key DVA programs (a)</p> <p>0.2 Wellbeing: DVA's contribution to client's physical and mental wellbeing after the provision of services (a)</p> <p>1.1 Timeliness: Percentage of claims processed within statutory and other timeliness targets</p> <p>1.3 Quality: Financial support and compensation services are accurate, and provided according to trauma-informed protocols</p>	<p>Target: 80%</p> <p>Target: 80%</p> <p>Target: ≥90% <i>Performance: Below target</i></p> <p>Target: ≥95% <i>Performance: On track to partially achieve target (b)</i></p>

Continued on next page

Year	Performance measures (c)	Planned performance results
Budget Year 2026–27	0.1 Client satisfaction: Client satisfaction with delivery and access to key DVA programs 0.2 Wellbeing: DVA's contribution to client's physical and mental wellbeing after provision of services 1.1 Timeliness: Percentage of claims processed within statutory and other timeliness targets 1.3 Quality: Financial support and compensation services are accurate, and provided according to trauma-informed protocols	≥80% ≥80% ≥90% ≥95%
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.1 resulting from 2026–27 Budget Measures: Nil.		

- (a) Client satisfaction and wellbeing performance measures are assessed via the department's annual Client Insights Survey, which is conducted in April 2026, with results available in June 2026. The details of DVA's performance results for 2025-26 will be reported within the annual performance statements, in DVA's 2025-26 Annual Report.
- (b) Tolerance scales apply to all performance measures and are used to assess final performance results in the department's annual performance statements. Expected performance results reflect current-year tracking against targets.
- (c) The full suite of DVA's performance measures and targets, including any changes, will be published in DVA's 2026-27 Corporate Plan.

Program 1.2: Veterans' Disability Support		
This program provides compensation in the form of disability compensation payments and ancillary benefits to eligible veterans for the tangible effects of war or defence service.		
Key Activities	Providing financial support and compensation services for eligible veterans and families.	
Year	Performance measures (a)	Expected performance results
Current Year 2025–26	0.1 Client Satisfaction: Client satisfaction with delivery and access to key DVA programs 0.2 Wellbeing: DVA's contribution to client's physical and mental wellbeing after the provision of services	Target 80% Target: 80%
Year	Performance measures (b)	Planned performance results
Budget Year 2026–27	0.1 Client satisfaction: Client satisfaction with delivery and access to key DVA programs 0.2 Wellbeing: DVA's contribution to client's physical and mental wellbeing after the provision of services	≥80% ≥80%
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.2 resulting from 2026–27 Budget Measures: Nil.		

- (a) Client satisfaction and wellbeing performance measures are assessed via the department's annual Client Insights Survey, which is conducted in April 2026, with results available in June 2026. The details of DVA's performance results for 2025-26 will be reported in the annual performance statements, in DVA's 2025-26 Annual Report.
- (b) The full suite of DVA's performance measures and targets, including any changes, will be published in DVA's 2026-27 Corporate Plan.

Program 1.3: Assistance to Defence Widow/ers and their Dependants		
The war widow/ers pension is part of a compensation package provided in recognition of the special circumstances and to compensate a widowed partner of a veteran, where there was a connection between the veteran’s death and service. Eligible children are also provided with financial support.		
Key Activities	Providing financial support and compensation services for eligible veterans and families.	
Year	Performance measures (a)	Expected performance results
Current Year 2025–26	0.1 Client Satisfaction: Client satisfaction with delivery and access to key DVA programs	Target: 80%
	0.2 Wellbeing: DVA’s contribution to client’s physical and mental wellbeing after the provision of services	Target: 80%
Year	Performance measures (b)	Planned performance results
Budget Year 2026–27	0.1 Client satisfaction: Client satisfaction with delivery and access to key DVA programs	≥80%
	0.2 Wellbeing: DVA’s contribution to client’s physical and mental wellbeing after the provision of services	≥80%
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.3 resulting from 2026–27 Budget Measures: Nil		

- (a) Client satisfaction and wellbeing performance measures are assessed via the department’s annual Client Insights Survey, which is conducted in April 2026, with results available in June 2026. The details of DVA’s performance results for 2025-26 will be reported within the annual performance statements, in DVA’s 2025-26 Annual Report.
- (b) The full suite of DVA’s performance measures and targets, including any changes, will be published in DVA’s 2026-27 Corporate Plan.

Program 1.4: Assistance and Other Compensation for Veterans and Dependants		
This program delivers other allowances and assistance to eligible veterans and dependants under the VEA and related legislation, including home insurance, funeral benefits, prisoner of war ex gratia payments, and payments on behalf of Commonwealth and allied countries. Assistance is also provided to the ex-service community via Building Excellence in Support and Training grants and the Advocacy Training and Development Program.		
Key Activities	Providing financial support and compensation services for eligible veterans and families.	
Year	Performance measures	Expected performance results
Current Year 2025–26	0.1 Client Satisfaction: Client satisfaction with delivery and access to key DVA programs (a) 0.2 Wellbeing: DVA's contribution to client's physical and mental wellbeing after the provision of services (a) 1.2 Quality: DSHI complies with/meets the requirements for the 2020 General Insurance Code of Practice	Target: 80% Target: 80% Target: ≥90% <i>Performance: On track to achieve target</i>
Year	Performance measures (b)	Planned performance results
Budget Year 2026–27	0.1 Client satisfaction: Client satisfaction with delivery and access to key DVA programs 0.2 Wellbeing: DVA's contribution to client physical and mental wellbeing after the provision of services 1.2 Quality: DSHI complies with/meets the requirements of the 2020 General Insurance Code of Practice	≥80% ≥80% ≥90%
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.4 resulting from 2026–27 Budget Measures: Nil		

- (a) Client satisfaction and wellbeing performance measures are assessed via the department's annual Client Insights Survey, which is conducted in April 2026, with results available in June 2026. The details of DVA's performance results for 2025-26 will be reported within the annual performance statements, in DVA's 2025-26 Annual Report.
- (b) The full suite of DVA's performance measures and targets, including any changes, will be published in DVA's 2026-27 Corporate Plan.

Program 1.5: Veterans' Children Education Scheme		
Under the Veterans' Children Education Scheme and the Military Rehabilitation and Compensation Act Education and Training Scheme, education allowances are paid to eligible children of ADF members who have died or been severely injured as a result of service. The schemes provide financial assistance, student support services, guidance and counselling for eligible students undertaking primary, secondary and tertiary full-time study within Australia.		
Key Activities	Providing financial support and compensation services for eligible veterans and families.	
Year	Performance measures (a)	Expected performance results
Current Year 2025–26	0.1 Client Satisfaction: Client satisfaction with delivery and access to key DVA programs 0.2 Wellbeing: DVA's contribution to client's physical and mental wellbeing after the provision of services	Target: 80% Target: 80%
Year	Performance measures (b)	Planned performance results
Budget Year 2026–27	0.1 Client satisfaction: Client satisfaction with delivery and access to key DVA programs 0.2 Wellbeing: DVA's contribution to client's physical and mental wellbeing after the provision of services	≥80% ≥80%
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.5 resulting from 2026–27 Budget Measures: Nil		

- (a) Client satisfaction and wellbeing performance measures are assessed via the department's annual Client Insights Survey, which is conducted in April 2026, with results available in June 2026. The details of DVA's performance results for 2025-26 will be reported within the annual performance statements, in DVA's 2025-26 Annual Report.
- (b) The full suite of DVA's performance measures and targets, including any changes, will be published in DVA's 2026-27 Corporate Plan.

Program 1.6: Veterans’ Military Rehabilitation and Compensation Acts Payments – Income Support and Compensation		
<p>This program provides compensation to eligible veterans and dependants under the DRCA, the MRCA and related legislation. The DRCA (and MRCA for injuries since 1 July 2004) provides coverage for injured ADF members to support their return to health, work and independence. There is also compensation for eligible dependants, and MRCA health care and other ancillary benefits.</p>		
Key Activities	Providing financial support and compensation services for eligible veterans and families.	
Year	Performance measures	Expected performance results
Current Year 2025–26	0.1 Client Satisfaction: Client satisfaction with delivery and access to key DVA programs (a) 0.2 Wellbeing: DVA’s contribution to client’s physical and mental wellbeing after the provision of services (a) 1.1 Timeliness: Percentage of claims processed within statutory and other timeliness targets 1.3 Quality: Financial support and compensation services are accurate, and provided according to trauma-informed protocols	Target: 80% Target: 80% Target: ≥90% <i>Performance: Below target</i> Target: ≥95% <i>Performance: On track to partially achieve target (b)</i>
Year	Performance measures (c)	Planned performance results
Budget Year 2026–27	0.1 Client satisfaction: Client satisfaction with delivery and access to key DVA programs 0.2 Wellbeing: DVA’s contribution to client’s physical and mental wellbeing after the provision of services 1.1 Timeliness: Percentage of claims processed within statutory and other timeliness targets. 1.3 Quality: Financial support and compensation services are accurate, and provided according to trauma-informed protocols	≥80% ≥80% ≥90% ≥95%
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 1.6 resulting from 2026–27 Budget Measures: Nil		

- (a) Client satisfaction and wellbeing performance measures are assessed via the department’s annual Client Insights Survey, which is conducted in April 2026, with results available in June 2026. The details of DVA’s performance results for 2025-26 will be reported within the annual performance statements, in DVA’s 2025-26 Annual Report.
- (b) Tolerance scales apply to all performance measures and are used to assess final performance results in the department’s annual performance statements. Expected performance results reflect current-year tracking against targets.
- (c) The full suite of DVA’s performance measures and targets, including any changes, will be published in DVA’s 2026-27 Corporate Plan.

2.2 Budgeted expenses and performance for Outcome 2

Outcome 2: Maintain and enhance the physical and mental wellbeing and quality of life of eligible persons and their dependants through health and other care services that promote early intervention, prevention and treatment, including advice and information about health service entitlements.

Linked programs

<p>Department of Health, Disability and Ageing</p> <p>Programs</p> <ul style="list-style-type: none"> • Program 1.4 – Health Workforce • Program 1.9 – Immunisation • Program 2.1 – Medical Benefits • Program 2.3 – Pharmaceutical Benefits • Program 2.5 – Dental Services • Program 3.2 – Aged Care Services
<p>Services Australia</p> <p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Strategy and Corporate Enabling • Program 1.2 – Customer Service Delivery • Program 1.3 – Technology and Transformation
<p>The Treasury</p> <p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Housing Australia Future Fund • Program 1.4 – Commonwealth-State Financial Relations
<p>Contribution to Outcome 2 made by linked programs</p> <p>DVA works closely with other Commonwealth entities to ensure that health and community programs for veterans align with the mainstream health system, and to realise effective delivery of health and community services to the veteran community.</p>

Budgeted expenses for Outcome 2

The following table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as Administered and Departmental funding sources.

