

AUSTRALIAN PRUDENTIAL REGULATION AUTHORITY

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AUSTRALIAN PRUDENTIAL REGULATION AUTHORITY

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The role of the Australian Prudential Regulation Authority (APRA) is to regulate relevant financial institutions in accordance with the laws of the Commonwealth that provide for prudential regulation or retirement income standards. In performing and exercising its functions, APRA is to balance the objectives of financial safety and efficiency, competition, contestability and competitive neutrality, and, in balancing these objectives, is to promote financial system stability in Australia.

APRA's core mission is to establish and enforce prudential standards and practices designed to ensure that, under all reasonable circumstances, financial promises made by institutions APRA supervises are met within a stable, efficient and competitive financial system. APRA also administers the Financial Claims Scheme and, as a national statistical agency for the Australian financial sector, collects and publishes data from prudentially regulated and other financial institutions.

In undertaking its core mission, APRA places a strong emphasis on an active program of prudential supervision. APRA's supervisory approach is based on the fundamental premise that the primary responsibility for financial soundness and prudent risk management within an APRA-regulated institution rests with its board of directors and senior management. APRA's role is to promote prudent behaviour by institutions through a robust prudential framework of legislation, prudential standards and prudential guidance, which aims to ensure that risk-taking is conducted within reasonable bounds and that risks are clearly identified and well-managed.

APRA takes a risk-based approach to supervision that is designed to identify and assess those areas of greatest risk to an APRA-regulated institution (or to the financial system as a whole) and then direct supervisory resources and attention to these risks. APRA seeks to ensure that its supervisory judgments are accurate, timely and robust and that its responses are targeted and proportionate.

In doing so, APRA does not pursue a zero failure objective. Rather, APRA seeks to maintain a low incidence of failure of APRA-regulated institutions while not impeding continued improvement in efficiency or hindering competition. APRA cannot eliminate the risk that any institution might fail and it recognises that attempting to do so would impose an unnecessary burden on institutions and the financial system. APRA's objective is to identify likely failure of an APRA-regulated institution early enough so that corrective action can be promptly initiated or orderly exit achieved.

APRA's integrated structure and risk-based supervisory approach enable it to deal efficiently and effectively with the evolution of the financial sector, and the wide range of financial institutions within it.

The global financial crisis provided a searching test of Australia's prudential regime and financial stability arrangements, the strength of which have been widely accepted as an important contributing factor to Australia's continued economic and financial stability through the crisis. Strong and safe financial institutions that will meet their financial promises under all reasonable circumstances, and a stable financial system, are fundamental for fostering growth and sustainable competition.

Each year, APRA considers opportunities to strengthen its core functions and capabilities. APRA's 2017-18 strategic initiatives provide the areas of focus over the medium term:

- enhancing leadership, culture and opportunities for APRA's people;
- honing organisational effectiveness;
- sharpening risk-based supervision; and
- building recovery and resolution planning capability.

Successful delivery of these initiatives will support the effective delivery of APRA's mission.

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 for Outcome 1' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Australian Prudential Regulation Authority resource statement — Budget estimates for 2017-18 as at Budget May 2017

	2016-17 <i>Estimated actual</i> \$'000	2017-18 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Departmental appropriation	1,543	731
s74 retained revenue receipts (b)	5,205	5,695
<i>Total departmental annual appropriations</i>	<i>6,748</i>	<i>6,426</i>
Special accounts		
Opening balance (c)	59,230	79,140
Appropriation receipts (d)	6,748	6,426
Non-appropriation receipts to Special Accounts	122,306	137,058
<i>Total special accounts</i>	<i>188,284</i>	<i>222,624</i>
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	<i>6,748</i>	<i>6,426</i>
Total departmental resourcing	188,284	222,624
Administered		
Special accounts		
Opening balance (c)	2,835	835
Non-appropriation receipts to Special Accounts (e)	532,737	572,162
<i>Total special account receipts</i>	<i>535,572</i>	<i>572,997</i>
Total administered resourcing	535,572	572,997
Total resourcing for APRA	723,856	795,621
<hr/>		
Average staffing level (number)	2016-17 611	2017-18 626
<hr/>		
Third party payments from and on behalf of other entities		
	2016-17 <i>Estimated actual</i> \$'000	2017-18 Estimate \$'000
Receipts received from other entities for the provision of services (disclosed above in s74 Retained revenue receipts section above)	1,430	1,695

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

Please note: All figures shown above are GST exclusive — these may not match figures in the cash flow statement.

(a) Appropriation Bill (No. 1) 2017-18.

