

AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION

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AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Australian Securities and Investments Commission (ASIC) is an independent government body established under the *Australian Securities and Investments Commission Act 2001* (ASIC Act).

ASIC's objectives, as set out in the ASIC Act, are to:

- maintain, facilitate and improve the performance of the financial system and the entities within that system in the interests of commercial certainty, reducing business costs, and the efficiency and development of the economy;
- promote the confident and informed participation of investors and consumers in the financial system;
- administer the laws that confer functions and powers on it effectively and with a minimum of procedural requirements;
- receive, process and store, efficiently and quickly, the information given to ASIC under the laws that confer functions and powers on it;
- ensure that information is available as soon as practicable for access by the public; and
- take whatever action it can take, and is necessary, to enforce and give effect to the laws of the Commonwealth that confer functions and powers on it.

ASIC regulates financial markets, Australian companies, disclosure, financial services organisations and professionals who deal and advise in investments, superannuation, insurance, deposit taking and credit.

As the financial services and consumer credit regulator, ASIC administers the Australian financial services (AFS) and credit licensing regime and monitors financial services and credit businesses to ensure that they operate efficiently, honestly and fairly. These businesses typically deal in superannuation, managed funds, deposit and payment products, personal lending, insurance, shares and company securities, and derivatives.

As the markets regulator, ASIC assesses how effective operators of financial markets are at ensuring their markets operate in a fair, orderly and transparent way. ASIC also exercises delegated authority from the Minister in authorising new markets and approving important changes to market structure. It has responsibility for the supervision of trading on Australia's domestic licensed equity, derivatives markets.

As the corporate regulator, ASIC ensures that companies, schemes and related entities meet their conduct and disclosure obligations under the *Corporations Act 2001* (Corporations Act). ASIC registers and regulates companies at every point from their incorporation through to their winding up, and ensures that company officers comply with their responsibilities. It also registers and, where necessary, takes disciplinary action against company auditors and liquidators. ASIC monitors public companies' financial reporting and disclosure and fundraising activities.

ASIC promotes financial literacy. It supports the financial capability of Australians to improve their financial knowledge and skills and develop the attitudes and behaviours to make good financial decisions.

ASIC also operates a public register that provides information about Australia's companies, business names, financial services licensees and other professionals registered with ASIC.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the entity for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4 – Agency Resourcing*.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome 1' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Australian Securities and Investments Commission resource statement — Budget estimates for 2019-20 as at Budget April 2019

	<i>2018-19 (a)</i> <i>Estimated</i> <i>actual</i> <i>\$'000</i>	2019-20 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (b)		
Prior year appropriations available (c)	117,407	107,655
Departmental appropriation (d)	342,428	402,219
s74 External Revenue (e)	6,500	6,500
Departmental capital budget (f)	24,345	25,149
Annual appropriations - other services - non-operating (g)		
Equity injection	5,499	2,277
Total departmental annual appropriations	496,179	543,800
Total departmental special appropriations (h)		
Special accounts (h)		
Opening balance	59,135	59,135
Appropriation receipts (i)	26,217	41,195
<i>Total special accounts</i>	<i>85,352</i>	<i>100,330</i>
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	<i>26,217</i>	<i>41,195</i>
Total departmental resourcing	555,314	602,935

Table 1.1: Australian Securities and Investments Commission resource statement — Budget estimates for 2019-20 as at Budget April 2019 (continued)

	2018-19 (a) Estimated actual \$'000	2019-20 Estimate \$'000
Administered		
Annual appropriations - ordinary annual services (b)		
Outcome 1	18,638	10,261
Total administered annual appropriations	18,638	10,261
Special appropriations		
<i>Banking Act 1959</i>	24,270	24,247
<i>Life Insurance Act 1995</i>	3,641	5,605
<i>Public Governance, Performance and Accountability Act 2013</i>	33,866	33,921
<i>Corporations Act 2001</i>	10,000	10,000
Total administered special appropriations	71,777	73,773
Special accounts (h)		
Opening balance	4,908	4,908
<i>Total special account receipts</i>	4,908	4,908
Total administered resourcing	95,323	88,942
Total resourcing for ASIC	650,637	691,877