Table 2.2.1a: Budgeted expenses requiring an appropriation in the budget year for Outcome 2

Outcome 2:	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 2.1: General Medical Consultations and Services					
Administered Expenses					
Special Appropriations	719,550	707,940	620,680	586,873	566,169
Total expenses for program 2.1	719,550	707,940	620,680	586,873	566,169
Program 2.2: Veterans' Hospital Services					
Administered Expenses					
Special Appropriations	1,097,613	1,119,961	1,144,168	1,143,045	1,167,120
Total expenses for program 2.2	1,097,613	1,119,961	1,144,168	1,143,045	1,167,120
Program 2.3: Veterans' Pharmaceuticals Benefits					
Administered Expenses					
Special Appropriations	452,590	386,240	391,518	380,761	377,352
Total expenses for program 2.3	452,590	386,240	391,518	380,761	377,352
Program 2.4: Veterans' Community Care and Support					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1)	41,962	15,297	8,189	6,274	4,331
Special Appropriations	1,385,045	1,419,133	1,438,657	1,404,189	1,296,576
Total expenses for program 2.4	1,427,007	1,434,430	1,446,846	1,410,463	1,300,907
Program 2.5: Veterans' Counselling and Other Health Services					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1)	10,890	7,991	13,417	21,720	24,959
Special Appropriations	781,423	714,337	710,416	698,964	705,118
Total expenses for program 2.5	792,313	722,328	723,833	720,684	730,077

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Table 2.2.1a: Budgeted expenses requiring an appropriation in the budget year for Outcome 2 (continued)

Outcome 2:	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 2.6: Military Rehabilitation and Compensation Acts - Health and Other Care Services					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1)	2,688	2,759	2,829	2,891	2,958
Special Appropriations	740,776	1,365,177	1,245,075	1,157,996	943,736
Total expenses for program 2.6 (a)	743,464	1,367,936	1,247,904	1,160,887	946,694
Outcome 2 Total expenses requiring an appropriation in the budget year					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1)	55,540	26,047	24,435	30,885	32,248
Special Appropriations	5,176,997	5,712,788	5,550,514	5,371,828	5,056,071
Administered total	5,232,537	5,738,835	5,574,949	5,402,713	5,088,319
Departmental Expenses					
Departmental appropriation	213,762	240,155	220,926	213,182	201,393
s74 External Revenue (b)	241	239	239	239	239
Departmental total	214,003	240,394	221,165	213,421	201,632
Total expenses requiring appropriation in the budget year for Outcome 2	5,446,540	5,979,229	5,796,114	5,616,134	5,289,951

(a) Program 2.6 reflects budgeted expenses to be incurred in the budget year for health care payments under the Safety, Rehabilitation and Compensation (Defence-related Claims) Act 1988 (DRCA) and the Military Rehabilitation and Compensation Act 2004 (MRCA).

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

Table 2.2.1b: Budgeted expenses not requiring an appropriation in the budget year for Outcome 2

Outcome 2:	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 2.7: Adjustment to the Military Rehabilitation and Compensation Acts Liability Provision - Health and other Care Services					
Administered Expenses					
Expenses not requiring an appropriation in the Budget year (c)	5,525,900	5,842,900	6,167,900	6,504,000	6,504,000
Total expenses for program 2.7	5,525,900	5,842,900	6,167,900	6,504,000	6,504,000
Outcome 2 Totals not requiring an appropriation in the budget year					
Administered Expenses					
Expenses not requiring an appropriation in the Budget year (c)	5,525,900	5,842,900	6,167,900	6,504,000	6,504,000
Administered total	5,525,900	5,842,900	6,167,900	6,504,000	6,504,000
Departmental Expenses					
Expenses not requiring an appropriation in the Budget year (d)	11,377	11,593	11,596	11,870	11,870
Departmental total	11,377	11,593	11,596	11,870	11,870
Total expenses not requiring appropriation in the budget year for Outcome 2	5,537,277	5,854,493	6,179,496	6,515,870	6,515,870

(c) Administered expenses not requiring appropriation in the Budget year reflects accrual accounting movements in the balance of the Military Compensation Scheme provision and reflect future expenses to be paid over the term that the department is supporting a veteran. These budgets reflect expenses that do not impact the underlying cash balance in the year they are reported.

(d) Expenses not requiring appropriation in the Budget year are made up of depreciation/amortisation expenses, make good expenses, and audit fees.

Table 2.2.1c: Total Budgeted Expenses for Outcome 2

Outcome 2:	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Outcome 2 Total expenses					
Administered Expenses					
Requiring an appropriation	5,232,537	5,738,835	5,574,949	5,402,713	5,088,319
Not requiring an appropriation	5,525,900	5,842,900	6,167,900	6,504,000	6,504,000
Administered total	10,758,437	11,581,735	11,742,849	11,906,713	11,592,319
Departmental Expenses					
Requiring an appropriation	214,003	240,394	221,165	213,421	201,632
Not requiring an appropriation	11,377	11,593	11,596	11,870	11,870
Departmental total	225,380	251,987	232,761	225,291	213,502
Total expenses for Outcome 2	10,983,817	11,833,722	11,975,610	12,132,004	11,805,821
Movement of administered funds between years					
	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 2.4 Veterans' Community Care and Support	(2,440)	2,440	-	-	-

	2025-26	2026-27
Average Staffing Level (number)	1,079	1,046

Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

Note: Departmental appropriation splits and totals are indicative estimates and may change during the budget year as government priorities change.

Table 2.2.2: Program components of Outcome 2

Program 2.1: General Medical Consultations and Services

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Special Appropriations:					
<i>Veterans' Entitlements Act 1986</i>					
GP consultations	96,959	116,678	117,572	116,282	117,250
Specialist consultations	102,946	117,526	118,364	116,965	117,876
Medical services	438,937	400,364	295,882	266,817	244,161
Dental	80,708	73,372	88,862	86,809	86,882
Total program expenses	719,550	707,940	620,680	586,873	566,169

Program 2.2: Veterans' Hospital Services

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Special Appropriations:					
<i>Veterans' Entitlements Act 1986</i>					
Public hospitals	456,947	411,032	420,078	419,667	428,499
Private hospitals	636,686	705,346	720,859	720,153	735,322
Nursing homes	3,980	3,583	3,231	3,225	3,299
Total program expenses	1,097,613	1,119,961	1,144,168	1,143,045	1,167,120

Program 2.3: Veterans' Pharmaceuticals Benefits

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Special Appropriations:					
<i>Veterans' Entitlements Act 1986</i>					
Pharmaceutical services	452,590	386,240	391,518	380,761	377,352
Total program expenses	452,590	386,240	391,518	380,761	377,352

Program 2.4: Veterans' Community Care and Support

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Annual Administered Expenses:					
Ordinary annual services (Appropriation Bill No. 1)					
Grants-In-Aid	360	145	145	145	145
Veterans' Acute Housing (a)	1,200	1,200	1,200	1,200	-
Veteran Employment Program	250	-	-	-	-
Veteran Wellbeing Grants	11,611	6,623	5,309	4,492	4,186
Veterans' and Families' Hubs	24,845	5,585	643	437	-
Psychiatry Training Program	850	1,744	892	-	-
Supporting Invictus Australia	2,846	-	-	-	-
Special Appropriations:					
<i>Veterans' Entitlements Act 1986</i>					
Residential care	919,158	921,136	936,290	947,685	954,107
Community nursing	311,983	311,014	311,561	293,652	193,677
Veterans' Home Care	143,078	175,333	177,998	148,704	135,252
In-home respite	9,246	10,028	11,144	12,447	11,800
Carer and volunteer support	1,575	1,617	1,659	1,696	1,735
<i>Public Governance, Performance and Accountability Act 2013</i>					
Section 77 Repayments	5	5	5	5	5
Total program expenses	1,427,007	1,434,430	1,446,846	1,410,463	1,300,907

- (a) The department administers grant payments on behalf of the Department of the Treasury, under section 18 of the *Housing Australia Future Fund (HAFF) Act 2023*, for the HAFF Payments Special Account. The HAFF expenditure estimates are reported in the Treasury Portfolio Budget Statements.

Program 2.5: Veterans' Counselling and Other Health Services

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Annual Administered Expenses:					
Ordinary annual services (Appropriation Bill No. 1)					
Counselling support & children's assistance	949	975	998	1,019	1,042
Kookaburra kids	5,600	-	-	-	-
Compensation and legal expenses	70	72	74	76	78
Veterans' Vocational Rehabilitation Scheme	413	427	438	438	449
Health & medical research	3,187	5,829	11,201	19,465	22,652
Wellbeing and Support Program (VEA component)	671	688	706	722	738
Special Appropriations:					
<i>Veterans' Entitlements Act 1986</i>					
Travel for treatment	135,744	-	-	-	-
Subsistence	7,726	8,668	8,886	8,886	9,109
Open Arms	138,364	145,310	140,033	138,999	142,196
Non-institutional care - services	270,496	315,716	314,268	305,609	304,466
Non-institutional care - products	60,081	58,831	51,112	49,615	49,402
Rehabilitation appliances	153,118	163,669	167,598	167,270	170,954
Psychiatric Assistance Dogs	4,154	4,400	4,504	4,597	4,703
Health treatment for British Commonwealth and Allied veterans	3,077	5,826	5,947	5,947	5,947
<i>Australian Participants in British Nuclear Tests and British Commonwealth Occupation Force (Treatment) Act 2006</i>					
Nuclear test health care payments	7,075	10,289	13,647	13,620	13,920
<i>Treatment Benefits Act (Special Access) 2019</i>					
Health Care for Southeast Asia Treaty Organisation personnel	1,588	1,628	4,421	4,421	4,421
Total program expenses	792,313	722,328	723,833	720,684	730,077

Program 2.6: Military Rehabilitation and Compensation Acts - Health and Other Care Services

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Annual Administered Expenses:					
Ordinary annual services (Appropriation Bill No. 1)					
Wellbeing and Support Program (DRCA component)	1,008	1,035	1,061	1,084	1,109
Wellbeing and Support Program (MRCA component)	1,680	1,724	1,768	1,807	1,849
Special Appropriations:					
<i>Safety, Rehabilitation and Compensation (Defence-related Claims) Act 1988</i>					
Medical services	9,271	10,060	1,836	-	-
Rehabilitation services	4,602	7,012	7,279	7,184	5,186
Other services	50,011	259	634	634	697
Psychiatric Assistance Dogs	200	211	225	238	251
<i>Military Rehabilitation and Compensation Act 2004</i>					
Medical services	544,439	934,491	796,697	711,916	499,972
Rehabilitation services	51,970	63,186	66,015	65,956	65,963
Other services	76,283	345,748	368,128	367,768	367,328
Psychiatric Assistance Dogs	4,000	4,210	4,261	4,300	4,339
Total program expenses	743,464	1,367,936	1,247,904	1,160,887	946,694

Program 2.7: Adjustment to the Military Rehabilitation and Compensation Acts Liability Provision - Health and Other Care Services

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Administered Expenses:					
Expenses not requiring appropriation in the Budget year	5,525,900	5,842,900	6,167,900	6,504,000	6,504,000
Total program expenses	5,525,900	5,842,900	6,167,900	6,504,000	6,504,000

Table 2.2.3: Performance measures for Outcome 2

Table 2.2.3 details the performance measures for each program associated with Outcome 2. It is used by entities to describe the results they plan to achieve and the related key activities, as detailed in the current corporate plan (i.e. 2025-26), the context in which these activities are delivered, and how the performance of these activities will be measured. Where relevant, details of the 2026–27 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 2 – Maintain and enhance the physical and mental wellbeing and quality of life of eligible persons and their dependants through health and other care services that promote early intervention, prevention and treatment, including advice and information about health service entitlements.		
Program 2.1 – General Medical Consultations and Services DVA has arrangements in place with medical and allied health practitioners in both the public and private sectors to deliver a comprehensive range of services throughout Australia, provided in hospitals, in providers' rooms and in the homes of veterans and families. To ensure that eligible veterans and dependants are able to access necessary services, DVA will either pay for travel to the nearest service provider or pay a provider to travel to other locations to provide services to eligible veterans and dependants.		
Key Activities	Providing access to health, rehabilitation, physical and mental wellbeing and care services for veterans and families.	
Year	Performance measures (a)	Expected performance results
Current Year 2025–26	0.1 Client Satisfaction: Client satisfaction with delivery and access to key DVA programs	Target: 80%
	0.2 Wellbeing: DVA's contribution to client's physical and mental wellbeing after the provision of services	Target: 80%
Year	Performance measures (b)	Planned performance results
Budget Year 2026–27	0.1 Client satisfaction: Client satisfaction with delivery and access to key DVA programs	≥80%
	0.2 Wellbeing: DVA's contribution to client's physical and mental wellbeing after the provision of services	≥80%
	2.2 Timeliness: Percentage of health, rehabilitation and care services provided within statutory and other timeliness targets	≥80%
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 2.1 resulting from 2026–27 Budget Measures: Nil		

- (a) Client satisfaction and wellbeing performance measures are assessed via the department's annual Client Insights Survey, which is conducted in April 2026, with results available in June 2026. The details of DVA's performance results for 2025-26 will be reported within the annual performance statements, in DVA's 2025-26 Annual Report.
- (b) The full suite of DVA's performance measures and targets, including any changes, will be published in DVA's 2026-27 Corporate Plan.