(b) Estimated retained revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

(c) Excludes 'Special Public Money'. For further information on special appropriations and special accounts, please refer to *Budget Paper No. 4 — Agency Resourcing*. Please also see section 2.1 for further information on outcome and program expenses broken down by various funding sources, for example, annual appropriations, special appropriations and special accounts.

(d) Appropriation receipts from the Reserve Bank of Australia, the Australian Bureau of Statistics, the Australian Taxation Office, the Department of Agriculture and Water Resources, and special appropriations included above.

(e) Includes Private Health Insurance Industry risk equalisation receipts which are redistributed to industry, of \$535.6 million in 2016-17 and \$573.0 million in 2017-18.

1.3 BUDGET MEASURES

Budget measures in Part 1 relating to APRA are detailed in *Budget Paper No. 2* and are summarised below.

Table 1.2: Measures announced since the 2016-17 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Revenue measures						
A More Accountable and Competitive Banking System - improving accountability						
Administered revenues	1.1	-	1,397	2,408	2,212	2,218
A More Accountable and Competitive Banking System - improving competition						
Administered revenues	1.1	-	2,980	3,179	3,504	3,521
A More Accountable and Competitive Banking System - improving external dispute resolution (a)						
Administered revenues	1.1	-	(2,014)	-	-	(5,200)
A More Accountable and Competitive Banking System - modernising powers to address systemic risks (b)						
Administered revenues	1.1	-	-	629	629	632
A More Accountable and Competitive Banking System - supporting an efficient financial system						
Administered revenues	1.1	-	4,685	8,719	6,874	6,561
Total revenue measures		-	7,048	14,935	13,219	7,732
Expense measures						
A More Accountable and Competitive Banking System - improving accountability						
Departmental expenses	1.1	-	397	1,408	1,212	1,218
Australian Prudential Regulation Authority - modernising powers to address systemic risks						
Departmental expenses (b)	1.1	-	731	629	629	632
Australian Prudential Regulation Authority - supporting an efficient financial system						
Departmental expenses	1.1	-	4,685	8,679	6,794	6,056
Total expense measures		-	5,813	10,716	8,635	7,906

Table 1.2: Measures announced since the 2016-17 Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)

Program	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	
Capital measures						
Australian Prudential Regulation Authority - supporting an efficient financial system						
Departmental capital	1.1	-	200	200	1,940	-
Total capital measures		-	200	200	1,940	-

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.

(a) The lead entity for measure 'A More Accountable and Competitive Banking Industry — improving external dispute resolution' is the Australian Securities and Investments Commission. The full measure description and package details appear in Budget Paper No. 2.

(b) 2017-18 expenses \$0.7 million are funded by an increase in *Appropriation Bill (No. 1) 2017-18*.

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 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 APRA can be found at: [Corporate Plan](#).

The most recent annual performance statement can be found at: [Annual Performance Report](#).

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1:	
Enhanced public confidence in Australia's financial institutions through a framework of prudential regulation which balances financial safety and efficiency, competition, contestability and competitive neutrality and, in balancing these objectives, promotes financial system stability in Australia	
New Outcome 1	<i>Enhanced public confidence in Australia's financial institutions through a framework of prudential regulation which balances financial safety and efficiency, competition, contestability and competitive neutrality and, in balancing these objectives, promotes financial system stability in Australia</i>
Description of Improvement to alignment of outcome statement with Section 8(2) of the <i>Australian Prudential Regulation Authority Act 1998</i> (APRA Act). No underlying change to APRA's overall mandate.	
Old Statement: Enhanced public confidence in Australia's financial institutions through a framework of prudential regulation which balances financial safety and efficiency, competition, contestability and competitive neutrality	

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

	2016-17 Estimated actual \$'000	2017-18 Budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
Program 1.1: Australia Prudential Regulation Authority					
Administered expenses					
Special accounts (a)	532,737	572,162	613,038	655,364	700,613
Administered total	532,737	572,162	613,038	655,364	700,613
Departmental expenses					
Special accounts	125,162	135,198	137,003	135,945	132,398
Ordinary annual services (Appropriation Bill No. 1)	1,543	731	-	-	3,708
s74 Retained revenue receipts (b)	5,009	5,499	5,503	5,277	5,277
Expenses not requiring appropriation in the Budget year (c)	196	196	196	196	196
Departmental total	131,910	141,624	142,702	141,418	141,579
Total expenses for program 1.1	664,647	713,786	755,740	796,782	842,192
Outcome 1 Totals by appropriation type					
Administered expenses					
Special accounts (a)	532,737	572,162	613,038	655,364	700,613
Administered total	532,737	572,162	613,038	655,364	700,613
Departmental expenses					
Special accounts	125,162	135,198	137,003	135,945	132,398
Departmental appropriation	6,552	6,230	5,503	5,277	8,985
Expenses not requiring appropriation in the Budget year (c)	196	196	196	196	196
Departmental total	131,910	141,624	142,702	141,418	141,579
Total expenses for Outcome 1	664,647	713,786	755,740	796,782	842,192
Average staffing level (number)					
	2016-17	2017-18			
	611	626			

(a) Private Health Insurance Industry risk equalisation payments.

