

# Australian Submarine Agency

## Agency Resources and Planned Performance

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# Australian Submarine Agency

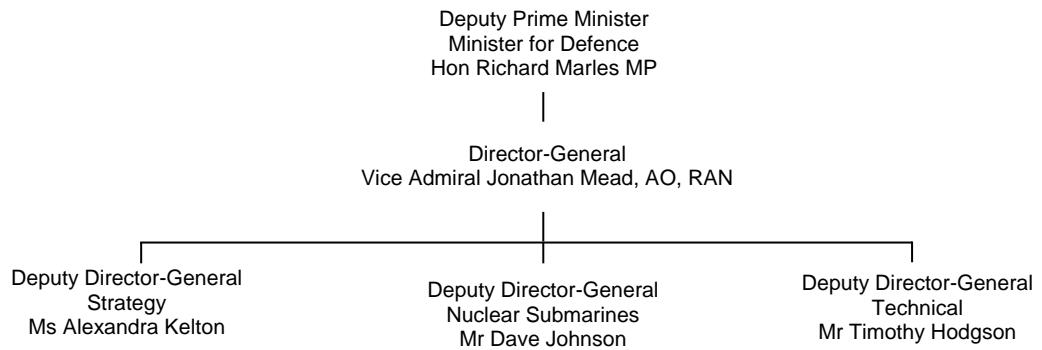
## Section 1: ASA Overview and Resources

### 1.1 Strategic Direction Statement

No changes have been made to the ASA Strategic Direction Statement since the *PB Statements 2025-26*.

### ASA Organisational Structure

**Figure 2: ASA Organisational Chart**



This Organisational Chart is effective as of January 2026. This chart has been amended since the *PB Statements 2025-26* to reflect key management personnel of the ASA.

## **Senior Executive Changes**

The following changes have taken place since the *PB Statements 2025-26*:

- On 29 November 2025, Ms Samantha Higgins ceased in the position as Chief Operating Officer;
- On 29 November 2025, Ms Marlena Davis was appointed Acting Chief Operating Officer; and
- On 27 January 2026, Mr Dave Johnson was appointed Deputy Director-General Nuclear Submarines.

## **Organisational Structure**

As of January 2026, the following organisational changes have taken place since the *PB Statements 2025-26* in order to reflect the roles and accountabilities within the ASA:

- On 25 August 2025, Infrastructure Planning and Coordination Division was established under the Technical Group;
- On 10 November 2025, Workforce, Industry & Supply Chain Division was established under the then Program and Policy Group;
- On 12 January 2026, Program and Policy Group was renamed Strategy Group with the Chief Operating Officer Division transferring to the Group by end of March 2026; and
- On 27 January 2026, the Nuclear Submarines Group was established.

## 1.2 ASA Resource Statement

The ASA Resource Statement details the resourcing for the Australian Submarine Agency at Additional Estimates. Table 1 outlines the total resourcing available from all sources for the 2025-26 budget year, including variations through *Appropriation Bills No. 3 and No. 4, Special Appropriations and Special Accounts*.

**Table 1: ASA Resource Statement - Budget Estimates for 2025-26 as at Additional Estimates February 2026**

	2024-25 Actual Result \$'000	2025-26 Budget Estimate \$'000	2025-26 Proposed Additional Estimates <sup>[a]</sup> \$'000	2025-26 Revised Estimate \$'000	2026-27 Forward Estimate <sup>[a]</sup> \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
<b>Departmental</b>							
Annual appropriations - ordinary annual services							
Departmental appropriation <sup>[a]</sup>	300,111	388,788	-12,193	376,595	488,063	356,932	372,485
Annual appropriations - other services - non-operating							
Equity injection	52,843	8,805	-	8,805	8,069	-	-
<b>Total departmental resourcing</b>	<b>352,954</b>	<b>397,593</b>	<b>-12,193</b>	<b>385,400</b>	<b>496,132</b>	<b>356,932</b>	<b>372,485</b>
<b>Total resourcing for ASA</b>	<b>352,954</b>	<b>397,593</b>	<b>-12,193</b>	<b>385,400</b>	<b>496,132</b>	<b>356,932</b>	<b>372,485</b>

**Note**

a. Decrease in estimates of \$12.193 million in 2025-26 and \$75.265 million in the Forward Estimates relates to a 2025-26 savings measure from external labour and other non-wage expenses.