	2018-19	2019-20
Average staffing level (number)	1,853	2,002

- (a) Annual appropriation amounts appearing for 2018-19 do not include the Appropriation Bills (No. 3) and (No. 4) 2018-2019, as they had not been enacted at the time of publication.
- (b) Appropriation Bill (No.1) 2019-20.
- (c) Excludes \$3.922m subject to quarantine by Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).
- (d) Excludes departmental capital budget (DCB).
- (e) Estimated External Revenue receipts under section 74 of the PGPA Act.
- (f) 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'.
- (g) Appropriation Bill (No.2) 2019-20.
- (h) 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.
- (i) Amounts credited to the special account(s) from ASIC's annual and special appropriations.
- All figures shown above are GST exclusive – these may not match figures in the cash flow statement. Prepared on a resourcing (that is, appropriations available) basis.

1.3 BUDGET MEASURES

Budget measures relating to ASIC are detailed in Budget Paper No.2 and are summarised below.

Table 1.2: Measures announced since the 2018-19 Mid-Year Economic and Fiscal Outlook (MYEFO)

Program	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000
Revenue measures					
Government Response to the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry					
1.1					
Administered revenues	-	-	40,476	122,184	128,549
Total revenue measures	-	-	40,476	122,184	128,549
Expense measures					
Superannuation Complaints Tribunal — completion of casework					
1.1					
Departmental expenses	-	-	2,093	149	57
Government Response to the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry					
1.1					
Departmental expenses	-	38,524	118,762	126,797	112,353
Total expense measures	-	38,524	120,855	126,946	112,410
Capital measures					
Government Response to the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry					
1.1					
Departmental capital	-	1,952	3,422	1,752	1,202
Total capital measures	-	1,952	3,422	1,752	1,202

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

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.

ASIC's outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements - included in Annual Reports - to provide an entity's complete performance story.

The most recent corporate plan for ASIC can be found at:

<https://asic.gov.au/about-asic/what-we-do/our-role/asics-corporate-plan-2018-22/>

The most recent annual performance statement can be found in the Annual Reports at:

<http://asic.gov.au/about-asic/corporate-publications/asic-annual-reports/>

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1:

Improved confidence in Australia's financial markets through promoting informed investors and financial consumers, facilitating fair and efficient markets and delivering efficient registry systems.

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: Budgeted expenses for Outcome 1

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
Program 1.1: Australian Securities and Investments Commission					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	16,420	7,653	7,707	7,751	5,278
Expenses not requiring appropriation in the Budget year (a)	60,380	61,156	62,253	63,657	65,198
Administered total	76,800	68,809	69,960	71,408	70,476
Departmental expenses					
Departmental appropriation s74 External Revenue (b)	370,960	401,156	438,294	447,417	435,069
Expenses not requiring appropriation in the Budget year (c)	6,860	6,860	6,380	6,380	6,360
	47,814	39,676	33,270	27,570	20,429
Departmental total	425,634	447,692	477,944	481,367	461,858
Total expenses for Program 1.1	502,434	516,501	547,904	552,775	532,334
Program 1.2: Banking Act 1959, Life Insurance Act 1995, unclaimed monies and special accounts					
Administered expenses					
Companies unclaimed monies - s77 of the PGPA Act	43,920	37,400	37,219	36,991	36,791
Ordinary annual services (Appropriation Bill No. 1)	1,831	2,608	2,879	3,248	3,549
Special appropriations <i>Banking Act 1959 - Banking Unclaimed Moneys</i>	5,763	32,137	39,663	39,823	39,882
<i>Life Insurance Act 1995 - Life Unclaimed Moneys</i>	1,848	(48)	5,112	5,107	5,099
Administered total	53,362	72,097	84,873	85,169	85,321
Total expenses for Program 1.2	53,362	72,097	84,873	85,169	85,321

Table 2.1: Budgeted expenses for Outcome 1 (continued)

