

**PORTFOLIO ADDITIONAL  
ESTIMATES STATEMENTS 2013-14**

TREASURY PORTFOLIO

EXPLANATIONS OF ADDITIONAL ESTIMATES 2013-14

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## TREASURER

President of the Senate  
Australian Senate  
Parliament House  
CANBERRA ACT 2600

Speaker  
House of Representatives  
Parliament House  
CANBERRA ACT 2600

Dear Mr President  
Dear Madam Speaker

I hereby submit Portfolio Additional Estimates Statements in support of the 2013-14 Additional Estimates for the Treasury portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the additional funding requirements being sought for the portfolio.

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

Yours sincerely

A handwritten signature in black ink, appearing to read 'J. B. Hockey', with a long horizontal flourish underneath.

HON J. B. HOCKEY MP

## **Abbreviations and conventions**

The following notation may be used:

-	nil
..	not zero, but rounded to zero
*	unquantifiable
na	not applicable (unless otherwise specified)
nfp	not for publication
\$m	\$ million
\$b	\$ billion

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

## **Enquiries**

Should you have any enquiries regarding this publication please contact Mr Tony Murcutt in the Department of the Treasury on 02 6263 2111.

A copy of this document can be located on the Australian Government Budget website at <http://www.budget.gov.au>.

**USER GUIDE  
TO THE  
PORTFOLIO ADDITIONAL  
ESTIMATES STATEMENTS**



## USER GUIDE

The purpose of the Portfolio Additional Estimates Statements (PAES), like that of the Portfolio Budget Statements, is to inform Senators and Members of Parliament and the public of the proposed allocation of resources to government outcomes by agencies within the portfolio.

The focus of the PAES differs from the Portfolio Budget Statements in one important aspect. While the PAES include an Agency Resource Statement to inform Parliament of the revised estimate of the total resources available to an agency, the focus of the PAES is on explaining the changes in resourcing since the Budget. As such, the PAES provides information on new measures and their impact on the financial and non-financial planned performance of agencies.

The PAES facilitate understanding of the proposed appropriations in Appropriation Bills (No. 3 and No. 4) 2013-14. In this sense the PAES is declared by the Additional Estimates Appropriation Bills to be a 'relevant document' to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

Whereas the *Mid-Year Economic and Fiscal Outlook 2013-14* is a mid-year budget report which provides updated information to allow the assessment of the Government's fiscal performance against its fiscal strategy, the PAES update the most recent budget appropriations for agencies within the portfolio.

## STRUCTURE OF THE PORTFOLIO ADDITIONAL ESTIMATES STATEMENTS

The PAES are presented in three parts with subsections.

<b>User guide</b>	
Provides a brief introduction explaining the purpose of the PAES.	
<b>Portfolio overview</b>	
Provides an overview of the portfolio, including a chart that outlines the outcomes for agencies in the portfolio.	
<b>Agency Additional Estimates Statements</b>	
A statement (under the name of the agency) for each agency affected by Additional Estimates.	
<b>Section 1: Agency overview and resources</b>	This section details the total resources available to an agency, the impact of any measures since the Budget, and impact on Appropriation Bills No. 3 and No. 4.
<b>Section 2: Revisions to outcomes and planned performance</b>	This section details changes to Government outcomes and/or changes to the planned performance of agency programs.
<b>Section 3: Explanatory tables and budgeted financial statements</b>	This section contains updated explanatory tables on special account flows and staffing levels and revisions to the budgeted financial statements.



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# **PORTFOLIO OVERVIEW**



## TREASURY PORTFOLIO OVERVIEW

There has been no significant change to the portfolio overview, portfolio responsibilities or agency outcomes from that included in the *Portfolio Budget Statements 2013-14* (pages 3-5).

Additional estimates are being sought for the Department of the Treasury and the Australian Competition and Consumer Commission. Explanations of additional estimates for these agencies are detailed in their respective section in the Portfolio Additional Estimates Statements.