Program 2.2 – Veterans’ Hospital Services		
This program provides access to inpatient and outpatient hospital services for eligible veterans through arrangements with private hospitals, day procedure centres and mental health hospitals, as well as all public hospitals operated by the state and territory governments.		
Key Activities	Providing access to health, rehabilitation, physical and mental wellbeing and car services for veterans and families.	
Year	Performance measures (a)	Expected performance results
Current Year 2025–26	0.1 Client Satisfaction: Client satisfaction with delivery and access to key DVA programs	Target: 80%
	0.2 Wellbeing: DVA’s contribution to client’s physical and mental wellbeing after the provision of services	Target: 80%
Year	Performance measures (b)	Planned performance results
Budget Year 2026–27	0.1 Client satisfaction: Client satisfaction with delivery and access to key DVA programs	≥80%
	0.2 Wellbeing: DVA’s contribution to client’s physical and mental wellbeing after the provision of services	≥80%
	2.2 Timeliness: Percentage of health, rehabilitation and care services provided within statutory and other timeliness targets	≥80%
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 2.2 resulting from 2026–27 Budget Measures: Nil		

- (a) Client satisfaction and wellbeing performance measures are assessed via the department’s annual Client Insights Survey, which is conducted in April 2026, with results available in June 2026. The details of DVA’s performance results for 2025-26 will be reported within the annual performance statements, in DVA’s 2025-26 Annual Report.
- (b) The full suite of DVA’s performance measures and targets, including any changes, will be published in DVA’s 2026-27 Corporate Plan.

Program 2.3 – Veterans’ Pharmaceutical Benefits		
The Repatriation Pharmaceutical Benefits Scheme provides clients with access to a comprehensive range of pharmaceuticals and wound dressings for the treatment of their health care needs, including items available to the broader Australian community under the Pharmaceutical Benefits Scheme.		
Key Activities	Providing access to health, rehabilitation, physical and mental wellbeing and care services for veterans and families.	
Year	Performance measures (a)	Expected performance results
Current Year 2025–26	0.1 Client Satisfaction: Client satisfaction with delivery and access to key DVA programs	Target: 80%
	0.2 Wellbeing: DVA’s contribution to client’s physical and mental wellbeing after the provision of services	Target: 80%
Year	Performance measures (b)	Planned performance results
Budget Year 2026–27	0.1 Client satisfaction: Client satisfaction with delivery and access to key DVA programs	≥80%
	0.2 Wellbeing: DVA’s contribution to client’s physical and mental wellbeing after the provision of services	≥80%
	2.2 Timeliness: Percentage of health, rehabilitation and care services provided within statutory and other timeliness targets	≥80%
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 2.3 resulting from 2026–27 Budget Measures: Nil		

- (a) Client satisfaction and wellbeing performance measures are assessed via the department’s annual Client Insights Survey, which is conducted in April 2026, with results available in June 2026. The details of DVA’s performance results for 2025-26 will be reported within the annual performance statements, in DVA’s 2025-26 Annual Report.
- (b) The full suite of DVA’s performance measures and targets, including any changes, will be published in DVA’s 2026-27 Corporate Plan.

Program 2.4 – Veterans’ Community Care and Support		
DVA manages community support and residential aged care programs for clients, including the Veterans’ Home Care program and the Community Nursing program, which aim to support people to remain independent in their homes and improve their quality of life and health. This program also provides subsidies and supplements for DVA clients living in residential care facilities.		
Key Activities	Providing access to health, rehabilitation, physical and mental wellbeing and care services for veterans and families. Supporting transition and employment for veterans and families.	
Year	Performance measures	Expected performance results
Current Year 2025–26	0.1 Client satisfaction: Client satisfaction with delivery and access to key DVA programs (a) 0.2 Wellbeing: DVA’s contribution to client’s physical and mental wellbeing after the provision of services (a) 2.4 Effectiveness and awareness: The percentage of transitioning personnel who have a MyService account set up with DVA	Target: 80% Target: 80% Target: ≥80% <i>Performance: On track to achieve target</i>
Year	Performance measures (b)	Planned performance results
Budget Year 2026–27	0.1 Client satisfaction: Client satisfaction with delivery and access to key DVA programs 0.2 Wellbeing: DVA’s contribution to client’s physical and mental wellbeing after the provision of services 2.2 Timeliness: Percentage of health, rehabilitation and care services provided within statutory and other timeliness targets 2.4 Effectiveness and awareness: The percentage of transitioning personnel who have a MyService account set up with DVA	≥80% ≥80% ≥80% ≥80%
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 2.4 resulting from 2026–27 Budget Measures: Nil		

- (a) Client satisfaction and wellbeing performance measures are assessed via the department’s annual Client Insights Survey, which is conducted in April 2026, with results available in June 2026. The details of DVA’s performance results for 2025-26 will be reported within the annual performance statements, in DVA’s 2025-26 Annual Report.
- (b) The full suite of DVA’s performance measures and targets, including any changes, will be published in DVA’s 2026-27 Corporate Plan.

Program 2.5 – Veterans’ Counselling and Other Health Services		
This program provides a wide range of mental and allied health care services, including counselling and referral services for veterans and families. The program also supports eligible veterans and families with funding for aids and appliances, and travel for treatment.		
Key Activities	Providing access to health, rehabilitation, physical and mental wellbeing and care services for veterans and families. Supporting transition and employment for veterans and families.	
Year	Performance measures	Expected performance results
Current Year 2025–26	0.1 Client satisfaction: Client satisfaction with delivery and access to key DVA programs (a) 0.2 Wellbeing: DVA’s contribution to client’s physical and mental wellbeing after the provision of services (a) 2.1 Timeliness: Percentage of clients allocated to a peer worker, group treatment, or an Open Arm’s clinician, within two weeks of intake 2.4 Effectiveness and awareness: The percentage of transitioning personnel who have a MyService account set up with DVA	Target: 80% Target: 80% Target: ≥80% <i>Performance: On track to achieve target</i> Target: ≥80% <i>Performance: On track to achieve target</i>
Year	Performance measures (b)	Planned performance results
Budget Year 2026–27	0.1 Client satisfaction: Client satisfaction with delivery and access to key DVA programs 0.2 Wellbeing: DVA’s contribution to client’s physical and mental wellbeing after the provision of services 2.1 Timeliness: Percentage of clients allocated to a peer worker, group treatment, or an Open Arm’s clinician, within two weeks of intake 2.2 Timeliness: Percentage of health, rehabilitation and care services provided within statutory and other timeliness targets 2.4 Effectiveness and awareness: The percentage of transitioning personnel who have a MyService account set up with DVA	≥80% ≥80% ≥80% ≥80% ≥80%
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 2.5 resulting from 2026–27 Budget Measures: Nil		

- (a) Client satisfaction and wellbeing performance measures are assessed via the department’s annual Client Insights Survey, which is conducted in April 2026, with results available in June 2026. The details of DVA’s performance results for 2025-26 will be reported within the annual performance statements, in DVA’s 2025-26 Annual Report.
- (b) The full suite of DVA’s performance measures and targets, including any changes, will be published in DVA’s 2026-27 Corporate Plan.

Program 2.6 – Military Rehabilitation and Compensation Acts – Health and Other Care Services		
DVA arranges for the provision of rehabilitation, medical and other related services under the DRCA, the MRCA and related legislation. The services include payment for medical treatment, rehabilitation services, attendant care and household services.		
Key Activities	Providing access to health, rehabilitation, physical and mental wellbeing and care services for veterans and families. Supporting transition and employment for veterans and families.	
Year	Performance measures	Expected performance results
Current Year 2025–26	0.1 Client satisfaction: Client satisfaction with delivery and access to key DVA programs (a) 0.2 Wellbeing: DVA's contribution to client's physical and mental wellbeing after the provision of services (a) 2.2 Timeliness: Percentage of health, rehabilitation and care services provided within statutory and other timeliness targets 2.3 Quality: Percentage of clients where rehabilitation goals were met or exceeded 2.4 Effectiveness and awareness: The percentage of transitioning personnel who have a MyService account set up with DVA	Target: 80% Target: 80% Target: ≥80% <i>Performance: On track to achieve target</i> Target: ≥80% <i>Performance: On track to achieve target</i> Target: ≥80% <i>Performance: On track to achieve target</i>
Year	Performance measures (b)	Planned performance results
Budget Year 2026–27	0.1 Client satisfaction: Client satisfaction with delivery and access to key DVA programs 0.2 Wellbeing: DVA's contribution to client's physical and mental wellbeing after the provision of services 2.2 Timeliness: Percentage of health, rehabilitation and care services provided within statutory and other timeliness targets 2.3 Quality: Percentage of clients where rehabilitation goals were met or exceeded 2.4 Effectiveness and awareness: The percentage of transitioning personnel who have a MyService account set up with DVA	≥80% ≥80% ≥80% ≥80% ≥80%
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 2.6 resulting from 2026–27 Budget Measures: Nil		

- (a) Client satisfaction and wellbeing performance measures are assessed via the department's annual Client Insights Survey, which is conducted in April 2026, with results available in June 2026. The details of DVA's performance results for 2025-26 will be reported within the annual performance statements, in DVA's 2025-26 Annual Report.
- (b) The full suite of DVA's performance measures and targets, including any changes, will be published in DVA's 2026-27 Corporate Plan.

2.3 Budgeted expenses and performance for Outcome 3

Outcome 3: Acknowledgement and commemoration of those who served Australia and its allies in wars, conflicts and peace operations through promoting recognition of service and sacrifice, preservation of Australia’s wartime heritage, and official commemorations.

Budgeted expenses for Outcome 3

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 Administered and Departmental funding sources.

Table 2.3.1a: Budgeted expenses requiring an appropriation in the budget year for Outcome 3

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 3.1: War Graves					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1)	28,266	29,808	28,534	30,711	31,445
Special Accounts	45	45	45	45	45
Total expenses for program 3.1	28,311	29,853	28,579	30,756	31,490
Program 3.2: Commemorative Activities					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1)	21,543	20,601	21,017	21,415	21,833
Total expenses for program 3.2	21,543	20,601	21,017	21,415	21,833

Continued on next page

Table 2.3.1a: Budgeted expenses requiring an appropriation in the budget year for Outcome 3 (continued)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Outcome 3 Total expenses requiring an appropriation in the budget year					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1)	49,809	50,409	49,551	52,126	53,278
Special Accounts	45	45	45	45	45
Administered total	49,854	50,454	49,596	52,171	53,323
Departmental Expenses					
Departmental appropriation	19,277	22,330	23,823	23,548	21,791
Departmental total	19,277	22,330	23,823	23,548	21,791
Total expenses requiring an appropriation in the budget year for Outcome 3	69,131	72,784	73,419	75,719	75,114

Table 2.3.1b: Budgeted expenses not requiring an appropriation in the budget year for Outcome 3

Outcome 3:	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 3.1: War Graves					
Administered Expenses					
Expenses not requiring appropriation in the Budget year (a)	5,242	2,843	2,891	574	574
Administered total	5,242	2,843	2,891	574	574
Total expenses not requiring appropriation in the budget Year for Outcome 3	5,242	2,843	2,891	574	574

(a) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, and audit fees.

Table 2.3.1c: Total Budgeted Expenses for Outcome 3

Outcome 3:	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Outcome 3 Total Expenses					
Administered Expenses					
Requiring an appropriation	49,854	50,454	49,596	52,171	53,323
Not requiring an appropriation	5,242	2,843	2,891	574	574
Administered total	55,096	53,297	52,487	52,745	53,897
Departmental Expenses					
Requiring an appropriation	19,277	22,330	23,823	23,548	21,791
Not requiring an appropriation	2,438	2,446	2,446	2,446	2,446
Departmental total	21,715	24,776	26,269	25,994	24,237
Total expenses for Outcome 3	76,811	78,073	78,756	78,739	78,134
Movement of administered funds between years					
	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 3.1 War Graves - War graves care & maintenance	(1,558)	1,558	-	-	-
Program 3.1 War Graves - War graves care & maintenance - administered capital	(555)	555			
Total movement of administered funds	(2,113)	2,113	-	-	-
Average Staffing Level (number)	2025-26 124	2026-27 120			

Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

Note: Departmental appropriation splits and totals are indicative estimates and may change during the budget year as government priorities change.