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

(c) Expenses not requiring appropriation in the budget year are made up of ANAO audit services that are received free of charge, however the expense is recognised along with an equal and offsetting income stream.

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 2017-18 Budget measures have created new programs or materially changed existing programs.

Outcome 1		
Enhanced public confidence in Australia's financial institutions through a framework of prudential regulation which balances financial safety and efficiency, competition, contestability and competitive neutrality and, in balancing these objectives, promotes financial system stability in Australia		
Program 1.1		
To enhance public confidence in Australia's financial institutions through establishing and enforcing prudential standards and practice that balances financial safety and efficiency, competition, contestability and competitive neutrality and, in balancing these objectives, promotes financial system stability in Australia		
Delivery	Maintain a robust prudential framework that sets requirements for prudent behaviour at regulated institutions and actively supervise regulated institutions with the aim of mitigating financial loss by depositors, policyholders and superannuation fund members that may result from the failure of a regulated institution to adequately manage risk.	
Performance information		
Year	Performance criteria	Targets
2016-17	<p>Criteria for assessing performance in 2016-17:</p> <ul style="list-style-type: none"> The Performing Entity Ratio (PER) — the PER is an indicator of the incidence of failure amongst regulated institutions. It is determined as the number of regulated institutions that met their commitments to beneficiaries in a given year divided by the total number of regulated institutions. The higher the percentage, the lower the incidence of failure. The Money Protection Ratio (MPR) — the MPR is an indicator of the incidence of loss in the financial sector. It is determined as the dollar value of liabilities to beneficiaries held in Australia in regulated institutions less any prudential losses to beneficiaries in a given year, divided by the total dollar value of liabilities to beneficiaries in Australia in regulated institutions. Again, the higher the percentage, the lower the incidence of loss. 	<p>APRA does not pursue a 'zero failure' target. Rather, the objective is to maintain a low incidence of failure of supervised institutions while not impeding continued improvements in efficiency or hindering competition.</p> <p>APRA's aim is to identify likely failures early enough so that corrective action can be initiated to prevent the failure, or at least to set in train appropriate wind-up or other exit strategies to minimise losses to beneficiaries.</p> <p>Since APRA's inception in 1998 the annual PER has averaged 99.92 per cent and the annual MPR, which is dominated by the losses associated with HIH Insurance in 2001, has averaged 99.96 per cent.</p>

Australian Prudential Regulation Authority Budget Statements

Year	Performance criteria	Targets
2017-18	As per 2016-17	
2018-19 and beyond	As per 2016-17	
Purposes	The Australian Prudential Regulation Authority (APRA) is an independent statutory authority established for the purpose of prudential supervision of individual financial institutions and for promoting financial system stability in Australia. In performing this role, APRA is responsible for, in particular, protecting the interests of depositors, insurance policyholders and superannuation fund members.	

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2017-18 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

There are no material differences between entity resourcing and financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The departmental comprehensive income statement (Table 3.1) indicates an increase in revenue from Government for 2017-18 as a consequence of budget measures (Table 1.2), a claw-back of a small under-collection of industry levies in 2016-17 and a \$1 million annual increase to APRA's reserves will be made from revenue surpluses over the forward estimates to provide APRA with additional enforcement resources.

Employee expenses of \$103.8 million support an average staffing level (ASL) of 626 in 2017-18. The estimated staffing will enable APRA to supervise regulated institutions and their response to emerging risks, to continue the current focus on housing lending standards, assess the need for and develop new prudential standards and guidance and continue to develop the tools and capability to resolve failures and near-failures in an orderly manner.

Supplier costs in 2017-18 reflect office leasing costs, IT support and maintenance, travel, training and other non-people related expenditures.

The budgeted departmental balance sheet (Table 3.2) shows that APRA will maintain sufficient financial assets to meet all known employee and supplier commitments as and when they fall due.

The budgeted departmental statement of cash flows (Table 3.4) reflects the source and application of appropriations and other revenue, as detailed in Table 3.1.