There are no additional estimates for the Australian Bureau of Statistics, the Australian Office of Financial Management, the Australian Prudential Regulation Authority, the Australian Securities and Investments Commission, the Australian Taxation Office, the Clean Energy Finance Corporation, the Commonwealth Grants Commission, the Corporations and Markets Advisory Committee, the Inspector-General of Taxation, the National Competition Council, the Office of the Auditing and Assurance Standards Board, the Office of the Australian Accounting Standards Board, the Productivity Commission or the Royal Australian Mint.

**Figure 1: Treasury portfolio structure and outcomes**



**Figure 1: Treasury portfolio structure and outcomes (continued)**



## PORTFOLIO RESOURCES

Table 1 shows a summary of resources for those agencies that are seeking funding through Appropriation Bills (No. 3 and No. 4) 2013-14.

**Table 1: Portfolio resources 2013-14**

	Appropriation		Movements		Total
	Bill No. 3 \$'000	Bill No. 4 \$'000	Special \$'000	Receipts \$'000	\$'000
<b>Department of the Treasury</b>					
Administered appropriations	8,799,133	18	-	-	8,799,151
Departmental appropriations	7,473	1,775	-	-	9,248
<b>Total:</b>	<b>8,806,606</b>	<b>1,793</b>	-	-	<b>8,808,399</b>
<b>Australian Competition and Consumer Commission</b>					
Administered appropriations	-	-	-	-	-
Departmental appropriations	23,842	14,250	-	-	38,092
<b>Total:</b>	<b>23,842</b>	<b>14,250</b>	-	-	<b>38,092</b>



**AGENCY ADDITIONAL ESTIMATES  
STATEMENTS**



# DEPARTMENT OF THE TREASURY

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## DEPARTMENT OF THE TREASURY

### Section 1: Agency overview and resources

#### 1.1 STRATEGIC DIRECTION

There has been no significant change to the strategic direction of the Department of the Treasury (the Treasury) from that outlined in the *Portfolio Budget Statements 2013-14* (pages 15-17).

As a result of Administrative Arrangements Orders following the 2013 election, the small business policy function transferred to the Treasury from the Department of Industry.

The Treasury is seeking an additional \$7.5 million in departmental funding through Appropriation Bill (No. 3) 2013-14. This comprises an additional \$11.2 million which is offset by savings of \$3.7 million.

The additional \$11.2 million relates to:

- \$0.5 million for the Foreign Ownership Register for Agricultural Land – establishment measure as outlined in the *Economic Statement 2013*;
- \$1.8 million for the Super Council – funding measure as outlined in the *Economic Statement 2013*;
- \$3.6 million for the Financial System Inquiry measure as outlined in the *Mid-Year Economic and Fiscal Outlook 2013-14*;
- \$1.0 million for the Review of competition laws and policy measure as outlined in the *Mid-Year Economic and Fiscal Outlook 2013-14*; and
- \$4.2 million for the transfer of the small business policy function to the Treasury from the Department of Industry.

The savings of \$3.7 million relates to:

- \$0.05 million for the Public Services efficiencies measure as outlined in Budget Paper No. 2, *Budget Measures 2013-14*;
- \$0.2 million for Reforms to APS management and efficient procurement of agency software measure as outlined in the *Economic Statement 2013*;

*Agency Additional Estimates Statements – Treasury*

- \$1.5 million for Repeal of the Carbon Tax – abolishing energy market compensation measure as outlined in the *Mid-Year Economic and Fiscal Outlook 2013-14*;
- \$1.8 million for Restoring integrity in the Australian tax system measure as outlined in the *Mid-Year Economic and Fiscal Outlook 2013-14*; and
- \$0.2 million for Foreign Aid Reprioritisation that was agreed after the *Mid-Year Economic and Fiscal Outlook 2013-14*.

The Treasury is also seeking an additional \$1.8 million in departmental equity injections through Appropriation Bill (No. 4) 2013-14 relating to:

- \$0.2 million for the Financial System Inquiry measure as outlined in the *Mid-Year Economic and Fiscal Outlook 2013-14*; and
- \$1.6 million for the transfer of the small business policy function to the Treasury from the Department of Industry.

