

CORPORATIONS AND MARKETS ADVISORY COMMITTEE

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CORPORATIONS AND MARKETS ADVISORY COMMITTEE

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Corporations and Markets Advisory Committee (CAMAC) is constituted under Part 9 of the *Australian Securities and Investments Commission Act 2001* (ASIC Act). Its functions, as reflected in paragraph 1(1)(c) and section 148 of the ASIC Act, are to provide informed and expert advice to the Government about corporate, financial product and financial market matters, on its own initiative or when requested by the Minister. CAMAC seeks to promote a sound and effective regulatory environment through the provision of timely advice to the Minister about relevant policy and law design issues.

CAMAC's members are appointed by the Minister following consultation with State and Territory Governments. CAMAC is supported by a full-time executive located in Sydney. The conduct of each CAMAC reference involves the formation of a subcommittee, which develops draft recommendations for consideration by the full membership of CAMAC in settling the final report to the Government.

In 2014-15, CAMAC will only settle its report to the Government on the annual general meeting and shareholder engagement.

In the 2014-15 Budget, the Government announced the cessation of the Corporations and Markets Advisory Committee as part of its measures to reduce duplication and increase efficiency in how public funds are used to deliver services to the community. The winding up of the Committee will be implemented through 2014-15. Further information can be found in the Budget measure *Smaller Government – additional reductions in the number of Australian Government bodies* in Budget Paper No. 2, *Budget Measures 2014-15* and the press release of 13 May 2014 issued by the Minister for Finance.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources for CAMAC.

Table 1.1: Corporations and Markets Advisory Committee resource statement — Budget estimates for 2014-15 as at Budget May 2014

	Estimate of prior year amounts available in 2014-15 \$'000	Proposed at Budget 2014-15 \$'000	=	Total estimate 2014-15 \$'000	Actual available appropriation 2013-14 \$'000
Ordinary annual services					
Departmental					
Prior year departmental appropriation	856 ²	-		856	-
Departmental appropriation	-	977 ¹		977	1,029
Total net resourcing for CAMAC	856	977		1,833	1,029

1. Appropriation Bill (No. 1) 2014-15.

2. Estimated adjusted balance carried forward from previous year.

1.3 Budget measures

Budget measures relating to CAMAC are summarised below.

Table 1.2: Corporations and Markets Advisory Committee 2014-15 Budget measures

	2013-14	2014-15	2015-16	2016-17	2017-18
Programme	\$'000	\$'000	\$'000	\$'000	\$'000
Expense measures					
Efficiency Dividend - temporary increase in rate ¹	1.1	-	(10)	(22)	(35)
Efficiency Dividend - a further temporary increase of 0.25 per cent	1.1	-	(3)	(5)	(7)
Public Service efficiencies ²	1.1	(1)	(2)	(3)	(4)
Reforms to APS management and efficient procurement of agency software ¹	1.1	-	(1)	(3)	(4)
Total expense measures		(1)	(16)	(33)	(50)

1. This measure was included in the *Economic Statement 2013* and has not previously appeared in a portfolio statement.

2. This measure was included in Budget Paper No. 2, *Budget Measures 2013-14* and has not previously appeared in a portfolio statement.

Prepared on a Government Finance Statistics (fiscal) basis.

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programmes are the primary vehicle by which government agencies achieve the intended results of their outcome statements. Agencies are required to identify the programmes which contribute to Government outcomes over the budget and forward years.

CAMAC's outcome is described below, specifying the strategy, programme objective, programme deliverables and programme key performance indicators used to assess and monitor the performance of CAMAC.

Outcome 1: Informed decisions by Government on issues relating to corporations regulation and financial products, services and markets through independent and expert advice

Outcome 1 strategy

To achieve its outcome, CAMAC will:

- conduct thorough research on matters under review, canvassing relevant law and policy considerations, with a view to preparing discussion papers where appropriate;
- conduct roundtable discussions with interested parties where appropriate;
- consider submissions on discussion papers; and
- develop recommendations for inclusion in reports to the Government.