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	18,251	10,261	10,586	10,999	8,827
Special appropriations	7,611	32,089	44,775	44,930	44,981
Companies unclaimed monies - s77 of the PGPA Act	43,920	37,400	37,219	36,991	36,791
Expenses not requiring appropriation in the Budget year (a)	60,380	61,156	62,253	63,657	65,198
Administered total	130,162	140,906	154,833	156,577	155,797
Departmental expenses					
Departmental appropriation	370,960	401,156	438,294	447,417	435,069
s74 External Revenue (b)	6,860	6,860	6,380	6,380	6,360
Expenses not requiring appropriation in the Budget year (c)	47,814	39,676	33,270	27,570	20,429
Departmental total	425,634	447,692	477,944	481,367	461,858
Total expenses for Outcome 1	555,796	588,598	632,777	637,944	617,655

	2018-19	2019-20
Average staffing level (number)	1,853	2,002

(a) Expenses not requiring appropriation in the Budget year are doubtful debts.

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

(c) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses and amortisation expenses.

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

Table 2.2: Performance criteria for Outcome 1

Table 2.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019-20 Budget measures have created new programs or materially changed existing programs.

<p>Outcome 1 – Improved confidence in Australia's financial markets through promoting informed investors and financial consumers, facilitating fair and efficient markets and delivering efficient registry systems.</p>		
<p>Program 1.1 – Australian Securities and Investments Commission</p> <p>Program 1.1 contributes to Outcome 1 by strategically identifying and responding to conduct which presents the greatest risk of harm. This includes:</p> <ul style="list-style-type: none"> • detecting misconduct through risk-based surveillance, breach reports, reports from the whistleblowers and the public, monitoring trends and emerging risks, data gathering and analysis; • understanding and analysing the intelligence we receive to assess harms early and respond quickly; and • responding to misconduct or the risk of misconduct through education, disrupting harmful behaviour, enforcement, engaging with industry and stakeholders, and providing guidance and policy advice. <p>This program also seeks to improve ASIC's registry services and reduce costs for businesses, consumers and the public.</p>		
<p>Delivery</p>	<p>ASIC will deliver this program through strategic use of a range of regulatory tools most appropriate to disrupt harm and poor behaviour in the financial system.</p>	
<p>Performance information</p>		
<p>Year</p>	<p>Performance criteria</p>	<p>Targets</p>
<p>2018-19</p>	<p>Investor and consumer trust and confidence:</p> <ul style="list-style-type: none"> • investors and consumers have trust and confidence to participate in the financial system; • product issuers, credit providers and financial advisers act professionally, treat consumers fairly and prioritise their interests; • fair and efficient processes are in place for resolution of disputes; and • misconduct is dealt with and deterred. <p>Market integrity:</p> <ul style="list-style-type: none"> • financial market participants act professionally, treat investors fairly; • issuers and their officers treat customers fairly and are accountable through accurate and timely disclosure; • financial markets are fair and efficient; and • misconduct is dealt with and deterred. <p>Providing efficient registration services:</p> <ul style="list-style-type: none"> • registration is efficient, accurate and cost effective for business; • business complies with ongoing registration obligations; • the public has easy access to information in ASIC registers; and • misconduct is dealt with and deterred. 	<p>Promoting investor and consumer trust and confidence and market integrity</p> <ul style="list-style-type: none"> • On track to meet the performance criteria for 2018-19. <p>Providing efficient registration services</p> <ul style="list-style-type: none"> • On track to meet the performance criteria for 2018-19.