The schedule of budgeted income and expenses administered on behalf of Government (Table 3.7) shows the amounts APRA collects in supervisory levies from the finance industry on behalf of the Government under the *Financial Institutions Supervisory Levies Collection Act 1998*.

Apart from the amount required to fund APRA, the levies also include amounts to fund the activities of the Australian Taxation Office (ATO) for unclaimed monies, lost member functions and for the implementation of the Stronger Super – SuperStream

reforms; the Australian Securities and Investments Commission (ASIC) to improve outcomes in Financial Services and to manage superannuation complaints; the Department of Human Services (DHS) for the administration of claims for early release of superannuation benefits on compassionate grounds and the Australian Competition and Consumer Commission (ACCC) to enhance competition in the financial system.

In addition, the receipts and distributions relating to the administration of the Private Health Insurance industry risk equalisation processes under the *Private Health Insurance (Risk Equalisation Levy) Act 2003* are included.

The schedule of budgeted assets and liabilities administered on behalf of Government (Table 3.8) reflects residual Financial Assistance Levy receivables.

The schedule of budgeted administered cash flows (Table 3.9), indicates that cash collected is swept daily from the APRA account to the Official Public Account (OPA), from which APRA, in turn, draws down the amounts appropriated to it by the Parliament (as per Table 3.1), or returns to the Private Health Insurance industry as quarterly risk equalisation payments. The residual is retained in the OPA to meet the Treasurer's Determinations for the ATO, ASIC, ACCC and DHS.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2016-17 Estimated actual \$'000	2017-18 Budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
EXPENSES					
Employee benefits	98,703	103,843	107,552	109,703	109,841
Suppliers	24,997	27,634	25,296	20,664	21,129
Depreciation and amortisation	8,210	10,147	9,854	11,051	10,609
Total expenses	131,910	141,624	142,702	141,418	141,579
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	4,253	4,639	4,643	4,417	4,417
Other	952	1,056	1,056	1,056	1,056
Total own-source revenue	5,205	5,695	5,699	5,473	5,473
Total own-source income	5,205	5,695	5,699	5,473	5,473
Net (cost of)/contribution by services	(126,705)	(135,929)	(137,003)	(135,945)	(136,106)
Revenue from Government	123,849	137,789	138,003	136,945	137,106
Surplus/(deficit) attributable to the Australian Government	(2,856)	1,860	1,000	1,000	1,000
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income/(loss)	(2,856)	1,860	1,000	1,000	1,000
Total comprehensive income/(loss) attributable to the Australian Government	(2,856)	1,860	1,000	1,000	1,000

Prepared on Australian Accounting Standards basis.

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

	2016-17 Estimated actual \$'000	2017-18 Budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
ASSETS					
Financial assets					
Cash	1,904	1,904	1,904	1,904	1,904
Receivables	78,884	84,112	84,879	88,442	92,851
Total financial assets	80,788	86,016	86,783	90,346	94,755
Non-financial assets					
Property, plant and equipment	24,967	26,536	24,360	20,972	17,930
Intangibles	16,507	17,747	20,772	22,449	22,282
Other	1,858	1,858	1,858	1,858	1,858
Total non-financial assets	43,332	46,141	46,990	45,279	42,070
Total assets	124,120	132,157	133,773	135,625	136,825
LIABILITIES					
Provisions					
Employee provisions	42,322	45,253	48,095	51,444	54,420
Other provisions	7,606	7,606	7,606	7,606	7,606
Total provisions	49,928	52,859	55,701	59,050	62,026
Payables					
Suppliers	28,005	31,251	29,025	26,528	23,752
Total payables	28,005	31,251	29,025	26,528	23,752
Total liabilities	77,933	84,110	84,726	85,578	85,778
Net assets	46,187	48,047	49,047	50,047	51,047
EQUITY*					
Contributed equity	16,657	16,657	16,657	16,657	16,657
Reserves	13,412	14,412	15,412	16,412	17,412
Retained surplus (accumulated deficit)	16,118	16,978	16,978	16,978	16,978
Total equity	46,187	48,047	49,047	50,047	51,047

*'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 2017-18)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2017					
Balance carried forward from previous period	16,118	7,412	6,000	16,657	46,187
Adjusted opening balance	16,118	7,412	6,000	16,657	46,187
Comprehensive income					
Surplus/(deficit) for the period	1,860	-	-	-	1,860
Total comprehensive income	1,860	-	-	-	1,860
Transactions with owners					
Equity injection - Appropriation	-	-	-	-	-
Total Transactions with owners	-	-	-	-	-
Transfers between equity					
Transfers between equity components	(1,000)	-	1,000	-	-
Estimated closing balance as at 30 June 2018	16,978	7,412	7,000	16,657	48,047

Prepared on Australian Accounting Standards basis.