Outcome expense statement

Table 2.1 provides an overview of the total expenses for Outcome 1.

Table 2.1: Budgeted expenses for Outcome 1

Outcome 1: Informed decisions by Government on issues relating to corporations regulation and financial products, services and markets through independent and expert advice	2013-14 Estimated actual expenses \$'000	2014-15 Estimated expenses \$'000
Programme 1.1: Corporations and Markets Advisory Committee		
Departmental expenses		
Departmental appropriation	1,001	993
Expenses not requiring appropriation in the budget year	56	14
Total expenses for Outcome 1	1,057	1,007
	2013-14	2014-15
Average staffing level (number)	3	3

Contributions to Outcome 1

Programme 1.1: Corporations and Markets Advisory Committee

Programme objective

CAMAC focuses on legislation related to corporations and financial markets. Its operations involve, either on its own initiative or at the request of the Government, the conducting of major policy reviews, which may include analysing procedural and other issues in current practice. CAMAC:

- seeks to stimulate and lead public debate on the enhancement of standards for corporations and participants in financial markets, and proposes regulatory reform where necessary; and
- builds on the public consultation process by thoroughly reviewing all submissions on discussion papers and providing timely advice to the Government in the form of CAMAC reports, containing detailed law reform recommendations, where appropriate.

Programme expenses

There are no significant changes to estimates across the forward years.

Table 2.2: Programme expenses

	2013-14 Revised budget \$'000	2014-15 Budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
Annual departmental expenses:					
Departmental items	1,057	1,007	998	990	996
Total departmental expenses	1,057	1,007	998	990	996

Programme deliverables

CAMAC's deliverables are the discussion papers and reports that it publishes on matters as they arise.

Programme key performance indicators

CAMAC's key performance indicator is:

- timely advice to the Minister in the form of CAMAC reports and other papers.

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements, which provide a comprehensive snapshot of agency finances for the budget year 2014-15. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations, programme expenses and special accounts.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

CAMAC does not have any administered funds.

3.1.2 Special accounts

CAMAC does not have any special accounts.

3.1.3 Australian Government Indigenous expenditure

CAMAC does not have any Australian Government Indigenous expenditure.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

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

3.2.2 Analysis of budgeted financial statements

The financial statements have been prepared on an Australian Accounting Standards basis.

CAMAC is budgeting for a break-even result for 2014-15 and the forward estimates.

3.2.3 Budgeted financial statements tables

**Table 3.2.1: Comprehensive income statement (showing net cost of services)
(for the period ended 30 June)**

	Estimated actual 2013-14 \$'000	Budget estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
EXPENSES					
Employee benefits	682	712	710	725	732
Supplier	318	281	274	251	254
Depreciation and amortisation	56	14	14	14	10
Finance costs	1	-	-	-	-
Total expenses	1,057	1,007	998	990	996
LESS:					
OWN SOURCE INCOME					
Gains					
Other	16	16	16	16	16
Total gains	16	16	16	16	16
Total own-source income	16	16	16	16	16
Net cost of (contribution by) services	1,041	991	982	974	980
Appropriation revenue	985	977	968	960	970
Surplus (deficit) attributable to the Australian Government	(56)	(14)	(14)	(14)	(10)
Note: Impact of Net Cash Appropriation Arrangements					
	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
Total Comprehensive Income (loss) less depreciation/amortisation expenses previously funded through revenue appropriations	-	-	-	-	-
plus depreciation/amortisation expenses previously funded through revenue appropriations	(56)	(14)	(14)	(14)	(10)
Total Comprehensive Income (loss) - as per the Statement of Comprehensive Income	(56)	(14)	(14)	(14)	(10)

Prepared on Australian Accounting Standards basis.