## Annual Appropriations

**Table 2: Appropriation Bill (No. 3) 2025-26**

	2024-25 Actual Result \$'000	2025-26 Budget Estimate \$'000	2025-26 Revised Estimate \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
<b>Departmental Outputs</b>					
Departmental Outputs	300,111	388,788	376,595	-	-12,193
<b>Total</b>	<b>300,111</b>	<b>388,788</b>	<b>376,595</b>	<b>-</b>	<b>-12,193</b>

**Table 3: Appropriation Bill (No. 4) 2025-26**

	2024-25 Actual Result \$'000	2025-26 Budget Estimate \$'000	2025-26 Revised Estimate \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
<b>Non-operating</b>					
Equity injections	52,843	8,805	8,805	-	-
<b>Total non-operating</b>	<b>52,843</b>	<b>8,805</b>	<b>8,805</b>	<b>-</b>	<b>-</b>

## 1.3 Budget Measures

### 2025-26 Budget Measures and Other Budget Adjustments

**Table 4: ASA 2025-26 Measures Since Budget**

	2025-26 Revised Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000	Total Forward Estimates \$'000
<b>Budget Measures</b>					
<b>Payment Measures</b>					
Savings from external labour - extension	-12,193	-	-	-	-12,193
Savings from external labour and other non-wage expenses	-	-31,466	-22,234	-21,565	-75,265
Nuclear-Powered Submarine Program – further program support <sup>[a]</sup>	-	-	-	-	-
<b>Total Departmental Budget Measures</b>	<b>-12,193</b>	<b>-31,466</b>	<b>-22,234</b>	<b>-21,565</b>	<b>-87,458</b>
<b>Other Departmental Budget Adjustments</b>					
Other Budget Adjustments	-	-1,432	-366	-380	-2,178
<b>Total Other Departmental Budget Adjustments</b>	<b>-</b>	<b>-1,432</b>	<b>-366</b>	<b>-380</b>	<b>-2,178</b>
<b>Variation to ASA Departmental Funding</b>	<b>-12,193</b>	<b>-32,898</b>	<b>-22,600</b>	<b>-21,945</b>	<b>-89,636</b>

**Note**

a. The ASA will meet the costs of this measure from within existing resources.

## Section 2: ASA Revisions to Outcomes and Planned Performance

### 2.1 Budgeted Expenses and Performance for Outcome 1

**Outcome 1: Safely and securely acquire, construct, deliver, technically govern, sustain and dispose of Australia's conventionally-armed nuclear-powered submarine capability, via the AUKUS partnership.**

#### Outcome 1 Strategy

#### Linked Programs

The following changes have been made to the Linked Programs since the *PB Statements* 2025-26.

##### Australian Federal Police

Program 3.3 – Nuclear-Powered Submarine Program.

##### Contribution to Outcome 1 by linked program

The Australian Federal Police works with the Australian Submarine Agency to build and integrate the interim protective security overlay for Submarine Rotational Force West at HMAS Stirling under the AUKUS initiative.

##### Department of Industry, Science and Resources

Program 1.4 - Nuclear-Powered Submarines.

##### Contribution to Outcome 1 by linked program

The Department of Industry, Science and Resources, through the Australian Radioactive Waste Agency and the Australian Nuclear Science and Technology Organisation, provides expert advice to support Agency's conventionally-armed, nuclear submarine program.

## Outcome Expense Statement

**Table 5: Budgeted Expenses for Outcome 1**

	2024-25 Actual Result \$'000	2025-26 Revised Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
<b>Program 1.1 - Nuclear-Powered Submarines</b>					
<b>Expenses funded by appropriation and own source revenue</b>					
Employees	115,631	160,261	204,691	152,644	167,626
Suppliers	167,832	206,136	272,814	193,356	193,541
Other expenses	5,157	4,868	4,636	4,380	4,096
	<b>288,620</b>	<b>371,265</b>	<b>482,141</b>	<b>350,380</b>	<b>365,263</b>
<b>Expenses not requiring appropriation<sup>[a]</sup></b>					
Resources received free of charge	18,418	-	-	-	-
Depreciation and amortisation	11,358	10,628	10,827	10,827	10,827
Net write-down and net impairment of assets	1,176	-	-	-	-
	<b>30,952</b>	<b>10,628</b>	<b>10,827</b>	<b>10,827</b>	<b>10,827</b>
<b>Total operating expenses</b>	<b>319,572</b>	<b>381,893</b>	<b>492,968</b>	<b>361,207</b>	<b>376,090</b>
<b>Capital expenditure funded by appropriation</b>					
Purchases of non-financial assets	35,000	8,805	8,069	-	-
Principal repayments on lease liabilities	5,575	5,330	5,922	6,552	7,222
<b>Total capital expenditure</b>	<b>40,575</b>	<b>14,135</b>	<b>13,991</b>	<b>6,552</b>	<b>7,222</b>
<b>Total funded expenditure for Program 1.1<sup>[b]</sup></b>	<b>329,195</b>	<b>385,400</b>	<b>496,132</b>	<b>356,932</b>	<b>372,485</b>