The Treasury is seeking an additional \$8.8 billion in administered items through Appropriation Bill (No. 3) 2013-14. This comprises an additional \$8.8 billion which is offset by savings of \$3.0 million.

The additional \$8.8 billion relates to:

- \$1.0 million for the Priority consumer focused superannuation activities measure as outlined in the *Pre-Election Economic and Fiscal Outlook 2013*;
- \$8.8 billion for Strengthening the Reserve Bank Reserve Fund as outlined in the *Mid-Year Economic and Fiscal Outlook 2013-14*; and
- \$1.1 million for the transfer of the small business policy function to the Treasury from the Department of Industry.

The savings of \$3.0 million relates to:

- \$2.0 million for the Superannuation Consumer Centre – savings measure as outlined in the *Pre-Election Economic and Fiscal Outlook 2013*; and
- \$1.0 million for the Priority consumer focused superannuation activities measure as outlined in the *Mid-Year Economic and Fiscal Outlook 2013-14*.

The Treasury is also seeking an additional \$18,000 in administered items through Appropriation Bill (No. 4) 2013-14. This relates to the transfer of the small business policy function to the Treasury from the Department of Industry.

## 1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resourcing available from all sources for the 2013-14 Budget year, including variations through Appropriation Bills No. 3 and No. 4, special appropriations and special accounts.

**Table 1.1: Department of the Treasury resource statement — additional estimates for 2013-14 as at Additional Estimates February 2014**

	Estimates as at Budget <sup>†</sup> 2013-14 \$'000	Proposed Additional Estimates <sup>=</sup> 2013-14 \$'000	Total estimate at Additional Estimates 2013-14 \$'000	Total available appropriation 2012-13 \$'000
<b>Ordinary annual services</b>				
<b>Departmental</b>				
Prior year departmental appropriation	56,789	-	56,789	-
Departmental appropriation <sup>1</sup>	169,296	7,473 <sup>2</sup>	176,769	179,014
Receipts from other sources (s31)	8,266	-	8,266	10,351
<b>Total departmental</b>	<b>234,351</b>	<b>7,473</b>	<b>241,824</b>	<b>189,365</b>
<b>Administered expenses</b>				
Outcome 1	6,675	8,799,133 <sup>2</sup>	8,805,808	20,103
Payment to CAC bodies	18,062	(10,062)	8,000	-
<b>Total administered expenses</b>	<b>24,737</b>	<b>8,789,071</b>	<b>8,813,808</b>	<b>20,103</b>
<b>Total ordinary annual services</b>	<b>A 259,088</b>	<b>8,796,544</b>	<b>9,055,632</b>	<b>209,468</b>
<b>Other services</b>				
<b>Departmental non-operating</b>				
Equity injections	-	1,775 <sup>3</sup>	1,775	1,839
<b>Total</b>	<b>-</b>	<b>1,775</b>	<b>1,775</b>	<b>1,839</b>
<b>Administered non-operating</b>				
Administered assets and liabilities Outcome 1	47,500	18 <sup>3</sup>	47,518	57,000
<b>Total</b>	<b>47,500</b>	<b>18</b>	<b>47,518</b>	<b>57,000</b>
<b>Total other services</b>	<b>B 47,500</b>	<b>1,793</b>	<b>49,293</b>	<b>58,839</b>
<b>Total available annual appropriations (A + B)</b>	<b>306,588</b>	<b>8,798,337</b>	<b>9,104,925</b>	<b>268,307</b>
<b>Special appropriations</b>				
<i>Asian Development Bank (Additional Subscription) Act 2009</i>	15,412	1,098	16,510	16,239
<i>Federal Financial Relations Act 2009</i>	69,632,911	(400,421)	69,232,490	68,403,140
<i>International Monetary Agreements Act 1947</i>	1,882,295	(75,598)	1,806,697	251,666
<i>Clean Energy Act 2011</i>	122,137	(122,137)	-	-
<i>Superannuation Industry (Supervision) Act 1993</i>	-	-	-	16,763
<b>Total special appropriations</b>	<b>C 71,652,755</b>	<b>(597,058)</b>	<b>71,055,697</b>	<b>68,687,808</b>
<b>Total appropriations excluding special accounts (A+B+C)</b>	<b>71,959,343</b>	<b>8,201,279</b>	<b>80,160,622</b>	<b>68,956,115</b>