Table 2.3.2: Program components of Outcome 3

Program 3.1: War Graves

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Annual Administered Expenses:					
Ordinary annual services (Appropriation Bill No. 1)					
War graves care & maintenance	26,202	28,365	27,055	27,735	28,432
War graves refurbishment, reconstruction & relocation	2,059	1,438	1,474	1,511	1,548
Compensation and legal expenses	5	5	5	5	5
Special Account Expenses:					
Services for Other Entities and Trust Moneys	45	45	45	45	45
Total program expenses excluding expenses not requiring appropriation	28,311	29,853	28,579	29,296	30,030
Expenses not requiring appropriation in the Budget year	5,242	2,843	2,891	574	574
Total program expenses	33,553	32,696	31,470	29,870	30,604

Program 3.2: Commemorative Activities

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Annual Administered Expenses:					
Ordinary annual services (Appropriation Bill No. 1)					
Veterans' commemorative activities	16,632	17,101	17,517	17,915	18,333
Saluting Their Service	4,911	3,500	3,500	3,500	3,500
Total program expenses	21,543	20,601	21,017	21,415	21,833

Table 2.3.3: Performance measures for Outcome 3

Table 2.3.3 details the performance measures for each program associated with Outcome 3. It is used by entities to describe the results they plan to achieve and the related key activities, as detailed in the current corporate plan (i.e. 2025-26), the context in which these activities are delivered, and how the performance of these activities will be measured. Where relevant, details of the 2026–27 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 3 – Acknowledgement and commemoration of those who served Australia and its allies in wars, conflicts and peace operations through promoting recognition of service and sacrifice, preservation of Australia’s wartime heritage, and official commemorations.		
Program 3.1 – War Graves This program acknowledges and commemorates veterans’ service and sacrifice and promotes an increased understanding of Australia’s wartime history. To meet the Australian Government’s commitment, the Office of Australian War Graves cares for and maintains official commemorations and sites of collective official commemoration to the standards set by the Commonwealth War Graves Commission.		
Key Activities	Recognise the service of veterans who served in wars, conflicts and peace operations and their families.	
Year	Performance measures	Expected performance results
Current Year 2025–26	0.1 Client satisfaction: Client satisfaction with delivery and access to key DVA programs (a) 0.2 Wellbeing: DVA’s contribution to client’s physical and mental wellbeing after the provision of services (a) 3.1 Timeliness: Official war graves commemorations are offered to families in a timely manner in recognition of the service and sacrifice of eligible veterans who have served in war, conflict or peace operations (b) 3.2 Quality: Official war graves commemorations are maintained to recognise the service and sacrifice of eligible veterans who have served in war, conflict or peace operations (c)	Target: 80% Target: 80% ≤7 days Target: ≥80% client satisfaction

Continued on next page

Year	Performance measures (d)	Planned performance results
Budget Year 2026–27	0.1 Client satisfaction: Client satisfaction with delivery and access to key DVA programs 0.2 Wellbeing: DVA’s contribution to client’s physical and mental wellbeing after the provision of services 3.1 Timeliness: Official war graves commemorations are offered to families in a timely manner in recognition of the service and sacrifice of eligible veterans who have served in war, conflict or peace operations 3.2 Quality: Official war graves commemorations are maintained to recognise the service and sacrifice of eligible veterans who have served in war, conflict or peace operations	≥80% ≥80% ≤7 days ≥80% client satisfaction
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 3.1 resulting from 2026–27 Budget Measures: Nil		

- (a) Client satisfaction and wellbeing performance measures are assessed via the department’s annual Client Insights Survey, which is conducted in April 2026, with results available in June 2026. The details of DVA’s performance results for 2025-26 will be reported within the annual performance statements, in DVA’s 2025-26 Annual Report.
- (b) The performance result for measure 3.1 was not available at the time of preparing these statements and will be reported in the department’s 2025-26 annual performance statements.
- (c) This performance measure is assessed via both the War Graves Commemoration survey and Client Insights Survey which is conducted in April 2026, with results available in June 2026. The details of DVA’s performance results for 2025-26 will be reported within the annual performance statements, in DVA’s 2025-26 Annual Report.
- (d) The full suite of DVA’s performance measures and targets, including any changes, will be published in DVA’s 2026-27 Corporate Plan.

Program 3.2 – Commemorative Activities		
Commemorative activities are delivered to enable the community to better understand, acknowledge and commemorate the service and sacrifice of the men and women who have served Australia in wars, conflicts and peace operations.		
Key Activities	Recognise the service of veterans who served in wars, conflicts and peace operations and their families.	
Year	Performance measures	Expected performance results
Current Year 2025–26	0.1 Client satisfaction: Client satisfaction with delivery and access to key DVA programs (a) 0.2 Wellbeing: DVA's contribution to client's physical and mental wellbeing after the provision of services (a) 3.3 Awareness: Deliver commemorative events to build community awareness for Anzac Day and significant anniversaries in recognition of the sacrifice of veterans who have served Australia in wars, conflicts and peace operations (b)	Target: 80% Target: 80% Target: Delivered as scheduled <i>Performance: On track to achieve target</i>
Year	Performance measures (c)	Planned performance results
Budget Year 2026–27	0.1 Client satisfaction: Client satisfaction with delivery and access to key DVA programs 0.2 Wellbeing: DVA's contribution to client's physical and mental wellbeing after the provision of services 3.3 Awareness: Deliver commemorative events to build community awareness for Anzac Day and significant anniversaries in recognition of the sacrifice of veterans who have served Australia in wars, conflicts and peace operations	≤80% ≤80% Delivered as scheduled
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 3.2 resulting from 2026–27 Budget Measures: Nil.		

- (a) Client satisfaction and wellbeing performance measures are assessed via the department's annual Client Insights Survey, which is conducted in April 2026, with results available in June 2026. The details of DVA's performance results for 2025-26 will be reported within the annual performance statements, in DVA's 2025-26 Annual Report.
- (b) To strengthen alignment between intent, activity and outcome, there has been a refinement to the wording of this performance measure. Further details will be published within the annual performance statements in DVA's 2025-26 Annual Report.
- (c) The full suite of DVA's performance measures and targets, including any changes, will be published in DVA's 2026-27 Corporate Plan.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026-27 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 differences between entity resourcing and the financial statements. These differences are caused by the accounting treatment for the departmental capital budget that was implemented under net cost of services through Operation Sunlight.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The budgeted financial statements reflect the financial results of two reporting entities: Department of Veterans' Affairs (DVA), and Defence Service Homes Insurance Scheme (DSHIS).

The budgeted DVA and DSHIS financial statements form the basis of the financial statements that will appear in the organisation's Annual Report, and input into the whole-of-government accounts. The budgeted financial statements are prepared on an accrual basis in accordance with the Australian Equivalents to International Financial Reporting Standards (AEIFRS).

Departmental (DVA)

DVA is budgeting for a breakeven operating result in 2026-27. Total expenses for 2026-27 is estimated to be \$777.9 million, an increase of \$3.1 million from 2025-26.

Departmental (DSHIS)

DSHIS is budgeting for a breakeven operating result in 2026-27. Revenue for 2026-27 is expected to be \$62.5 million, a decrease of \$1.3 million from 2025-26, as a result of reduced insurance premium revenue.

Administered statements

The Department will administer \$14.6 billion of administered expense in the 2026-27 financial year, excluding the movement in the Military Compensation Scheme liability provisions and nominal interest relating to the provisions.

3.2 Budgeted financial statements tables

**Table 3.1a: Departmental comprehensive income statement (Amalgamated)
(showing net cost of services) (for the period ended 30 June)**

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
EXPENSES					
Employee benefits	417,643	417,263	416,171	418,018	420,090
Supplier expenses	254,096	270,234	266,239	238,209	208,101
Depreciation and amortisation (a)	41,536	41,891	41,902	42,731	42,731
Insurance claims	60,740	47,462	50,155	53,364	58,517
Other expenses	743	1,046	1,046	1,088	1,088
Total expenses	774,758	777,896	775,513	753,410	730,527
LESS:					
OWN-SOURCE INCOME					
Revenue					
Net premium revenue	58,310	56,996	60,091	63,497	68,847
Rendering of services	8,098	8,340	15,512	16,040	8,846
Resources received free of charge	1,058	1,063	1,063	1,063	1,063
Other revenue	5,300	5,315	5,364	5,632	5,914
Total revenue	72,766	71,714	82,030	86,232	84,670
Total own-source income	72,766	71,714	82,030	86,232	84,670
Net cost of services	701,992	706,182	693,483	667,178	645,857
Revenue from Government (b)	653,941	687,775	675,065	647,931	626,610
Surplus/(Deficit) attributable to the Australian Government	(48,051)	(18,407)	(18,418)	(19,247)	(19,247)
OTHER COMPREHENSIVE INCOME					
Changes in assets revaluation reserve	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income/ (loss) attributable to the Australian Government	(48,051)	(18,407)	(18,418)	(19,247)	(19,247)

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**Table 3.1a: Departmental comprehensive income statement (Amalgamated)
(showing net cost of services) (for the period ended 30 June) (continued)**

Note: Impact of net cash appropriation arrangements

	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000
Total comprehensive income/(loss) - as per the statement of comprehensive income	(48,051)	(18,407)	(18,418)	(19,247)	(19,247)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	19,969	20,324	20,335	21,164	21,164
plus: depreciation/amortisation expenses for ROU assets (c)	21,567	21,567	21,567	21,567	21,567
less: lease principal repayments (c)	(23,485)	(23,484)	(23,484)	(23,484)	(23,484)
Net Cash Operating Surplus / (Deficit)	(30,000)	-	-	-	-

Prepared on Australian Accounting Standards basis.

(a) From 2010-11, the Government introduced net cash appropriation arrangements that provided non-corporate Commonwealth entities with a separate Departmental Capital Budget (DCB) under Appropriation Bill (No. 1). This replaced revenue appropriations provided under Appropriation Bill (No. 1) used for the depreciation/amortisation expenses. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.

(b) Includes \$32.7 million that is under administrative quarantine in 2025-26 and is yet to be released.

(c) Applies leases under AASB 16 Leases.

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

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	30,194	30,327	30,275	30,275	30,275
Trade and other receivables	56,593	57,119	60,091	63,356	66,945
Appropriation receivables	80,557	80,852	80,852	80,852	80,852
Investments	67,946	70,923	72,265	73,626	75,926
Total financial assets	235,290	239,221	243,483	248,109	253,998
Non-financial assets					
Land and buildings	149,691	138,483	110,519	82,555	54,591
Infrastructure, plant and equipment	246	241	212	183	154
Intangibles	41,607	33,894	36,385	38,238	40,303
Other non-financial assets	2,949	2,949	2,949	2,949	2,949
Total non-financial assets	194,493	175,567	150,065	123,925	97,997
Total assets	429,783	414,788	393,548	372,034	351,995
LIABILITIES					
Payables					
Suppliers	80,436	79,508	79,802	78,105	76,417
Other payables	64,357	63,890	65,948	68,211	71,626
Total payables	144,793	143,398	145,750	146,316	148,043
Interest bearing liabilities					
Leases	129,012	112,333	88,849	65,365	41,881
Total interest bearing liabilities	129,012	112,333	88,849	65,365	41,881
Provisions					
Employee provisions	99,505	101,264	101,212	101,212	101,212
Other provisions	50,306	53,873	55,835	57,895	60,057
Total provisions	149,811	155,137	157,047	159,107	161,269
Total liabilities	423,616	410,868	391,646	370,788	351,193
Net assets	6,167	3,920	1,902	1,246	802
EQUITY*					
Contributed equity	427,581	443,752	460,165	476,756	493,559
Asset revaluation reserve	32,761	32,750	32,739	32,739	32,739
Retained surplus (accumulated deficit)	(454,175)	(472,582)	(491,002)	(508,249)	(525,496)
Total equity	6,167	3,920	1,902	1,246	802

Prepared on Australian Accounting Standards basis.