**Table 3.2.2: Budgeted departmental balance sheet
(as at 30 June)**

	Estimated actual 2013-14 \$'000	Budget estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
ASSETS					
Financial assets					
Cash and equivalents	70	70	70	70	70
Trade and other receivables	802	818	818	818	818
Other	10	9	9	9	9
Total financial assets	882	897	897	897	897
Non-financial assets					
Land and buildings	12	12	12	12	12
Infrastructure, plant and equipment	27	30	33	35	41
Total non-financial assets	39	42	45	47	53
Total assets	921	939	942	944	950
LIABILITIES					
Provisions					
Employees	410	420	420	420	420
Total provisions	410	420	420	420	420
Payables					
Suppliers	10	32	42	42	42
Other	-	-	-	-	-
Total payables	10	32	42	42	42
Total liabilities	420	452	462	462	462
Net assets	501	487	480	482	488
EQUITY					
Contributed equity	99	99	106	122	138
Reserves	23	23	23	23	23
Retained surpluses or accumulated deficits	379	365	351	337	327
Total equity	501	487	480	482	488
Current assets	882	897	897	897	897
Non-current assets	39	42	45	47	53
Current liabilities	96	118	124	122	120
Non-current liabilities	324	334	338	340	342

Prepared on Australian Accounting Standards basis.

**Table 3.2.3: Budgeted departmental statement of cash flows
(for the period ended 30 June)**

	Estimated actual 2013-14 \$'000	Budget estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	39	41	39	39	39
Appropriations	1,039	979	976	960	970
Total cash received	1,078	1,020	1,015	999	1,009
Cash used					
Employees	682	712	710	725	732
Suppliers	345	269	267	236	238
Other	39	39	39	39	39
Total cash used	1,066	1,020	1,016	1,000	1,009
Net cash from or (used by) operating activities	12	-	(1)	(1)	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	56	-	6	15	15
Total cash used	56	-	6	15	15
Net cash from or (used by) investing activities	(56)	-	(6)	(15)	(15)
FINANCING ACTIVITIES					
Cash received					
Capital Injections	44	-	7	16	16
Total cash received	44	-	7	16	16
Net cash from or (used by) financing activities	44	-	7	16	16
Net increase or (decrease) in cash held	-	-	-	-	1
Cash at the beginning of the reporting period	70	70	70	70	70
Cash at the end of the reporting period	70	70	70	70	71

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2014-15)

	Retained surpluses \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2014					
Balance carried forward from previous period	379	23	-	99	501
Adjusted opening balance	379	23	-	99	501
Comprehensive income					
Surplus (deficit) for the period	(14)	-	-	-	(14)
Total comprehensive income recognised directly in equity	(14)	-	-	-	(14)
Transactions with owners					
Contributions by owners					
Appropriation (departmental capital budget)	-	-	-	-	-
Total transaction with owners	-	-	-	-	-
Estimated closing balance as at 30 June 2015	365	23	-	99	487

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental capital budget (DCB) statement

	Estimated actual 2013-14 \$'000	Budget estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 - DCB	44	-	7	16	7
Total new capital appropriations	44	-	7	16	7
Provided for:					
Purchase of non-financial assets	44	-	7	16	7
Total Items	44	-	7	16	7
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB	44	-	7	16	7
TOTAL	44	-	7	16	7
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	44	-	7	16	7
Total cash used to acquire assets	44	-	7	16	7

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of asset movements — departmental

	Buildings \$'000	Other infrastructure, plant and equipment \$'000	Intangibles \$'000	L&B, IP&E held for sale \$'000	Total \$'000
As at 1 July 2014					
Gross book value	58	54	-	-	112
Accumulated depreciation/amortisation and impairment	29	27	-	-	56
Opening net book balance	29	27	-	-	56
Capital asset additions					
By purchase - appropriation ordinary annual services	-	-	-	-	-
Total asset additions	-	-	-	-	-
Other movements					
Depreciation/amortisation expense	14	-	-	-	14
Total other movements	14	-	-	-	14
As at 30 June 2015					
Gross book value	58	54	-	-	112
Accumulated depreciation/amortisation and impairment	43	27	-	-	70
Closing net book balance	15	27	-	-	42

Prepared on Australian Accounting Standards basis.