**Table 1.1: Department of the Treasury resource statement — additional estimates for 2013-14 as at Additional Estimates February 2014 (continued)**

	Estimates as at Budget † 2013-14 \$'000	Proposed Additional Estimates = 2013-14 \$'000	Total estimate at Additional Estimates 2013-14 \$'000	Total available appropriation 2012-13 \$'000
<b>Special accounts</b>				
Opening balance	2,819	-	2,819	1,629
Appropriation receipts to special accounts	2,000,000	(1,512,753)	487,247	-
Non-appropriation receipts to special accounts	13,824,014	2,150,911	15,974,925	10,259,734
<b>Total special account</b>	<b>D 15,826,833</b>	<b>638,158</b>	<b>16,464,991</b>	<b>10,261,363</b>
<b>Total resourcing (A+B+C+D)</b>	<b>87,786,176</b>	<b>8,839,437</b>	<b>96,625,613</b>	<b>79,217,478</b>
Less appropriation drawn from annual or special appropriations and/or CAC bodies through annual appropriations credited to special accounts	2,018,062	(1,522,815)	495,247	-
<b>Total net resourcing for the Treasury</b>	<b>85,768,114</b>	<b>10,362,252</b>	<b>96,130,366</b>	<b>79,217,478</b>

1 Includes \$5.3 million in 2013-14 for the departmental capital budget (also refer to Table 3.2.5).

2 Appropriation Bill (No. 3) 2013-14.

3 Appropriation Bill (No. 4) 2013-14.



### 1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2013-14 Budget.

**Table 1.2: Agency Measures since Budget**

	Program	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
<b>Expense measures</b>					
<i>Budget Measures 2013-14</i>					
Public Services Efficiencies <sup>1</sup>	1.1	(48)	(219)	(728)	(1,063)
<i>Economic Statement 2013</i>					
Efficiency dividend - temporary increase in the rate	1.1	-	(1,724)	(3,446)	(5,243)
Foreign Ownership Register for Agricultural Land - establishment	1.1	502	495	133	134
Reforms to the APS management and efficient procurement of agency software	1.1	(226)	(396)	(668)	(610)
Super Council - funding	1.1	1,844	1,855	1,870	1,886
Addressing the level of unpaid tax and superannuation in the community	1.4	69,300	74,200	122,500	153,100
Fringe benefits tax - better targeting actual business use for car fringe benefits	1.4	-	100,000	170,000	240,000
GST refund amendments - new transitional rules	1.4	..	-	-	-
Staged increase in the excise and excise-equivalent customs duty on tobacco products	1.4	30,000	100,000	150,000	210,000
Aged care - transition of Home and Community Care in Victoria to the Commonwealth	1.10	(1,404)	(2,300)	-	-
Australian Neighbourhood Houses and Centres Association - granting Deductible Gift Recipient status	1.10	-	-	-	-
Building Australia Fund					
- rail infrastructure - bring forward	1.10	100,000	100,000	(200,000)	-
- road infrastructure - bring forward	1.10	-	20,000	(20,000)	-
DisabilityCare Australia - full scheme implementation assistance	1.10	-	-	-	-
Early Childhood Education - additional support for Tasmania	1.10	1,000	-	-	-
Establishment of a Financial Stability Fund	1.10	-	-	100	300
Former Rum Jungle uranium mine site - rehabilitation	1.10	-	-	-	-