Performance information (continued)		
Year	Performance criteria	Targets
2019-20	<p>Change behaviours to drive good consumer and investor outcomes</p> <ul style="list-style-type: none"> • investors and consumers have trust and confidence in the financial system • fair and efficient processes are in place for the resolution of disputes • financial markets are fair, orderly and transparent 	<p>Evidenced by qualitative and quantitative measures, including:</p> <p>Change behaviours to drive good consumer and investor outcomes</p> <ul style="list-style-type: none"> • Stakeholder feedback • External data – e.g. the Australian Financial Attitudes and Behaviour Tracker, dispute resolution data and other benchmarking survey data • Measures of the cleanliness of the Australian listed equity market • Operational data – e.g. meetings and other engagement with stakeholders, consultation papers, feedback statements, regulatory guidance and industry reports published, and licences granted, varied and refused • External committees and panels, such as the External Advisory Panel, Consumer Advisory Panel • ASIC reports on progress in remediation of identified breaches • Case studies of key matters where we have used our regulatory tools to change behaviour in the financial system

Performance information		
Year	Performance criteria	Targets
2019-20 (continued)	<p>Act against misconduct to maintain trust and integrity in the financial system</p> <ul style="list-style-type: none"> • identify, address and deter misconduct in the financial system • take successful enforcement or other regulatory action – including court enforceable undertakings and infringement notices – in response to identified misconduct • appropriately sanction individuals who commit misconduct including, where warranted, banning them from providing financial services or taking civil or criminal action against them • our published reports on surveillance and enforcement outcomes and industry messages that are delivered to stakeholders articulate our standards and expectations <p>Promote strong and innovative development of the financial system</p> <ul style="list-style-type: none"> • the regulatory system supports the work of innovative start-ups and the market testing of novel products and services • promote improved efficiency and reduced compliance costs among our regulated population • exercise our discretionary powers to grant relief or make legislative instruments appropriately, where there is a net regulatory benefit • advise the Government on policy issues and law reform options and support the Government's financial services reform agenda • propose and support international policy initiatives that improve regulatory outcomes for Australia and support cross-border activity 	<p>Act against misconduct to maintain trust and integrity in the financial system</p> <ul style="list-style-type: none"> • Operational data – e.g. supervision and enforcement action undertaken and results achieved, reports of misconduct made to ASIC, and ASIC actions in response to misconduct reports received • Compensation for wrongdoing provided to investors and consumers • Public outcomes – e.g. civil, criminal and administrative actions taken, including bannings • Published ASIC reports – including the enforcement report and market integrity report • Case studies on where we have used our regulatory tools to identify, address and deter misconduct <p>Promote strong and innovative development of the financial system</p> <ul style="list-style-type: none"> • Use of the ASIC Innovation Hub by innovative financial firms, including the regulatory sandbox • Reported compliance cost savings based on ASIC's activities • Operational data – including relief applications assessed and legislative instruments made • Meetings with, and advice to, Treasury and relevant Ministers • Submissions made to government policy consultation processes • Publication of reports by international regulatory bodies to which ASIC has contributed • Case studies on where we have used our regulatory tools to promote the strong and innovative development of the financial system

Performance information (continued)		
Year	Performance criteria	Targets
2019-20 (continued)	<p>Help Australians to be in control of their financial lives</p> <ul style="list-style-type: none"> • people can take action based on ASIC's educational materials • support better financial education across Australia's education system • provide a range of tools and resources to help people understand money and how to manage it • coordinate with stakeholders to support the National Financial Capability Strategy <p>Provide efficient and accessible business registers that make it easier to do business</p> <ul style="list-style-type: none"> • registration is cost-effective and easy for businesses to manage • businesses comply with their ongoing registration obligations • the public has easy access to information in ASIC registers • information in our registers is accurate and up-to-date 	<p>Help Australians to be in control of their financial lives</p> <ul style="list-style-type: none"> • ASIC MoneySmart accessibility and usage • External survey data – e.g. the ANZ Survey of Adult Financial Literacy in Australia • Collaboration with the formal education sector to support better financial literacy education • Personal financial capability tools and resources produced • Case studies on where we have helped Australians to be in control of their financial lives <p>Provide efficient and accessible business registers that make it easier to do business</p> <ul style="list-style-type: none"> • Stakeholder feedback • Performance against the ASIC service charter • Progress in migrating registry services online • Operational data – e.g. volume and efficiency of registry activity • Case studies on where we have provided efficient and accessible registration to make it easier for Australians to do business
2020-21 and beyond	As per 2019-20	As per 2019-20
Purposes	ASIC is Australia's integrated corporate, financial services and consumer credit regulator. Its role includes maintaining and facilitating the performance of the financial system and promoting confident and informed participation by investors and consumers in that system.	