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

Table 3.3a: Budgeted departmental statement of cash flows (Amalgamated) (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	673,684	687,480	671,269	644,135	622,814
Sale of goods and rendering of services	66,406	63,990	74,562	78,396	77,442
Net GST received	3,843	3,796	3,796	3,796	3,796
Other	5,300	5,315	5,364	5,632	5,914
Total cash received	749,233	760,581	754,991	731,959	709,966
Cash used					
Employees	415,752	415,640	416,217	418,018	420,090
Suppliers	258,652	273,759	264,888	236,843	206,726
Interest payments on lease liability	743	1,046	1,046	1,088	1,088
Other	50,242	43,542	48,066	51,165	56,278
Total cash used	725,389	733,987	730,217	707,114	684,182
Net cash from/(used by) operating activities	23,844	26,594	24,774	24,845	25,784
INVESTING ACTIVITIES					
Cash received					
Investments realised	48,674	52,701	52,701	53,000	52,851
Total cash received	48,674	52,701	52,701	53,000	52,851
Cash used					
Purchase of property, plant and equipment, and intangibles	18,115	16,160	16,400	16,591	16,803
Purchase of investments	48,674	55,678	54,043	54,361	55,151
Total cash used	66,789	71,838	70,443	70,952	71,954
Net cash from/(used by) investing activities	(18,115)	(19,137)	(17,742)	(17,952)	(19,103)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	18,115	16,160	16,400	16,591	16,803
Total cash received	18,115	16,160	16,400	16,591	16,803
Cash used					
Lease liability - principal payments	23,485	23,484	23,484	23,484	23,484
Total cash used	23,485	23,484	23,484	23,484	23,484
Net cash from/(used by) financing activities	(5,370)	(7,324)	(7,084)	(6,893)	(6,681)
Net increase/(decrease) in cash held	359	133	(52)	-	-
Cash and cash equivalents at the beginning of the reporting period	29,835	30,194	30,327	30,275	30,275
Cash and cash equivalents at the end of the reporting period	30,194	30,327	30,275	30,275	30,275

Prepared on Australian Accounting Standards basis.

Table 3.1b: Departmental comprehensive income statement (DSHIS) (showing net cost of services) (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
EXPENSES					
Employee benefits	6,941	7,427	7,649	7,879	8,116
Suppliers	6,109	7,607	7,836	8,071	8,313
Insurance claims	60,740	47,462	50,155	53,364	58,517
Total expenses	73,790	62,496	65,640	69,314	74,946
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Net premium revenue	58,310	56,996	60,091	63,497	68,847
Other revenue	5,300	5,315	5,364	5,632	5,914
Total own-source revenue	63,610	62,311	65,455	69,129	74,761
Gains					
Resources received free of charge	60	65	65	65	65
Total gains	60	65	65	65	65
Total own-source income	63,670	62,376	65,520	69,194	74,826
Net cost of/(contribution by) services	10,120	120	120	120	120
Revenue from Government	120	120	120	120	120
Surplus/(deficit) attributable to the Australian Government	(10,000)	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	(10,000)	-	-	-	-

Note: Impact of net cash appropriation arrangements

	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(10,000)	-	-	-	-
plus: depreciation/amortisation of assets					
Net Cash Operating Surplus / (Deficit)	(10,000)	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	26,817	26,817	26,817	26,817	26,817
Trade and other receivables	41,115	41,641	44,613	47,878	51,467
Investments	45,703	48,680	50,022	51,383	53,683
Total financial assets	113,635	117,138	121,452	126,078	131,967
Non-financial assets					
Other non-financial assets	64	64	64	64	64
Total non-financial assets	64	64	64	64	64
Total assets	113,699	117,202	121,516	126,142	132,031
LIABILITIES					
Payables					
Suppliers	9,146	9,787	10,081	10,384	10,696
Other payables	37,530	36,825	38,883	41,146	44,561
Total payables	46,676	46,612	48,964	51,530	55,257
Provisions					
Other provisions	51,409	54,976	56,938	58,998	61,160
Total provisions	51,409	54,976	56,938	58,998	61,160
Total liabilities	98,085	101,588	105,902	110,528	116,417
Net assets	15,614	15,614	15,614	15,614	15,614
EQUITY*					
Retained surplus	15,614	15,614	15,614	15,614	15,614
Total equity	15,614	15,614	15,614	15,614	15,614

Prepared on Australian Accounting Standards basis.

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

Table 3.3b: Budgeted departmental statement of cash flows (DSHIS) (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	120	120	120	120	120
Sale of goods and rendering of services	58,310	55,650	59,050	62,356	68,596
Other	5,300	5,315	5,364	5,632	5,914
Total cash received	63,730	61,085	64,534	68,108	74,630
Cash used					
Employees	6,941	7,427	7,649	7,879	8,116
Suppliers	6,049	6,901	7,477	7,703	7,936
Insurance related expenses	50,740	43,780	48,066	51,165	56,278
Total cash used	63,730	58,108	63,192	66,747	72,330
Net cash from/(used by) operating activities	-	2,977	1,342	1,361	2,300
INVESTING ACTIVITIES					
Cash received					
Investments realised	48,674	52,701	52,701	53,000	52,851
Total cash received	48,674	52,701	52,701	53,000	52,851
Cash used					
Purchase of investments	48,674	55,678	54,043	54,361	55,151
Total cash used	48,674	55,678	54,043	54,361	55,151
Net cash from/(used by) investing activities	-	(2,977)	(1,342)	(1,361)	(2,300)
Cash and cash equivalents at the beginning of the reporting period	26,817	26,817	26,817	26,817	26,817
Cash and cash equivalents at the end of the reporting period	26,817	26,817	26,817	26,817	26,817

Prepared on Australian Accounting Standards basis.

Table 3.4: Departmental statement of changes in equity — summary of movement (Budget year 2026-27)

	Retained earnings	Asset revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2026	(454,175)	32,761	427,581	6,167
Comprehensive income				
Comprehensive income attributable to the Australian Government	(18,407)	-	-	(18,407)
Total comprehensive income attributable to the Australian Government	(18,407)	-	-	(18,407)
Transactions with owners				
Contribution by owners				
Appropriation (equity injection)	-	-	-	-
Departmental Capital Budget (DCB)	-	-	16,160	16,160
Other	-	-	-	-
Sub-total transactions with owners	-	-	16,160	16,160
Estimated closing balance as at 30 June 2027	(472,582)	32,761	443,741	3,920

Prepared on Australian Accounting Standards basis.

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

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	15,880	16,160	16,400	16,591	16,803
Equity injections - Bill 2	2,235	-	-	-	-
Total new capital appropriations	18,115	16,160	16,400	16,591	16,803
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	18,115	16,160	16,400	16,591	16,803
Total items	18,115	16,160	16,400	16,591	16,803
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	2,235	-	-	-	-
Funded by capital appropriations - DCB (b)	15,880	16,160	16,400	16,591	16,803
TOTAL	18,115	16,160	16,400	16,591	16,803
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	18,115	16,160	16,400	16,591	16,803
Total cash used to acquire assets	18,115	16,160	16,400	16,591	16,803

Prepared on Australian Accounting Standards basis.

(a) Includes both current Appropriation Bill (No.2) and prior Appropriation Act.

(b) Includes purchases from current and previous years' Departmental Capital Budgets (DCBs).

Table 3.6: Statement of asset movements (Budget year 2026-27)

	Buildings \$'000	Other infrastructure, plant and equipment \$'000	Intangibles \$'000	Total \$'000
As at 1 July 2026				
Gross book value	48,972	816	172,969	222,757
Gross book value - ROU assets	236,741	-	-	236,741
Accumulated depreciation/ amortisation and impairment	(9,176)	(570)	(131,362)	(141,108)
Accumulated depreciation/ amortisation and impairment - ROU assets	(126,846)	-	-	(126,846)
Opening net book balance	149,691	246	41,607	191,544
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase or internally developed:				
Appropriation ordinary annual services (a)	9,951	24	6,185	16,160
By purchase - ROU assets	6,805	-	-	6,805
Total additions	16,756	24	6,185	22,965
Other movements				
Depreciation/amortisation expense	(6,397)	(29)	(13,898)	(20,324)
Depreciation/amortisation on ROU assets	(21,567)	-	-	(21,567)
Total other movements	(27,964)	(29)	(13,898)	(41,891)
As at 30 June 2027				
Gross book value	58,923	840	179,154	238,917
Gross book value - ROU assets	243,546	-	-	243,546
Accumulated depreciation/ amortisation and impairment	(15,573)	(599)	(145,260)	(161,432)
Accumulated depreciation/ amortisation and impairment - ROU assets	(148,413)	-	-	(148,413)
Closing net book balance	138,483	241	33,894	172,618

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2026-2027 for depreciation/amortisation expenses, DCBs

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

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
EXPENSES					
Employee benefits	59,099	61,342	57,380	57,380	57,380
Personal benefits	9,801,938	8,753,349	8,655,563	9,776,683	9,992,926
Health care payments	4,380,397	5,675,804	5,504,904	5,339,846	5,041,323
Grants	57,342	36,281	26,779	27,682	28,122
Depreciation and amortisation (a)	2,774	2,843	2,891	2,034	2,034
Payments to corporate entities	50,642	65,633	65,970	65,142	65,358
Other expenses	811,598	51,988	18,409	21,181	22,629
Interest expense	4,519,300	7,008,600	7,424,700	7,900,000	7,900,000
Movement in military compensation provisions	2,500,100	792,200	1,848,900	2,321,900	2,424,600
Total expenses administered on behalf of government	22,183,190	22,448,040	23,605,496	25,511,848	25,534,372
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other revenue	19,003	18,443	18,443	18,443	18,443
Total own-source revenue administered on behalf of government	19,003	18,443	18,443	18,443	18,443
Net cost of/(contribution by) services	22,164,187	22,429,597	23,587,053	25,493,405	25,515,929
OTHER COMPREHENSIVE INCOME					
Total comprehensive income/(loss)	(22,164,187)	(22,429,597)	(23,587,053)	(25,493,405)	(25,515,929)

Prepared on Australian Accounting Standards basis.

- (a) From 2010–11, the Government introduced net cash appropriation arrangements where 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 Administered Capital Budget, or ACB) provided through Bill 1 equity appropriations. For information regarding ACBs, please refer to Table 3.10 Administered Capital Budget Statement.

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

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	40,848	40,848	40,848	40,848	40,848
Other receivables	107,909	107,909	107,909	107,909	107,909
Investments	2,183,281	2,215,291	2,234,344	2,243,484	2,252,742
Total financial assets	2,332,038	2,364,048	2,383,101	2,392,241	2,401,499
Non-financial assets					
Land and Buildings	84,801	83,944	83,087	83,087	21,001
Property, Plant and Equipment	1,438	196	-	(1,460)	(2,920)
Intangibles	9,654	9,635	8,568	8,108	7,534
Total non-financial assets	95,893	93,775	91,655	89,735	25,615
Total assets administered on behalf of Government	2,427,931	2,457,823	2,474,756	2,481,976	2,427,114
LIABILITIES					
Payables					
Personal benefits	107,132	131,086	206,776	272,827	338,878
Grants	3,151	3,151	3,151	3,151	3,151
Health and other payables	142,627	142,627	142,627	141,764	140,901
Total payables	252,910	276,864	352,554	417,742	482,930
Provisions					
Employee provisions	9,017	9,017	9,017	9,017	9,017
Personal benefits provisions	81,588,825	83,535,804	86,588,096	90,252,588	94,019,780
Health and other provisions	77,701,362	83,554,716	89,740,223	96,274,259	102,763,840
Total provisions and	159,299,204	167,099,537	176,337,336	186,535,864	196,792,637
Total liabilities administered on behalf of Government	159,552,114	167,376,401	176,689,890	186,953,606	197,275,567
Net assets/(liabilities)	(157,124,183)	(164,918,578)	(174,215,134)	(184,471,630)	(194,848,453)

Prepared on Australian Accounting Standards basis.