**Table 1.2: Agency Measures since Budget (continued)**

	Program	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
<b>Expense measures (continued)</b>					
<i>Economic Statement 2013 (continued)</i>					
Group of 20 meeting in 2014 - contribution to the Queensland Government communications network	1.10	nfp	-	-	-
Indirect Tax Concession Scheme - diplomatic and consular privileges	1.10	-	-	-	-
Living Longer. Living Better - Commonwealth Home Support Program - nationally fair and consistent fee policy	1.10	-	-	(20,000)	(50,400)
Murray-Darling Basin Plan - South Australian River Murray Sustainability Program - establishment	1.10	28,000	51,000	70,000	45,000
Nation Building Program - rail infrastructure projects - bring forward	1.10	65,000	200,000	(265,000)	-
- road infrastructure projects - bring forward	1.10	25,000	194,600	96,400	(190,100)
Natural Disaster Recovery and Rebuilding - Port of Bundaberg	1.10	-	5,950	-	-
Parramatta Stadium - contribution	1.10	-	-	-	-
Regional Development Australia Fund - additional funding	1.10	-	(7,500)	-	-
Regional Infrastructure Fund - road infrastructure - bring forward	1.10	20,000	143,900	(102,400)	(61,500)
Rheumatic Fever Strategy - inclusion of South Australia	1.10	367	414	395	-
Sustainable Australia - Liveable Communities Program - additional funding and bring forward	1.10	-	-	-	-
Tasmanian Economic Diversification Projects	1.10	-	-	-	-
Tasmanian Government - economic assistance	1.10	30,000	-	-	-
<i>Pre-Election and Fiscal Outlook 2013-14</i>					
Priority consumer focused superannuation activities	1.3	1,000	-	-	-
Superannuation Consumer Centre - savings	1.3	(2,000)	(7,000)	-	-
Better Schools - secure schools	1.10	-	-	-	-
Healthier Communities - Priority Infrastructure program	1.10	-	-	-	-

**Table 1.2: Agency Measures since Budget (continued)**

	Program	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	
<b>Expense measures (continued)</b>						
<i>Pre-Election and Fiscal</i>						
<i>Outlook 2013-14 (continued)</i>						
National Disability Insurance						
Scheme - Western Australian						
	Government Launch Site	1.10	-	7,782	31,203	-
	Royal Victorian Eye and Ear					
	Hospital - redevelopment	1.10	-	50,000	50,000	-
<i>Mid-Year Economic and Fiscal</i>						
<i>Outlook 2013-14</i>						
	Financial System Inquiry	1.1	3,626	2,205	-	-
	Financial System Inquiry					
	(related capital)	1.1	180	-	-	-
	Repeal of the Carbon Tax					
	- abolishing energy market					
	compensation	1.1	(1,454)	(1,926)	(1,882)	-
	- abolishing land initiatives and					
	unnecessary bureaucracies	1.1	-	-	-	-
	Restoring integrity in the					
	Australian Tax System					
	- departmental	1.1	(1,844)	(1,855)	(1,870)	(1,886)
	- administered	1.4	-	(100,000)	(170,000)	(240,000)
			(1,844)	(101,855)	(171,870)	(241,886)
	Review of competition laws and					
	policy	1.1	1,037	1,444	-	-
	Strengthening the Reserve Bank					
	Reserve Fund	1.1	8,800,000	-	-	-
	Priority consumer focused					
	superannuation activities	1.3	(1,000)	-	-	-
	2013-14 Humanitarian Programme	1.10	(9,200)	(28,100)	(49,700)	(73,200)
	Albury-Wodonga cardiac					
	catheterisation laboratory	1.10	5,000	-	-	-
	Auslink Programme					
	- National Land Transport					
	Projects	1.10	1,072,469	1,554,107	1,755,301	110,649
	- Reinstated National Land					
	Transport Projects	1.10	10,000	144,000	386,800	244,900
	Ballina Hospital - upgrades	1.10	4,500	-	-	-
	Extra assistance to support					
	farmers - water-related					
	infrastructure	1.10	10,128	-	-	-
	Integrated Cancer Care Centre					
	Victoria - Peter's Project	1.10	10,000	-	-	-
	National Insurance Affordability					
	Initiative - reduction	1.10	(5,800)	(4,400)	-	-