Table 2.2: Performance criteria for Outcome 1 (continued)

Program 1.2 – Banking Act 1959, Life Insurance Act 1995, unclaimed monies and special accounts.		
ASIC is responsible for the administration of unclaimed money from banking and deposit taking institutions and life insurance institutions		
Delivery	Provide an accurate register of unclaimed money and special accounts administered by ASIC.	
Performance information		
Year	Performance criteria	Targets
2018-19	<ul style="list-style-type: none"> • ensure that refunds of unclaimed monies are paid to successful claimants promptly; and • ensure that payments of money from special accounts are paid out promptly in accordance with the specified purposes or appropriate legislation. 	Process claims within 28 days of receiving all necessary claim documentation.
2019-20	As per 2018-19	As per 2018-19
2020-21 and beyond	As per 2018-19	As per 2018-19
Purposes	ASIC is Australia's integrated corporate, financial services and consumer credit regulator. Its role includes maintaining and facilitating the performance of the financial system and promoting confident and informed participation by investors and consumers in that system.	

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019-20 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019-20 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and programme expenses, movements in administered funds, special accounts and government indigenous expenditure.

3.1.2 Explanatory notes and analysis of budgeted financial statements

Budgeted departmental income statement

ASIC is budgeting for a break-even operating result for 2019-20 and for the remainder of the forward estimates, after adding back non-appropriated depreciation and amortisation expenses.

Budgeted departmental balance sheet

This statement shows the financial position of ASIC. It helps decision-makers to track the management of ASIC's assets and liabilities.

ASIC's budgeted equity (or net asset position) for 2019-20 is \$143 million.

The 2019-20 equity position reflects the cumulative effect of capital injections of \$27.4 million received during 2019-20.

Budgeted departmental statement of cash flows

The budgeted statement of cash flows provides important information on the extent and nature of cash flows by categorising them into expected cash flows from operating activities, investing activities and financing activities.

Departmental statement of changes in equity — summary of movement

This statement shows the changes in the equity position of ASIC. It helps decision-makers to track the management of ASIC's equity.

Departmental Capital Budget statement

This statement shows details of capital appropriations received by ASIC. It helps decision-makers to track the acquisition of new non-financial assets.

Statement of asset movements — departmental

This statement shows details of gross asset movements during the year. It helps decision-makers to analyse movements of non-financial assets.

Schedule of administered activity

Schedule of budgeted income and expenses administered on behalf of government

The schedule of budgeted income and expenses administered on behalf of government shows the revenue and expenses associated with the collection of revenue under the *Corporations Act 2001* and ASIC's responsibilities in administering unclaimed monies under the *Banking Act 1959*, the *Life Insurance Act 1995* and section 77 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

In addition, ASIC collects taxation revenue under the *ASIC Supervisory Cost Recovery Levy Act 2017*, the *ASIC Supervisory Cost Recovery Levy (Collection) Act 2017*, the *ASIC Supervisory Cost Recovery Levy (Consequential Amendments) Act 2017*, the *ASIC Supervisory Cost Recovery Levy Regulations 2017*; and the *ASIC Supervisory Cost Recovery Levy (Consequential Amendments) Regulations 2017*.

Other non-taxation revenue represents the amount of fees and charges budgeted to be levied under the *Corporations Act 2001* and estimated receipts of unclaimed monies under the *Banking Act 1959*, the *Life Insurance Act 1995* and the *Corporations Act 2001*.

Expenses represent budgeted payments of unclaimed monies, refund of overpaid fees and charges levied under the *Corporations Act 2001*, bad debt expense, administered advertising expenses and grant payments to registered insolvency practitioners to investigate breaches of directors' duties and fraudulent conduct.

Schedule of budgeted assets and liabilities administered on behalf of government

The amount shown for receivables in 2019-20 and in the forward estimates is the estimated amount of taxation revenue fees and charges remaining unpaid at 30 June.