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

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
GST received	48,000	48,000	48,000	48,000	48,000
Other	28,721	24,227	26,443	26,443	26,443
Total cash received	76,721	72,227	74,443	74,443	74,443
Cash used					
Personal benefits	9,786,222	8,747,709	8,647,276	9,778,027	9,993,784
Health payments	5,178,780	5,698,311	5,529,213	5,401,557	5,110,225
Grant payments	67,121	42,065	32,955	28,204	28,122
Payments to employees	59,099	61,342	57,380	57,380	57,380
Payments to corporate entities	50,642	65,633	65,970	65,142	65,358
Other	55,905	71,261	35,400	(1,828)	37,986
Total cash used	15,197,769	14,686,321	14,368,194	15,328,482	15,292,855
Net cash from/(used by) operating activities	(15,121,048)	(14,614,094)	(14,293,751)	(15,254,039)	(15,218,412)
INVESTING ACTIVITIES					
Cash used					
Purchase of non-financial assets	4,486	725	771	114	-
Payments to corporate entities	120,613	32,010	19,053	9,140	9,258
Total cash used	125,099	32,735	19,824	9,254	9,258
Net cash from/(used) by investing activities	(125,099)	(32,735)	(19,824)	(9,254)	(9,258)
FINANCING ACTIVITIES					
Cash received					
Capital injections	4,486	725	771	114	-
Total cash received	4,486	725	771	114	-
Net cash from/(used) by financing activities	4,486	725	771	114	-
Net increase/(decrease) in cash held	(15,241,661)	(14,646,104)	(14,312,804)	(15,263,179)	(15,227,670)
Cash and cash equivalents at beginning of reporting period	40,848	40,848	40,848	40,848	40,848
Cash from Official Public Account	15,257,953	14,664,547	14,331,247	15,281,622	15,246,113
Cash to Official Public Account	(16,292)	(18,443)	(18,443)	(18,443)	(18,443)
Cash and cash equivalents at end of reporting period	40,848	40,848	40,848	40,848	40,848

Prepared on Australian Accounting Standards basis.

Table 3.10: Schedule of administered capital budget statement (for the period ended 30 June)

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Administered Assets and Liabilities - Bill 2	593	170	771	114	-
Total new capital appropriations	593	170	771	114	-
<i>Provided for:</i>					
Purchase of non-financial assets	593	170	771	114	-
Total items	593	170	771	114	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	4,486	725	771	114	-
TOTAL	4,486	725	771	114	-

Prepared on Australian Accounting Standards basis.

(a) Includes both current Appropriation Bill (No. 2) and prior Appropriation Act (No. 2/4/6) appropriations.

Table 3.11: Statement of administered asset movements (Budget year 2026-27)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2026				
Gross book value	85,658	2,998	17,681	106,337
Accumulated depreciation/ amortisation and impairment	(857)	(1,560)	(8,027)	(10,444)
Opening net book balance	84,801	1,438	9,654	95,893
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase or internally developed:				
Appropriation equity (a)	-	170	555	725
Total additions	-	170	555	725
Other movements				
Depreciation/amortisation expense	(857)	(1,412)	(574)	(2,843)
Total other movements	(857)	(1,412)	(574)	(2,843)
As at 30 June 2027				
Gross book value	85,658	3,168	18,236	107,062
Accumulated depreciation/ amortisation and impairment	(1,714)	(2,972)	(8,601)	(13,287)
Closing net book balance	83,944	196	9,635	93,775

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to Administered Assets and Liabilities appropriations provided through Appropriation Bill (No. 2) 2026-2027.

Australian War Memorial

**Entity resources and planned
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Australian War Memorial

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Memorial is a shrine, a museum and an extensive archive that offers itself as a place for reflection, commemoration, education and research. The Memorial is governed by the *Australian War Memorial Act 1980* defining its functions. These functions are brought together by a purpose to *commemorate the sacrifice of those Australians who have died in war or on operational service and those who have served our nation in times of conflict*. There are four strategic pillars, key activities, focusing efforts to pursue this purpose:

- Commemorate, reflect and understand Australian experiences of war and service.
- Care for and communicate the National Collection.
- Connect, engage and collaborate.
- Build a sustainable future.

The Memorial's Development Project – *Our Continuing Story* is a significant enabler delivering increased exhibition, archive, storage and commemorative capacity. The Memorial has made a step change to manage its environmental footprint by commissioning the largest closed loop underground geothermal heat exchange technology, heating and cooling system in Australia.

The first phase of the Development Project is complete. During 2026-27 the Memorial will continue to transition significant new functions and capabilities into operations. This builds on the successful opening of the Anzac Hall and Anzac Atrium in 2025-26. The Memorial continues to deliver a world class experience to the public and pursue the successful completion of the remainder of the Development Project until mid-2028.

The Memorial is physically located in Canberra, with public engagement extending nationally through touring exhibitions and a strong digital and online presence. The Memorial will build its digital capability during 2026-27 delivering to a wider audience.

In 2026-27, the Memorial will focus on the remaining elements of the Development Project, progressing the Pre-1914 Galleries and the Discovery Zone/Learning Centre, while continuing to deliver core operations, including:

- Continuing to open the Memorial to the public 364 days a year.
- The provision of dignified ceremonies for Anzac Day and Remembrance Day.
- The provision of other commemorations including the daily Last Post Ceremony.
- Raising awareness of, and to acknowledge and respect, Aboriginal and Torres Strait Islander service for Australia and experiences in all wars and conflict.

- The development and preservation of the National Collection, in line with the Collection Development Plan and Gallery Master Plan.
- Increasing digitisation of the collection to preserve and make the National Collection more accessible.
- Implementing operations to deliver new facilities and galleries to the public, under a sustainable operating model.
- Deliver national touring exhibitions to tell stories of the Australian experience of conflict.
- Upgrading the Memorial's website.
- Leveraging website, online, social media presence and Transcribe, the Memorial's online transcription tool, to provide enhanced user experiences and interactive content to provide more avenues to engage with 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. Amounts presented below are consistent with amounts presented in the Appropriation Bills themselves.

Table 1.1: Australian War Memorial resource statement — Budget estimates for 2026-27 as at Budget May 2026

	<i>2025-26 Estimated actual \$'000</i>	2026-27 Estimate \$'000
Opening balance/cash reserves at 1 July	71,504	49,672
Funds from Government		
Annual appropriations - ordinary annual services (a)		
Outcome 1	50,642	65,633
Annual appropriations - other services (b)		
Equity Injection	120,613	32,010
Total annual appropriations	171,255	97,643
Total funds from Government	171,255	97,643
Funds from other sources		
Interest	1,630	2,000
Royalties	30	-
Sale of goods and services	3,955	4,587
Other	2,555	2,683
Total funds from other sources	8,170	9,270
Total net resourcing for AWM	250,929	156,585
	<i>2025-26</i>	<i>2026-27</i>
Average staffing level	323	353

All figures shown above are GST exclusive.

(a) Appropriation Bill (No. 1 2026-2027).

(b) Appropriation Bill (No. 2) 2026-2027.

The Australian War Memorial is not directly appropriated as it is a Corporate Commonwealth Entity. Appropriations are made to the Department of Veterans' Affairs which are then paid to the AWM and are considered 'departmental' for all purposes.

1.3 Budget measures

There are no Budget measures in Part 1 relating to the Australian War Memorial since the 2025-26 Mid-Year Economic and Fiscal Outlook.

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 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 annual performance statement and corporate plan for the Memorial can be found at: <https://www.awm.gov.au/about/organisation/corporate>.

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Australians remembering, interpreting and understanding the Australian experience of war and its enduring impact through maintaining and developing the National Memorial, its collection and exhibition of historical material, commemorative ceremonies and research.

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

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Program 1.1: Australian War Memorial					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	50,642	65,633	65,970	65,142	65,358
Expenses not requiring appropriation in the Budget year	23,383	19,398	17,886	19,972	21,469
Revenues from other independent sources	8,170	9,270	9,999	10,491	10,773
Total expenses for Program 1.1	82,195	94,301	93,855	95,605	97,600
Total expenses for Outcome 1	82,195	94,301	93,855	95,605	97,600

	2025-26	2026-27
Average Staffing Level (number)	323	353

Annual appropriation amounts are reported.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Performance measures for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It is used by entities to describe the results they plan to achieve and the related key activities, as detailed in the current corporate plan (i.e. 2025–26), the context in which these activities are delivered, and how the performance of these activities will be measured. Where relevant, details of the 2026–27 Budget measures that have created new programs or materially changed existing programs are to be provided.

Table 2.1.2: Performance measures for Outcome 1

Outcome 1 – Australians remembering, interpreting and understanding the Australian experience of war and its enduring impact through maintaining and developing the National Memorial, its collection and exhibition of historical material, commemorative ceremonies and research.		
Program 1 – To maintain and develop the National Memorial and a National Collection of historical material and through commemorative ceremonies, exhibitions, research, interpretation and dissemination.		
Key activities	1.1. Commemorate, reflect and understand Australian experiences of war and service	
Year	Performance measures	Expected performance results
Current Year 2025–26	<p>1.1.1 Deliver major and minor commemorative ceremonies and events as scheduled, including daily Last Post ceremonies.</p> <p>1.1.2 Support for research on Australian military history including encouragement, fostering and contribution to research to further promote the understanding of Australian military history.</p> <p>1.1.3 Maintenance of the Roll of Honour and Commemorative Roll.</p> <p>1.1.4 Complete the Official Histories of East Timor, Iraq and Afghanistan.</p> <p>1.1.5 Continue the commitment of the Australian War Memorial to raising awareness of, and to acknowledge and respect, Aboriginal and Torres Strait Islander service for Australia and experiences in all wars and conflict.</p>	<p>On track - All major and minor commemorations including the Last Post Ceremony delivered as scheduled.</p> <p>On track - Continued strong demand for Memorial historical advice and uptake of Memorial research facilities as evidenced by statistical analysis relating to Research Centre, online records access and successful publication of original research.</p> <p>On track - Continued resolution of contemporary and historic cases on the Roll of Honour and Commemorative Roll</p> <p>At risk - Official Histories achieved authoring completion. Clearance delayed.</p> <p>On track - Extend and continue to implement the Australian War Memorial’s Innovate Reconciliation Action Plan.</p> <p>On track - Maintain and continue to engage with the Australian War Memorial’s Aboriginal and Torres Strait Islander Gallery Advisory Group.</p>

Year	Performance measures	Planned performance results
Budget Year 2026–27	<p>1.1.1. Deliver major and minor commemorative ceremonies and events as scheduled, including daily Last Post ceremonies.</p> <p>1.1.2. Support for research on Australian military history including encouragement, fostering and contribution to research to further promote the understanding of Australian military history.</p> <p>1.1.3. Maintenance of the Roll of Honour and Commemorative Roll.</p> <p>1.1.4. Complete the Official Histories of East Timor, Iraq and Afghanistan.</p> <p>1.1.5 Continue the commitment of the Australian War Memorial to raising awareness of, and to acknowledge and respect, Aboriginal and Torres Strait Islander service for Australia and experiences in all wars and conflict.</p>	<p>All major and minor commemorations including the last post ceremony delivered as scheduled.</p> <p>Continued strong demand for Memorial historical advice and uptake of Memorial research facilities as evidenced by statistical analysis relating to Research Centre, online records access and successful publication of original research.</p> <p>Continued resolution of contemporary and historic cases on the Roll of Honour and Commemorative Roll.</p> <p>Official Histories achieved authoring completion.</p> <p>Extend and continue to implement the Australian War Memorial's Reconciliation Action Plan Innovate.</p> <p>Maintain and continue to engage with the Australian War Memorial's Aboriginal and Torres Strait Islander Advisory Group.</p>
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Key activities	1.2. Care for and communicate the National Collection	
Year	Performance measures	Expected performance results
Current Year 2025–26	<p>1.2.1. Staged implementation of the Development Project including opening the:</p> <ul style="list-style-type: none"> • Anzac Hall and Anzac Atrium (Glazed link). <p>1.2.2 Continued development and maintenance of the National Collection, including items relating to peacekeeping and peacetime operations, to add to the existing Collection and support the delivery of the Development Project.</p> <p>1.2.3 Continued digitisation of collection to preserve and make the National Collection more accessible.</p>	<p>On track - Development Project activities delivered safely in line with approved project program and budget.</p> <p>Achieved - Anzac Hall and Anzac Atrium opened to the public.</p> <p>On track - Items appropriate for the National Collection are identified, acquired and conserved in accordance with the Collection Development Plan, Hazard Management Plan and Preservation Plan as demonstrated by collection safely acquired and managed.</p> <p>On track - At risk items and high use items are digitised to preserve and make the National Collection more accessible.</p>