	2024-25	2025-26
<b>Average Staffing Level (number)</b>	636	883

**Notes**

- a. Expenses not requiring appropriation include depreciation, write-down and impairment of assets, other resources received free of charge and auditor fees.
- b. Total Program funded expenditure includes operating expenses and capital expenditure funded by appropriation and own source revenue. This excludes expenses not requiring appropriation.

## 2.2 Contributions to Outcome 1

### Program 1.1: Nuclear-Powered Submarines

Performance information is as reported in the *PB Statements 2025-26*.

## Section 3: ASA Explanatory Tables and Budgeted Financial Statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of ASA's finances for the 2025-26 budget year, including the impact of budget measures and resourcing on financial statements.

### 3.1 Explanatory Tables

**Table 6: Third Party Payments to and from Other Agencies <sup>[a]</sup>**

	<b>2025-26 Budget Estimate \$'000</b>	<b>2025-26 Revised Estimate \$'000</b>
Payments made to Department of Defence for provision of services (Departmental)	36,725	36,725

**Note**

a. Third party payments to and from other Agencies include:

- Inter-agency transactions in excess of \$20 million per annum; and
- Inter-agency transactions relating to budget measures as disclosed in Defence budget measures.

## 3.2 Budgeted Financial Statements

### 3.2.1 Budgeted Financial Statements

**Table 7: Comprehensive Income Statement (showing net cost of services) (for the period ended 30 June) <sup>[a]</sup>**

	2024-25 Actual Result \$'000	2025-26 Revised Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
<b>EXPENSES</b>					
Employee benefits	132,101	160,261	204,691	152,644	167,626
Suppliers	169,780	206,136	272,814	193,356	193,541
Depreciation and amortisation	11,358	10,628	10,827	10,827	10,827
Other expenses	6,333	4,868	4,636	4,380	4,096
<b>Total expenses</b>	<b>319,572</b>	<b>381,893</b>	<b>492,968</b>	<b>361,207</b>	<b>376,090</b>
<b>LESS</b>					
<b>OWN-SOURCE INCOME</b>					
Own-source revenue					
Resources received free of charge	18,418	-	-	-	-
Other revenue	169	-	-	-	-
<b>Total own-source revenue</b>	<b>18,587</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Gains	436	-	-	-	-
<b>Total gains</b>	<b>436</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total own-source income</b>	<b>19,023</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cost of (contribution by) services</b>	<b>-300,549</b>	<b>-381,893</b>	<b>-492,968</b>	<b>-361,207</b>	<b>-376,090</b>
Revenue from Government	300,111	376,595	488,063	356,932	372,485
<b>Surplus/(Deficit) attributable to the Australian Government</b>	<b>-438</b>	<b>-5,298</b>	<b>-4,905</b>	<b>-4,275</b>	<b>-3,605</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Items not subject to subsequent reclassification to net cost of services					
Changes in asset revaluation reserves	-	-	-	-	-
<b>Total other comprehensive income/(loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>-438</b>	<b>-5,298</b>	<b>-4,905</b>	<b>-4,275</b>	<b>-3,605</b>
<b>Note: Impact of net cash appropriation arrangements</b>					
	2024-25 Actual Result \$'000	2025-26 Revised Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
<b>Surplus/(Deficit) attributable to the Australian Government prior to Net Cash Appropriation Adjustments</b>	5,345	-	-	-	-
less: depreciation/amortisation expenses previously funded through revenue appropriations <sup>[b]</sup>	11,358	10,628	10,827	10,827	10,827
add: principal repayments on leased assets <sup>[c]</sup>	5,575	5,330	5,922	6,552	7,222
<b>Total comprehensive income/(loss) as per the statement of comprehensive income</b>	<b>-438</b>	<b>-5,298</b>	<b>-4,905</b>	<b>-4,275</b>	<b>-3,605</b>

#### Notes

- a. Prepared on Australian Accounting Standards basis.
- b. From 2010-11, the Government introduced net cash appropriation arrangements where *Appropriation Bill* (No. 1) revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select Commonwealth entities) were replaced with a separate capital budget (the departmental capital budget or DCB) provided through *Appropriation Bill* (No. 1) equity appropriations. For information regarding DCBs, please refer to Table 12 Departmental Capital Budget Statement.
- c. Applies leases under AASB 16 Leases.