The amounts shown in other payables for 2019-20 and the forward estimates represent the estimated amount of refunds relating to the overpayments of annual review and other fees under the *Corporations Act 2001*, estimated claims payable under the *Banking Act 1959* and the *Life Insurance Act 1995* and companies unclaimed monies under section 77 of the PGPA Act.

Schedule of budgeted administered cash flows

Budgeted administered cash flows provide important information on the extent and nature of cash flows by categorising them into expected cash flows from operating activities, investing activities and financing activities.

3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
EXPENSES					
Employee benefits	222,042	238,558	254,022	256,087	250,638
Suppliers	155,274	163,782	189,823	196,881	189,962
Depreciation and amortisation (a)	47,814	39,676	33,270	27,570	20,429
Finance costs	504	5,676	829	829	829
Total expenses	425,634	447,692	477,944	481,367	461,858
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	2,000	2,000	2,000	2,000	2,000
Rental income	2,700	2,700	2,220	2,220	2,200
Royalties	165	165	165	165	165
Other revenue	1,995	1,995	1,995	1,995	1,995
Total own-source revenue	6,860	6,860	6,380	6,380	6,360
Gains					
Other gains	-	-	-	-	-
Total gains	-	-	-	-	-
Total own-source income	6,860	6,860	6,380	6,380	6,360
Net (cost of)/contribution by services	(418,774)	(440,832)	(471,564)	(474,987)	(455,498)
Revenue from Government	374,313	402,219	440,551	448,553	436,205
Surplus/(deficit) attributable to the Australian Government	(44,461)	(38,613)	(31,013)	(26,434)	(19,293)
OTHER COMPREHENSIVE INCOME					
Total other comprehensive income	-	-	-	-	-
Total comprehensive income/(loss)	(44,461)	(38,613)	(31,013)	(26,434)	(19,293)
Total comprehensive income/(loss) attributable to the Australian Government	(44,461)	(38,613)	(31,013)	(26,434)	(19,293)

(a) From 2010-11, the Government introduced net cash appropriation arrangements. This involved Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

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

	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	3,353	1,063	2,257	1,136	1,136
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	47,814	39,676	33,270	27,570	20,429
Total comprehensive income/(loss) - as per the statement of comprehensive income	(44,461)	(38,613)	(31,013)	(26,434)	(19,293)

(a) From 2010-11, the Government introduced net cash appropriation arrangements. This involved Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	62,703	62,703	62,703	62,703	62,703
Trade and other receivables	112,766	112,766	112,766	112,766	112,766
Total financial assets	175,469	175,469	175,469	175,469	175,469
Non-financial assets					
Land and buildings	23,122	26,546	26,523	26,835	26,844
Property, plant and equipment	15,030	9,520	5,659	3,401	2,888
Intangibles	89,116	78,952	73,885	71,053	73,514
Other non-financial assets	13,846	13,846	13,846	13,846	13,846
Total non-financial assets	141,114	128,864	119,913	115,135	117,092
Total assets	316,583	304,333	295,382	290,604	292,561
LIABILITIES					
Payables					
Suppliers	42,486	42,486	42,486	42,486	42,486
Other payables	37,274	36,211	33,954	32,818	31,682
Total payables	79,760	78,697	76,440	75,304	74,168
Provisions					
Employee provisions	68,455	68,455	68,455	68,455	68,455
Other provisions	14,181	14,181	14,181	14,181	14,181
Total provisions	82,636	82,636	82,636	82,636	82,636
Total liabilities	162,396	161,333	159,076	157,940	156,804
Net assets	154,187	143,000	136,306	132,664	135,757
EQUITY*					
Parent entity interest					
Contributed equity	431,649	459,075	483,394	506,186	528,572
Reserves	17,137	17,137	17,137	17,137	17,137
Retained surplus (accumulated deficit)	(294,599)	(333,212)	(364,225)	(390,659)	(409,952)
Total parent entity interest	154,187	143,000	136,306	132,664	135,757
Total equity	154,187	143,000	136,306	132,664	135,757