Year	Performance measures	Planned performance results
Budget Year 2026–27	<p>1.2.1. Staged implementation of the Development Project</p> <p>1.2.2. Continued development and maintenance of the National Collection, including items relating to peacekeeping and peacetime operations, to add to the existing Collection and support the delivery of the Development Project.</p> <p>1.2.3 Continued digitisation of collection to preserve and make the National Collection more accessible.</p>	<p>Development Project activities delivered safely in line with approved project program and budget.</p> <p>Items appropriate for the National Collection are identified, acquired and conserved in accordance with the Collection Development Plan, Hazard Management Plan and Preservation Plan as demonstrated by collection safely acquired and managed.</p> <p>At risk items and high use items are digitised to preserve and make the National Collection more accessible.</p>
Forward Estimates 2027–30	<p>1.2.1. Staged implementation of the Development Project including opening the:</p> <ul style="list-style-type: none"> • Pre 1914 Galleries • Discovery Centre <p>1.2.2. As per 2026–27</p> <p>1.2.3. As per 2026–27</p>	<p>Quarter four (2027-28) completion of Pre 1914 Galleries</p> <p>Quarter four (2027-28) completion of the Discovery Centre.</p> <p>As per 2026–27</p> <p>As per 2026–27</p>
Key activities	1.3. Commemorate, reflect and understand Australian experiences of war and service	
Year	Performance measures	Expected performance results
Current Year 2025–26	<p>1.3.1. Engagement with the Memorial's future audiences.</p> <p>1.3.2. Revise, resource and implement appropriate programs to manage and maximise new facilities delivered through the Development Project.</p> <p>1.3.3. Provide access to the National Collection.</p> <p>1.3.4. Delivery of temporary and touring exhibitions to tell stories of Australian experience of war, expanding upon permanent exhibitions including temporary exhibitions in Anzac Hall mezzanine temporary gallery.</p>	<p>On track - Conduct the future audience market research.</p> <p>On track - Finalise the future audiences market research findings and develop an implementation strategy.</p> <p>On track - Conduct gallery development community engagement.</p> <p>On track - Renew Digital Engagement Strategy</p> <p>On track - Programs resourced and implemented.</p> <p>On track - Open the Memorial 364 days a year.</p> <p>Achieved - Install temporary exhibition to Anzac Hall mezzanine temporary gallery.</p> <p>On track - Touring exhibition program delivered to a minimum of three interstate venues.</p> <p>On track – total visitors to touring exhibitions in the reporting period.</p>

Year	Performance measures	Planned performance results
	<p>1.3.5. Deliver a series of quality, engaging tours and events including curriculum-related school education programs for on-site and online groups.</p> <p>1.3.6. Provide a visitor experience that is welcoming and professional, including well-trained staff and accessible public facilities, noting potential for temporary arrangements due to the Development Project.</p> <p>1.3.7. Facilitate online engagement, involvement and outreach through delivery of the Digital Engagement Strategy.</p>	<p>On track - A range of onsite and online education programs delivered for students responsive to opportunities and changes as identified.</p> <p>On track - Feedback and satisfaction levels remain positive during the period of the Development Project.</p> <p>On track - Strong website visitation including collection searches, social media engagement and delivery of quality, engaging digital content.</p> <p>On track - Renew Digital Engagement Strategy.</p>
Year	Performance measures	Planned performance results
Budget Year 2026–27	<p>1.3.1. Engagement with the Memorial's future audiences.</p> <p>1.3.2. Revise, resource and implement appropriate programs to manage and maximise new facilities delivered through the Development Project.</p> <p>1.3.3. Provide access to the National Collection.</p> <p>1.3.4. Delivery of temporary and touring exhibitions to tell stories of Australian experience of war, expanding upon permanent exhibitions including temporary exhibitions in the Anzac Hall mezzanine temporary gallery.</p> <p>1.3.5. Deliver a series of quality, engaging tours and events including curriculum-related school education programs for on-site and online groups.</p> <p>1.3.6. Provide a visitor experience that is welcoming and professional, including well-trained staff and accessible public facilities, noting potential for temporary arrangements due to the Development Project.</p>	<p>Implement audience engagement strategy.</p> <p>Conduct Gallery Development community engagement.</p> <p>Deliver Digital Engagement Strategy. Programs resourced and implemented.</p> <p>Open the Memorial 364 days a year.</p> <p>Touring exhibition program delivered to a minimum of three interstate venues.</p> <p>Total number of visitors to touring exhibitions in the reporting period.</p> <p>A range of onsite and online education programs delivered for students responsive to opportunities and changes as identified.</p> <p>Total in person visitation (baseline)</p> <p>Feedback and satisfaction levels remain positive during the period of the Development Project.</p>

Year	Performance measures	Planned performance results
	1.3.7. Facilitate online engagement, involvement and outreach through delivery of the Digital Engagement Strategy.	Strong website visitation including collection searches, social media engagement and delivery of quality, engaging digital content. Upgraded website released. Deliver Digital Engagement Strategy.
Forward Estimates 2027–30	1.3.1. As per 2026-27 1.3.2. As per 2026-27 1.3.3. As per 2026-27 1.3.4. As per 2026-27 1.3.5. As per 2026-27 1.3.6. As per 2026-27 1.3.7. As per 2026-27	As per 2026–27 As per 2026–27 As per 2026–27 As per 2026–27 As per 2026–27 Increase in total in person visitation. Feedback and satisfaction levels remain positive. Strong website visitation including collection searches, social media engagement and delivery of quality, engaging digital content. Deliver Digital Engagement Strategy.
Key activities	1.4. Build a sustainable future	
Year	Performance measures	Expected performance results
Current Year 2025–26	1.4.1. Employee engagement. 1.4.2. Reduce outsourcing of core work in line with the APS Strategic Commissioning Framework. 1.4.3. Monitor the Memorial's financial performance including financial viability. 1.4.4. Increase and diversify own source revenue. 1.4.5. Local, domestic and international visitation.	Achieved - Increase in staff engagement. Achieved - Development and implementation of an APS Census Action Plan. On track - Reduce outsourcing of Trades and Labour, Administration and Data and Research work. On track - Quarterly consideration of the Memorial's finance performance including financial viability conducted by the Finance, Audit and Compliance Committee (FACC) of Council. On track - Increased revenue from commercial and philanthropic sources. On track - Increased percentage of domestic (interstate) and international visitation.

Year	Performance measures	Planned performance results
	1.4.6. Memorial emissions related to exhibition and storage of the National Collection.	On track - Memorial emissions per metre ² of exhibition space and collection storage.
Budget Year 2026–27	<p>1.4.1. Employee engagement.</p> <p>1.4.2. Reduce outsourcing of core work in line with the APS Strategic Commissioning Framework.</p> <p>1.4.3. Monitor the Memorial's financial performance including financial viability.</p> <p>1.4.4. Increase and diversify own source revenue.</p> <p>1.4.5. Local, domestic and international visitation.</p> <p>1.4.6. Memorial emissions related to exhibition and storage of the National Collection.</p>	<p>Increase in staff engagement.</p> <p>Development and implementation of an APS Census Action Plan.</p> <p>Reduce outsourcing of Trades and Labour, Administration and Data and Research work.</p> <p>Quarterly consideration of the Memorial's finance performance including financial viability conducted by the Finance, Audit and Compliance Committee (FACC) of Council.</p> <p>Increased revenue from commercial and philanthropic sources.</p> <p>Enhance paid tours program.</p> <p>Implement partnership and membership program.</p> <p>Increased percentage of domestic (interstate) and international visitation.</p> <p>Memorial emissions per metre² of exhibition space and collection storage.</p>
Forward Estimates 2027–30	<p>1.4.1. As per 2026–27</p> <p>1.4.2. As per 2026–27</p> <p>1.4.3. As per 2026–27</p> <p>1.4.4. As per 2026–27</p> <p>1.4.5. As per 2026–27</p> <p>1.4.6. As per 2026–27</p>	<p>As per 2026–27</p> <p>As per 2026–27</p> <p>As per 2026–27</p> <p>Increased revenue from commercial and philanthropic sources.</p> <p>Implement paid tours program</p> <p>Implement partnership and membership program</p> <p>As per 2026–27</p> <p>As per 2026–27</p>
Material changes to Program 1.1 resulting from 2026–27 Budget Measures: Nil		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2026–27 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

The Memorial is forecasting a budgeted loss of \$18.8 million for the financial year, with similar losses projected across the forward estimates.

These losses primarily reflect non-cash accounting impacts associated with unfunded depreciation on the Memorial’s asset base. This is common among government agencies that manage significant physical assets. Depreciation is estimated at \$28.8 million in 2026–27, significantly increased by progress on the Development Project and updated building valuations following the most recent independent valuation process.

Total operating funding (Bill 1) increases substantially in 2026–27 compared to the previous year. This is primarily due to the 2025–26 MYEFO measure supporting the Memorial’s financial sustainability. Combined with expanded galleries and facilities, this measure is expected to strengthen the Memorial’s capacity to generate own-source revenue from 2026–27 and across the forward estimates.

In contrast, capital funding (Bill 2) decreases, reflecting the near completion of the Development Project. This is notwithstanding the provision of additional funding to finalise critical works within the project’s original scope under the AWM redevelopment completion measure.

The delivery timeframe for the Memorial’s major Development Project remains unchanged. Additional funding supports completion through to 2028, including the delivery of revitalised pre-1914 galleries featuring a broader and deeper representation of the frontier wars, a new interactive learning centre for children and families, and essential upgrades to ensure the long-term viability of the heritage Main Building.

The Collection Development and Acquisition Budget (CDAB) is treated as an equity injection and supports the ongoing preservation of the Memorial’s collection, as well as the acquisition of new items.

Investments on hand represent accumulated capital reserves and internally generated revenue set aside to meet future capital commitments beyond the forward estimates period.

The Memorial’s primary liability continues to be employee provisions.

3.2 Budgeted financial statements tables

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

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
EXPENSES					
Employee benefits	33,458	38,376	39,989	40,958	41,953
Suppliers	23,631	27,168	24,225	24,842	25,617
Depreciation and amortisation (a)	25,106	28,757	29,641	29,805	30,030
Total expenses	82,195	94,301	93,855	95,605	97,600
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	3,955	4,587	5,020	5,769	6,109
Interest	1,630	2,000	2,000	1,480	1,412
Royalties	30	-	96	97	98
Other	2,555	2,683	2,883	3,145	3,154
Total own-source revenue	8,170	9,270	9,999	10,491	10,773
Gains					
Other (Gifted assets, resources free of charge)	544	557	571	588	588
Total gains	544	557	571	588	588
Total own-source income	8,714	9,827	10,570	11,079	11,361
Net (cost of)/contribution by services	(73,481)	(84,474)	(83,285)	(84,526)	(86,239)
Revenue from Government	50,642	65,633	65,970	65,142	65,358
Surplus/(Deficit) attributable to the Australian Government	(22,839)	(18,841)	(17,315)	(19,384)	(20,881)
Changes in asset revaluation surplus	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income/(loss)	(22,839)	(18,841)	(17,315)	(19,384)	(20,881)
Total comprehensive income (loss) attributable to the Australian Government	(22,839)	(18,841)	(17,315)	(19,384)	(20,881)

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

Note: Impact of net cash appropriation arrangements

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(22,839)	(18,841)	(17,315)	(19,384)	(20,881)
plus: Heritage and cultural depreciation/ amortisation expenses previously funded through revenue appropriations (a)					
plus: depreciation/amortisation expenses on ROU assets (b)	55				
less: lease principal repayments (b)	(55)				
Net Cash Operating Surplus/(Deficit)	(22,839)	(18,841)	(17,315)	(19,384)	(20,881)

Prepared on Australian Accounting Standards basis.