**Table 1.2: Agency Measures since Budget (continued)**

	Program	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
<b>Expense measures (continued)</b>					
<i>Mid-Year Economic and Fiscal Outlook 2013-14 (continued)</i>					
Palmerston Hospital	1.10	-	20,000	20,000	-
Public Hospital System - additional funding	1.10	66,255	-	-	-
Repeal of the Minerals Resource Rent Tax - Regional Infrastructure Fund and Regional Development Australia Fund - discontinue	1.10	(183,700)	(757,700)	(546,200)	(713,900)
Trade Training Centres - cessation	1.10	-	-	(22,400)	(95,500)
Water - rephase four years of spending over six years	1.10	(10,000)	-	-	-
Foreign Aid Reprioritisation <sup>2</sup>	1.1	(163)	(183)	(260)	(260)
Foreign Aid Reprioritisation (related capital) <sup>2</sup>	1.2	-	-	-	-

1 This measure was announced in the 2013-14 Budget as a cross portfolio measure and has not previously appeared in a portfolio statement.

2 This was agreed after the *Mid-Year Economic and Fiscal Outlook 2013-14*.

## 1.4 ADDITIONAL ESTIMATES AND VARIATIONS

Table 1.3 details the additional estimates resulting from new measures since the 2013-14 Budget. Table 1.4 details the additional estimates resulting from other variations since the 2013-14 Budget.

**Table 1.3: Additional estimates and variations to outcomes from measures since 2013-14 Budget**

	Program impacted	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
<b>Outcome 1</b>					
<b>Increase in estimates (departmental)</b>					
Financial System Inquiry <sup>1</sup>	1.1	3,626	2,205	-	-
Financial System Inquiry (related capital) <sup>1</sup>	1.1	180	-	-	-
Foreign Ownership Register for Agricultural Land - establishment <sup>2</sup>	1.1	502	495	133	134
Review of competition laws and policy <sup>1</sup>	1.1	1,037	1,444	-	-
Super Council - funding <sup>2</sup>	1.1	1,844	1,855	1,870	1,886
<b>Decrease in estimates (departmental)</b>					
Foreign Aid Reprioritisation <sup>3</sup>	1.1	(163)	(183)	(260)	(260)
Efficiency Dividend - temporary increase in the rate <sup>2</sup>	1.1	-	(1,724)	(3,446)	(5,243)
Public Services efficiencies <sup>4</sup>	1.1	(48)	(219)	(728)	(1,063)
Reforms to APS management and efficient procurement of agency software <sup>2</sup>	1.1	(226)	(396)	(668)	(610)
Repeal of the Carbon Tax - abolishing energy market compensation <sup>1</sup>	1.1	(1,454)	(1,926)	(1,882)	-
Restoring integrity in the Australian tax system <sup>1</sup>	1.1	(1,844)	(1,855)	(1,870)	(1,886)
<b>Net impact on estimates for Outcome 1 (departmental)</b>		<b>3,454</b>	<b>(304)</b>	<b>(6,851)</b>	<b>(7,042)</b>
<b>Outcome 1</b>					
<b>Increase in estimates (administered)</b>					
Strengthening the Reserve Bank Reserve Fund <sup>1</sup>	1.1	8,800,000	-	-	-
Priority consumer focused superannuation activities <sup>5</sup>	1.3	1,000	-	-	-
<b>Decrease in estimates (administered)</b>					
Priority consumer focused superannuation activities <sup>1</sup>	1.3	(1,000)	-	-	-
Superannuation Consumer Centre - savings <sup>5</sup>	1.3	(2,000)	(7,000)	-	-
<b>Net impact on estimates for Outcome 1 (administered)</b>		<b>8,798,000</b>	<b>(7,000)</b>	<b>-</b>	<b>-</b>