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

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019-20)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2019				
Balance carried forward from previous period	(294,599)	17,137	431,649	154,187
Adjusted opening balance	(294,599)	17,137	431,649	154,187
Comprehensive income				
Other comprehensive income	-	-	-	-
Surplus/(deficit) for the period	(38,613)	-	-	(38,613)
Total comprehensive income	(38,613)	-	-	(38,613)
Transactions with owners				
Contributions by owners				
Equity injection - Appropriation	-	-	2,277	2,277
Departmental Capital Budget (DCB)	-	-	25,149	25,149
Sub-total transactions with owners	-	-	27,426	27,426
Estimated closing balance as at 30 June 2020	(333,212)	17,137	459,075	143,000
Closing balance attributable to the Australian Government	(333,212)	17,137	459,075	143,000

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations					
Receipts from Government	384,065	402,219	440,551	448,553	436,205
Sale of goods and rendering of services	4,700	4,700	4,220	4,220	4,200
Net GST received	-	-	-	-	-
Other	1,800	1,800	1,800	1,800	1,800
Total cash received	390,565	408,719	446,571	454,573	442,205
Cash used					
Employees	222,042	238,558	254,022	256,087	250,638
Suppliers	155,922	169,098	190,292	197,350	190,431
Other	3,353	1,063	2,257	1,136	1,136
Total cash used	381,317	408,719	446,571	454,573	442,205
Net cash from/(used by) operating activities	9,248	-	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	36,478	27,426	24,319	22,792	22,386
Total cash used	36,478	27,426	24,319	22,792	22,386
Net cash from/(used by) investing activities	(36,478)	(27,426)	(24,319)	(22,792)	(22,386)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	27,230	27,426	24,319	22,792	22,386
Total cash received	27,230	27,426	24,319	22,792	22,386
Net cash from/(used by) financing activities	27,230	27,426	24,319	22,792	22,386
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	62,703	62,703	62,703	62,703	62,703
Cash and cash equivalents at the end of the reporting period	62,703	62,703	62,703	62,703	62,703

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	19,936	25,149	20,897	21,040	21,184
Equity injections - Bill 2	7,294	2,277	3,422	1,752	1,202
Total new capital appropriations	27,230	27,426	24,319	22,792	22,386
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	26,726	21,750	23,490	21,963	21,557
<i>Other Items</i>	504	5,676	829	829	829
Total items	27,230	27,426	24,319	22,792	22,386
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	7,294	2,277	3,422	1,752	1,202
Funded by capital appropriation - DCB (b)	19,432	25,149	20,897	21,040	21,184
Funded internally from departmental resources (c)	9,752	-	-	-	-
TOTAL	36,478	27,426	24,319	22,792	22,386
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	36,478	27,426	24,319	22,792	22,386
Total cash used to acquire assets	36,478	27,426	24,319	22,792	22,386

(a) Includes both current Bill 2 and prior Act 2/4/6 appropriations.

(b) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental capital budgets (DCBs).

(c) Includes the following sources of funding:

- current Bill 1 and prior year Act 1/3/5 appropriations (excluding amounts from the DCB);
- internally developed assets; and
- s74 External Revenue.

Prepared on Australian Accounting Standards basis.

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

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2019				
Gross book value	95,524	59,923	375,647	531,094
Accumulated depreciation/ amortisation and impairment	(72,402)	(44,893)	(286,531)	(403,826)
Opening net book balance	23,122	15,030	89,116	127,268
Capital asset additions or replacement assets				
By purchase - appropriation ordinary annual services (a)	10,427	500	16,499	27,426
Total additions	10,427	500	16,499	27,426
Other movements				
Depreciation/amortisation expense	(7,003)	(6,010)	(26,663)	(39,676)
Total other movements	(7,003)	(6,010)	(26,663)	(39,676)
As at 30 June 2020				
Gross book value	105,951	60,423	392,146	558,520
Accumulated depreciation/ amortisation and impairment	(79,405)	(50,903)	(313,194)	(443,502)
Closing net book balance	26,546	9,520	78,952	115,018

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2019-20 for depreciation/amortisation expenses, DCBs or other operational expenses.