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

	2016-17 Estimated actual \$'000	2017-18 Budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	103,943	132,561	137,226	133,382	132,697
Receipts from Government	5,009	5,499	5,503	5,277	5,277
Sale of goods and rendering of services	4,253	4,639	4,643	4,417	4,417
Other	15,631	1,056	1,056	1,056	1,056
Total cash received	128,836	143,755	148,428	144,132	143,447
Cash used					
Employees	95,924	100,913	104,709	106,354	106,864
Suppliers	18,218	24,387	27,513	23,161	23,906
s74 Retained revenue receipts transferred to OPA	5,009	5,499	5,503	5,277	5,277
Total cash used	119,151	130,799	137,725	134,792	136,047
Net cash from/(used by) operating activities	9,685	12,956	10,703	9,340	7,400
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	9,685	12,956	10,703	9,340	7,400
Total cash used	9,685	12,956	10,703	9,340	7,400
Net cash from/(used by) investing activities	(9,685)	(12,956)	(10,703)	(9,340)	(7,400)
FINANCING ACTIVITIES					
Net increase/(decrease) in cash held					
Cash and cash equivalents at the beginning of the reporting period	1,904	1,904	1,904	1,904	1,904
Cash and cash equivalents at the end of the reporting period	1,904	1,904	1,904	1,904	1,904

Prepared on Australian Accounting Standards basis.

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

	2016-17 Estimated actual \$'000	2017-18 Budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources	9,685	12,956	10,703	9,340	7,400
TOTAL	9,685	12,956	10,703	9,340	7,400
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	9,685	12,956	10,703	9,340	7,400
Total cash used to acquire assets	9,685	12,956	10,703	9,340	7,400

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2017-18)

	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2017			
Gross book value	31,774	53,395	85,169
Accumulated depreciation/amortisation and impairment	(6,807)	(36,888)	(43,695)
Opening net book balance	24,967	16,507	41,474
Capital asset additions			
Estimated expenditure on new or replacement assets			
By purchase - other	4,228	8,728	12,956
Total additions	4,228	8,728	12,956
Other movements			
Depreciation/amortisation expense	(2,659)	(7,488)	(10,147)
Total other movements	(2,659)	(7,488)	(10,147)
As at 30 June 2018			
Gross book value	36,002	62,123	98,125
Accumulated depreciation/ amortisation and impairment	(9,466)	(44,376)	(53,842)
Closing net book balance	26,536	17,747	44,283

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)

	2016-17 Estimated actual \$'000	2017-18 Budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
EXPENSES					
Other expenses	55	55	55	55	55
Risk Equalisation distributions	532,737	572,162	613,038	655,364	700,613
Total expenses administered on behalf of Government	532,792	572,217	613,093	655,419	700,668
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Other revenue	55	55	55	55	55
<i>Financial Institutions Supervisory Levies Collection Act 1998 (a)</i>	249,995	245,462	195,405	169,740	161,150
Risk Equalisation receipts	532,737	572,162	613,038	655,364	700,613
Total non-taxation revenue	782,787	817,679	808,498	825,159	861,818
Total own-source revenue administered on behalf of Government	782,787	817,679	808,498	825,159	861,818
Total own-sourced income administered on behalf of Government	782,787	817,679	808,498	825,159	861,818
Net cost of/(contribution by) services	249,995	245,462	195,405	169,740	161,150
Total comprehensive income/(loss)	249,995	245,462	195,405	169,740	161,150

Prepared on Australian Accounting Standards basis.

(a) \$118 million over the forward estimates to part-fund ASIC's consumer protection and market integrity functions has been removed as part of ASIC's industry funding model changes.

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

	2016-17 Estimated actual \$'000	2017-18 Budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
ASSETS					
Financial assets					
Receivables	317	317	317	317	317
Total financial assets	317	317	317	317	317
Total assets administered on behalf of Government	317	317	317	317	317

Prepared on Australian Accounting Standards basis.

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

	2016-17 Estimated actual \$'000	2017-18 Budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Other	55	55	55	55	55
Administered revenue	782,732	817,624	808,443	825,104	861,763
Total cash received	782,787	817,679	808,498	825,159	861,818
Cash used					
Other	55	55	55	55	55
Administered expenses	782,732	817,624	808,443	825,104	861,763
Total cash used	782,787	817,679	808,498	825,159	861,818
Net cash from/(used by) operating activities	-	-	-	-	-

Prepared on Australian Accounting Standards basis.