**Table 8: Budgeted Departmental Balance Sheet (as at 30 June) [a]**

	2024-25 Actual Result \$'000	2025-26 Revised Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	5,332	5,332	5,332	5,332	5,332
Trade and other receivables	190,043	219,460	253,064	213,797	216,138
<b>Total financial assets</b>	<b>195,375</b>	<b>224,792</b>	<b>258,396</b>	<b>219,129</b>	<b>221,470</b>
<b>Non-financial assets</b>					
Land and buildings	109,671	108,368	106,244	98,339	90,433
Plant and equipment	40,535	40,013	39,268	36,346	33,425
Prepayments	-	-	-	-	-
<b>Total non-financial assets</b>	<b>150,206</b>	<b>148,381</b>	<b>145,512</b>	<b>134,685</b>	<b>123,858</b>
Assets held for sale	-	-	-	-	-
<b>Total assets</b>	<b>345,581</b>	<b>373,173</b>	<b>403,908</b>	<b>353,814</b>	<b>345,328</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	70,390	84,008	104,161	81,493	84,452
Other payables	6,399	8,304	10,185	8,733	3,792
<b>Total payables</b>	<b>76,789</b>	<b>92,312</b>	<b>114,346</b>	<b>90,226</b>	<b>88,244</b>
<b>Interest bearing liabilities</b>					
Leases	118,061	112,625	106,703	100,151	92,929
<b>Total interest bearing liabilities</b>	<b>118,061</b>	<b>112,625</b>	<b>106,703</b>	<b>100,151</b>	<b>92,929</b>
<b>Provisions</b>					
Employee provisions	36,716	50,714	62,179	47,032	51,355
<b>Total provisions</b>	<b>36,716</b>	<b>50,714</b>	<b>62,179</b>	<b>47,032</b>	<b>51,355</b>
<b>Total liabilities</b>	<b>231,566</b>	<b>255,651</b>	<b>283,228</b>	<b>237,409</b>	<b>232,528</b>
<b>Net assets</b>	<b>114,015</b>	<b>117,522</b>	<b>120,680</b>	<b>116,405</b>	<b>112,800</b>
<b>EQUITY</b>					
Contributed equity	87,860	96,666	104,735	104,735	104,735
Reserves	-	-	-	-	-
Retained surplus/(accumulated deficit)	26,155	20,856	15,945	11,670	8,065
<b>Total Equity</b>	<b>114,015</b>	<b>117,522</b>	<b>120,680</b>	<b>116,405</b>	<b>112,800</b>

**Note**

a. Prepared on Australian Accounting Standards basis.

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

	2024-25 Actual Result \$'000	2025-26 Revised Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	254,144	347,180	454,459	396,199	370,144
Net GST received	6,709	-	-	-	-
Other	8,116	-	-	-	-
<b>Total cash received</b>	<b>268,969</b>	<b>347,180</b>	<b>454,459</b>	<b>396,199</b>	<b>370,144</b>
<b>Cash used</b>					
Employees	112,384	144,464	191,240	169,243	168,244
Suppliers	143,170	192,518	252,661	216,024	190,582
Interest payments on lease liability	5,336	4,868	4,636	4,380	4,096
Other	106	-	-	-	-
<b>Total cash used</b>	<b>260,996</b>	<b>341,850</b>	<b>448,537</b>	<b>389,647</b>	<b>362,922</b>
<b>Net cash from (used by) operating activities</b>	<b>7,973</b>	<b>5,330</b>	<b>5,922</b>	<b>6,552</b>	<b>7,222</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment	35,000	8,805	8,069	-	-
<b>Total cash used</b>	<b>35,000</b>	<b>8,805</b>	<b>8,069</b>	<b>-</b>	<b>-</b>
<b>Net cash from (used by) investing activities</b>	<b>-35,000</b>	<b>-8,805</b>	<b>-8,069</b>	<b>-</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	35,000	8,805	8,069	-	-
<b>Total cash received</b>	<b>35,000</b>	<b>8,805</b>	<b>8,069</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Principal repayments on leased assets	5,575	5,330	5,922	6,552	7,222
<b>Total cash used</b>	<b>5,575</b>	<b>5,330</b>	<b>5,922</b>	<b>6,552</b>	<b>7,222</b>
<b>Net cash from (used by) financing activities</b>	<b>29,425</b>	<b>3,475</b>	<b>2,147</b>	<b>-6,552</b>	<b>-7,222</b>
<b>Net increase/(decrease) in cash and cash equivalents held</b>	<b>2,398</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	2,934	5,332	5,332	5,332	5,332
Effect of exchange rate movements on cash and cash equivalents at the beginning of the reporting period	-	-	-	-	-
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>5,332</b>	<b>5,332</b>	<b>5,332</b>	<b>5,332</b>	<b>5,332</b>

**Note**

a. Prepared on Australian Accounting Standards basis.