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
EXPENSES					
Suppliers	572	570	575	579	583
Grants	15,848	7,083	7,132	7,172	4,695
Write-down and impairment of assets	60,380	61,156	62,253	63,657	65,198
Interest expense	4,024	4,726	5,157	5,787	6,334
Other expenses	49,338	67,371	79,716	79,382	78,987
Total expenses administered on behalf of Government	130,162	140,906	154,833	156,577	155,797
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Taxation revenue					
Other taxes	834,583	873,352	906,021	958,290	1,001,567
Total taxation revenue	834,583	873,352	906,021	958,290	1,001,567
Non-taxation revenue					
Fees and fines	210,033	218,117	227,288	237,275	247,828
Other Fees from Regulatory Services	69,651	100,665	110,708	110,711	110,153
Other revenue	229,850	242,688	297,325	328,887	329,385
Total non-taxation revenue	509,534	561,470	635,321	676,873	687,366
Total own-source revenue administered on behalf of Government	1,344,117	1,434,822	1,541,342	1,635,163	1,688,933
Total own-sourced income administered on behalf of Government	1,344,117	1,434,822	1,541,342	1,635,163	1,688,933
Net (cost of)/contribution by services	1,213,955	1,293,916	1,386,509	1,478,586	1,533,136
Surplus/(deficit)	1,213,955	1,293,916	1,386,509	1,478,586	1,533,136
Total comprehensive income/ (loss)	1,213,955	1,293,916	1,386,509	1,478,586	1,533,136

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,965	1,965	1,965	1,965	1,965
Taxation receivables	388,713	393,053	408,597	414,866	420,002
Trade and other receivables	6,514	6,641	6,770	6,902	7,036
Total financial assets	397,192	401,659	417,332	423,733	429,003
Total assets administered on behalf of Government	397,192	401,659	417,332	423,733	429,003
LIABILITIES					
Payables					
Suppliers	24,808	27,999	31,739	36,125	41,270
Other payables	8,222	8,686	9,180	9,708	10,271
Total payables	33,030	36,685	40,919	45,833	51,541
Provisions					
Other provisions	338,924	344,640	354,854	360,680	364,693
Total provisions	338,924	344,640	354,854	360,680	364,693
Total liabilities administered on behalf of Government	371,954	381,325	395,773	406,513	416,234
Net assets/(liabilities)	25,238	20,334	21,559	17,220	12,769

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	174,618	198,616	190,296	196,840	118,384
Taxes	831,054	869,012	890,477	952,021	996,431
Other	274,946	302,071	383,143	416,244	503,650
Total cash received	1,280,618	1,369,699	1,463,916	1,565,105	1,618,465
Cash used					
Grant	15,848	7,083	7,132	7,172	4,695
Suppliers	(1,651)	(2,121)	(2,665)	(3,807)	(4,562)
Borrowing costs	4,024	4,726	5,157	5,787	6,334
Other	58,915	61,191	69,008	73,028	74,411
Total cash used	77,136	70,879	78,632	82,180	80,878
Net cash from/(used by) operating activities	1,203,482	1,298,820	1,385,284	1,482,925	1,537,587
Net increase/(decrease) in cash held	1,203,482	1,298,820	1,385,284	1,482,925	1,537,587
Cash and cash equivalents at beginning of reporting period	1,641	1,965	1,965	1,965	1,965
Cash from Official Public Account for:					
- Appropriations	90,028	84,034	92,366	97,094	96,586
Total cash from Official Public Account	90,028	84,034	92,366	97,094	96,586
Cash to Official Public Account for:					
- Appropriations	(1,293,186)	(1,382,854)	(1,477,650)	(1,580,019)	(1,634,173)
Total cash to Official Public Account	(1,293,186)	(1,382,854)	(1,477,650)	(1,580,019)	(1,634,173)
Cash and cash equivalents at end of reporting period	1,965	1,965	1,965	1,965	1,965

Prepared on Australian Accounting Standards basis.