(a) From 2009-10, the Government introduced Collection Development Acquisition Budgets (CDABs) for Designated Collection Institutions, provided as equity appropriations through Appropriation Bill (No. 2). CDABs replaced revenue appropriations previously provided through Appropriation Bill (No. 1) for heritage and cultural depreciation/amortisation expenses of Designated Collection Institutions. For information regarding CDABs, please refer to Table 3.5 Departmental Capital Budget Statement.

(b) Applies leases under AASB 16 Leases.

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

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	32,421	23,990	27,219	28,505	28,469
Trade and other receivables	1,856	1,856	1,856	1,856	1,856
Other investments	17,251	22,851	19,851	19,851	19,851
Other financial assets	512	512	512	512	512
Total financial assets	52,040	49,209	49,438	50,724	50,688
Non-financial assets					
Land and buildings	978,359	977,182	960,703	941,400	922,048
Property, plant and equipment	1,148,983	1,166,464	1,184,728	1,192,765	1,200,734
Intangibles	2,099	1,795	1,519	1,255	1,051
Inventories	892	892	892	892	892
Other non-financial assets	758	758	758	758	758
Total non-financial assets	2,131,091	2,147,091	2,148,600	2,137,070	2,125,483
Total assets	2,183,131	2,196,300	2,198,038	2,187,794	2,176,171
LIABILITIES					
Payables					
Suppliers	10,882	10,882	10,882	10,882	10,882
Other	1,365	1,365	1,365	1,365	1,365
Total payables	12,247	12,247	12,247	12,247	12,247
Interest bearing liabilities					
Leases	77	77	77	77	77
Total interest bearing liabilities	77	77	77	77	77
Provisions					
Employee provisions	10,225	10,225	10,225	10,225	10,225
Other provisions	147	147	147	147	147
Total provisions	10,372	10,372	10,372	10,372	10,372
Total liabilities	22,696	22,696	22,696	22,696	22,696
Net assets	2,160,435	2,173,604	2,175,342	2,165,098	2,153,475

Continued on next page

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

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
EQUITY*					
Parent entity interest					
Contributed equity	733,397	765,407	784,460	793,600	802,858
Reserves	907,122	907,122	907,122	907,122	907,122
Retained surplus (accumulated deficit)	519,916	501,075	483,760	464,376	443,495
Total parent entity interest	2,160,435	2,173,604	2,175,342	2,165,098	2,153,475
Total Equity	2,160,435	2,173,604	2,175,342	2,165,098	2,153,475

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 2026-27)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2026					
Balance carried forward from previous period	519,916	907,122	-	733,397	2,160,435
Adjusted opening balance	519,916	907,122	-	733,397	2,160,435
Comprehensive income					
Surplus (deficit) for the period	(18,841)				(18,841)
Total comprehensive income	(18,841)	-	-	-	(18,841)
Transactions with owners					
Contributions by owners					
Equity injection	-	-	-	32,010	32,010
Sub-total transactions with owners	-	-	-	32,010	32,010
Estimated closing balance as at 30/06/2026	501,075	907,122	-	765,407	2,173,604
Closing balance attributable to the Australian Government	501,075	907,122	-	765,407	2,173,604

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

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	50,642	65,633	65,970	65,142	65,358
Sale of goods and rendering of services	4,576	5,331	5,827	5,769	6,109
Interest	1,630	2,000	2,000	1,480	1,412
Net GST received	9,153	4,153	1,935	-	-
Other	2,585	2,683	2,979	3,242	3,252
Total cash received	68,586	79,800	78,711	75,633	76,131
Cash used					
Employees	33,458	38,376	39,989	40,958	41,953
Suppliers	23,087	26,611	23,654	24,254	25,029
Net GST paid	9,774	4,897	2,742	-	-
Total cash used	66,319	69,884	66,385	65,212	66,982
Net cash from/(used by) operating activities	2,267	9,916	12,326	10,421	9,149
INVESTING ACTIVITIES					
Cash received					
Investments	24,000	9,400	17,000	-	-
Total cash received	24,000	9,400	17,000	-	-
Cash used					
Purchase of property, plant, equipment and intangibles	144,712	44,757	31,150	18,275	18,443
Purchase of investments	(14,749)	15,000	14,000	-	-
Total cash used	129,963	59,757	45,150	18,275	18,443
Net cash from (used by) investing activities	(105,963)	(50,357)	(28,150)	(18,275)	(18,443)

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

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
FINANCING ACTIVITIES					
Cash received					
Contributed equity	120,613	32,010	19,053	9,140	9,258
Total cash received	120,613	32,010	19,053	9,140	9,258
Net cash from (used by) financing activities					
	120,613	32,010	19,053	9,140	9,258
Net increase/(decrease) in cash held	16,917	(8,431)	3,229	1,286	(36)
Cash and cash equivalents at the beginning of the reporting period	15,504	32,421	23,990	27,219	28,505
Cash and cash equivalents at the end of the reporting period	32,421	23,990	27,219	28,505	28,469

Prepared on Australian Accounting Standards basis.

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

	2025-26 Estimated actual \$'000	2026-27 Budget \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000	2029-30 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	120,613	32,010	19,053	9,140	9,258
Total new capital appropriations	120,613	32,010	19,053	9,140	9,258
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	144,805	44,756	31,150	18,276	18,443
Total items	144,805	44,756	31,150	18,276	18,443
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	120,989	32,011	20,589	9,140	9,258
Funded internally from departmental resources (b)	23,816	12,745	10,561	9,136	9,185
TOTAL	144,805	44,756	31,150	18,276	18,443
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	144,805	44,756	31,150	18,276	18,443
Total cash used to acquire assets	144,805	44,756	31,150	18,276	18,443

Prepared on Australian Accounting Standards basis.

Annual appropriation amounts are reported.

- (a) Includes both current Appropriation Bill (No. 2) and prior Appropriation Act (No. 2/4/6).
- (b) Includes the following sources of funding:
 - sponsorship, donations and gifts,
 - internally developed assets, and
 - proceeds from the sale of assets.

Table 3.6: Statement of departmental asset movements (Budget year 2026-27)

	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 2026						
Gross book value	36,755	960,987	55,891	1,122,865	9,866	2,186,364
Gross book value - ROU assets	335	1,390	214	-	-	1,939
Accumulated depreciation/amortisation and impairment	-	(19,412)	(29,843)	-	(7,767)	(57,022)
Accumulated depreciation/amortisation and impairment - ROU assets	(307)	(1,389)	(144)	-	-	(1,840)
Opening net book balance	36,783	941,576	26,118	1,122,865	2,099	2,129,441
Capital asset additions						
Estimated expenditure on new or replacement assets						
By purchase - appropriation equity (a)	-	20,869	4,348	19,539	-	44,756
Total additions	-	20,869	4,348	19,539	-	44,756
Other movements						
Depreciation/amortisation expense	-	(22,046)	(6,407)	-	(304)	(28,757)
Total other movements	-	(22,046)	(6,407)	-	(304)	(28,757)

Continued on next page

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of departmental asset movements (Budget year 2026-27) (continued)

	Land	Buildings	Other property, plant and equipment	Heritage and cultural	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 30 June 2027						
Gross book value	36,755	981,856	60,240	1,142,404	9,866	2,231,121
Gross book value - ROU assets	335	1,390	214	-	-	1,939
Accumulated depreciation/amortisation and impairment	-	(41,458)	(36,250)	-	(8,071)	(85,779)
Accumulated depreciation/amortisation and impairment - ROU assets	(307)	(1,389)	(144)	-	-	(1,840)
Closing net book balance	36,783	940,399	24,060	1,142,404	1,795	2,145,441

Estimated operating expenditure in income statement for heritage and cultural assets

Operations and Maintenance	1,589
Preservation and Conservation	20,742
Total operating expenditure on heritage and cultural assets	22,331

Prepared on Australian Accounting Standards basis.

Annual appropriation amounts are reported.

- (a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2026-2027, and includes Collection Development Acquisition Budgets (CDABs).
- (b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2026-2027 for depreciation/amortisation expenses, DCBs or other operational expenses.
- (c) Net proceeds may be returned to the Official Public Account.

Portfolio glossary

Term	Meaning
Accrual accounting	System of accounting where items are brought to account and included in the financial statements as they are earned or incurred, rather than as they are received or paid.
Accumulated depreciation	The aggregate depreciation recorded for a particular depreciating asset.
Additional estimates	Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.
Administered items	Expenses, revenues, assets or liabilities managed by entities on behalf of the Commonwealth. Entities do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs.
AEIFRS	Australian Equivalents to International Financial Reporting Standards, which were issued by the Australian Accounting Standards Board in July 2004.
Appropriation	An authorisation by Parliament to spend moneys from the Consolidated Revenue Fund for a particular purpose.
Annual Appropriation	Acts of Parliament, which provide appropriation for the government's activities during a specific financial year. Three appropriation Bills are introduced into Parliament in May and comprise the Budget. Further supplementary Bills are introduced later in the financial year as part of the Additional Estimates process. The Parliamentary departments have their own appropriation Bills.
Capital expenditure	Expenditure by an entity on capital projects, for example purchasing a building.
Consolidated Revenue Fund	Section 81 of the Constitution stipulates that all revenue raised or money received by the Commonwealth forms the one consolidated revenue fund (CRF). The CRF is not a bank account. The Official Public Account reflects most of the operations of the CRF.
Departmental items	Assets, liabilities, revenues and expenses that are controlled by the entity to deliver programs. Departmental items would generally include computers, plant and equipment assets used by entities in providing goods and services, most employee expenses, supplier costs, and other administrative expenses incurred.
Depreciation	Apportionment of an asset's capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time.

Portfolio Glossary

Term	Meaning
Effectiveness indicators	Indicators to assess the degree of success in achieving outcomes.
Efficiency indicators	Measures the adequacy of an entity's management of its programs and, where applicable, administered items. Includes price, quality and quantity indicators.
Equity or net assets	Residual interest in the assets of an entity after deduction of its liabilities.
Expense	Expenses represent the full costs of an activity, that is, the total value of all the resources consumed in producing goods and services or the loss of future economic benefits in the form of reductions in assets or increases in liabilities of the entity. Expenses include cash items, such as salary payments, as well as expenses that have been incurred, such as accruing employee entitlements that will be paid in the future.
Fair value	Valuation methodology: The amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction.
Operating result	Equals revenue less expenses.
Outcomes	The Government's objectives in each portfolio area. Outcomes are desired results, impacts or consequences for the Australian community as influenced by the actions of the Australian Government. Actual outcomes are assessments of the end results or impacts actually achieved.
Revenue	Total value of resources earned or received for the provision of goods and services.
Special Account	Special Accounts allow money in the Consolidated Revenue Fund (CRF) to be acknowledged as set-aside (hypothecated) for a particular purpose. Amounts credited to a Special Account may only be spent for the purposes of the Special Account. Special Accounts can only be established by a written determination of the Finance Minister (section 78 of the <i>Public Governance, Performance and Accountability (PGPA) Act 2013</i>) or through an Act of Parliament (section 80 of the <i>PGPA Act 2013</i>).
Special Appropriations (including Standing Appropriations)	<p>An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For special appropriations, the authority to withdraw funds from the Consolidated Revenue Fund does not generally cease at the end of the financial year.</p> <p>Standing appropriations are a subcategory consisting of ongoing special appropriations — the amount appropriated will depend on circumstances specified in the legislation.</p>