**Table 10: Departmental Statement of Changes in Equity - Summary of Movement  
(Budget Year 2025-26) <sup>[a]</sup>**

	Retained Earnings \$'000	Contributed Equity \$'000	Total Equity \$'000
<b>Opening balance as at 1 July 2025</b>	26,155	87,860	<b>114,015</b>
<b>Comprehensive income</b>			
Comprehensive income recognised directly in equity	-	-	-
<b>Subtotal Comprehensive income</b>	-	-	-
Surplus/(deficit) for the period	-5,298	-	<b>-5,298</b>
<b>Total comprehensive income recognised directly in equity</b>	<b>-5,298</b>	-	<b>-5,298</b>
<b>Transactions with owners</b>			
<i>Contributions by owners</i>			
Appropriation (equity injection)	-	8,805	<b>8,805</b>
<b>Subtotal transactions with owners</b>	-	<b>8,805</b>	<b>8,805</b>
Transfers between equity components	-	-	-
<b>Estimated closing balance as at 30 June 2026</b>	<b>20,856</b>	<b>96,666</b>	<b>117,522</b>
<b>Closing balance attributable to the Australian Government</b>	<b>20,856</b>	<b>96,666</b>	<b>117,522</b>

**Note**

a. Prepared on Australian Accounting Standards basis.

**Table 11: Statement of Departmental Asset Movements (Budget Year 2025-26)**

	Land and Buildings \$'000	Other Property, Plant and Equipment \$'000	Total \$'000
<b>Opening balance as at 1 July 2025</b>			
Gross book value	128,877	41,683	170,560
Accumulated depreciation/amortisation and impairment	-19,205	-1,148	-20,353
<b>Opening net book balance</b>	<b>109,671</b>	<b>40,535</b>	<b>150,206</b>
<b>CAPITAL ASSET ADDITIONS</b>			
<b>Estimated expenditure on new or replacement assets</b>			
By purchase - appropriation equity	8,456	349	8,805
<b>Total additions</b>	<b>8,456</b>	<b>349</b>	<b>8,805</b>
<b>Other movements</b>			
Depreciation/amortisation expense	-9,757	-871	-10,628
<b>Total other movements</b>	<b>-9,757</b>	<b>-871</b>	<b>-10,628</b>
<b>Closing balance as at 30 June 2026</b>			
Gross book value	137,332	42,032	179,364
Accumulated depreciation/amortisation and impairment	-28,964	-2,019	-30,983
<b>Closing net book balance</b>	<b>108,368</b>	<b>40,013</b>	<b>148,381</b>

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

	2024-25 Actual Result \$'000	2025-26 Revised Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Equity injections - Bill 2	52,843	8,805	8,069	-	-
<b>Total new capital appropriations</b>	<b>52,843</b>	<b>8,805</b>	<b>8,069</b>	<b>-</b>	<b>-</b>
<i>Provided for:</i>					
Purchase of non-financial assets	35,000	8,805	8,069	-	-
Other items	-	-	-	-	-
<b>Total items</b>	<b>35,000</b>	<b>8,805</b>	<b>8,069</b>	<b>-</b>	<b>-</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations	-	8,805	8,069	-	-
Funded by finance leases	-	-	-	-	-
Funded internally from departmental resources	-	-	-	-	-
Funding by special appropriations	-	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>8,805</b>	<b>8,069</b>	<b>-</b>	<b>-</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	35,000	8,805	8,069	-	-
less additions by finance lease	-	-	-	-	-
less additions by creditor/borrowings	-	-	-	-	-
plus borrowing/finance cost	-	-	-	-	-
plus annual finance lease costs	-	-	-	-	-
less gifted assets	-	-	-	-	-
less s75 transfers/restructuring	-	-	-	-	-
<b>Total cash used to acquire assets</b>	<b>35,000</b>	<b>8,805</b>	<b>8,069</b>	<b>-</b>	<b>-</b>

### **3.2.2 Notes to the Financial Statements**

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

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