1 This measure was included in the *Mid-Year Economic and Fiscal Outlook 2013-14*.

2 This measure was included in the *Economic Statement 2013*.

3 This was agreed after the *Mid-Year Economic and Fiscal Outlook 2013-14*.

4 This measure was included in Budget Paper No. 2, *Budget Measures 2013-14*.

5 This measure was included in the *Pre-Election Economic and Fiscal Outlook 2013*.

**Table 1.4: Additional estimates and variations to outcomes from other variations**

	Program impacted	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
<b>Outcome 1</b>					
<b>Increase in estimates (departmental)</b>					
Parameter adjustment	1.1	-	(496)	(730)	(865)
Transfer of the small business policy function to the Treasury	1.1	4,199	7,459	7,461	6,045
Transfer of the small business policy function to the Treasury (equity injection)	1.1	1,595	-	-	-
<b>Net impact on estimates for Outcome 1 (departmental)</b>		<b>5,794</b>	<b>6,963</b>	<b>6,731</b>	<b>5,180</b>
<b>Outcome 1</b>					
<b>Increase in estimates (administered)</b>					
Transfer of the small business policy function to the Treasury	1.1	1,133	465	318	-
Transfer of the small business policy function to the Treasury (equity injection)	1.1	18	-	-	-
<b>Net impact on estimates for Outcome 1 (administered)</b>		<b>1,151</b>	<b>465</b>	<b>318</b>	<b>-</b>

## 1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following table details the additional estimates sought for the Treasury through Appropriation Bills No. 3 and No. 4.

**Table 1.5: Appropriation Bill (No. 3) 2013-14**

	2012-13 available \$'000	2013-14 budget \$'000	2013-14 revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Outcome 1:</b> Informed decisions on the development and implementation of policies to improve the wellbeing of the Australian people, including by achieving strong, sustainable economic growth, through the provision of advice to government and the efficient administration of federal financial relations					
Departmental items	179,014	169,296	176,769	7,473	-
Administered items	20,103	6,675	8,805,808	8,799,133	-
<b>Total</b>	<b>199,117</b>	<b>175,971</b>	<b>8,982,577</b>	<b>8,806,606</b>	-

**Table 1.6: Appropriation Bill (No. 4) 2013-14**

	2012-13 available \$'000	2013-14 budget \$'000	2013-14 revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Non-operating</b>					
Equity Injections (departmental)	1,839	-	1,775	1,775	-
Administered Assets and Liabilities	57,000	47,500	47,518	18	-
<b>Total</b>	<b>58,839</b>	<b>47,500</b>	<b>49,293</b>	<b>1,793</b>	-

## Section 2: Revisions to agency outcomes and planned performance

### 2.1 RESOURCES AND PERFORMANCE INFORMATION

There has been no change to outcomes or the outcome strategy for the Treasury from that included in the *Portfolio Budget Statements 2013-14* (pages 24-25).

There has been no significant change to the program objective, expenses, deliverables or key performance indicators for program 1.2 and programs 1.4 to 1.10 that affect Appropriation Bills No. 3 and No. 4.

Programs 1.4 to 1.10 relate to Australia's Federal Relations. Further details of Australia's Federal Relations are on pages 65 to 75 of the *Mid-Year Economic and Fiscal Outlook 2013-14*.

**Table 2.1: Budgeted expenses and resources for Outcome 1**

Outcome 1: Informed decisions on the development and implementation of policies to improve the wellbeing of the Australian people, including by achieving strong, sustainable economic growth, through the provision of advice to government and the efficient administration of federal financial relations	2012-13 Actual \$'000	2013-14 Revised estimated resources \$'000
<b>Program 1.1: Department of the Treasury</b>		
Departmental expenses		
Departmental appropriations <sup>1</sup>	180,336	175,468
Special accounts	1,456	1,269
Expenses not requiring appropriation <sup>2</sup>	16,407	9,176
Administered expenses		
Other services (Appropriation Bills No. 1 and No. 3)	85	8,801,133
<b>Total for Program 1.1</b>	<b>198,284</b>	<b>8,987,046</b>
<b>Program 1.3: Support for Markets and Business</b>		
Administered expenses		
Other services (Appropriation Bills No. 1 and No. 3)	4,717	4,675
Special appropriations	16,763	-
Payment to CAC bodies	-	8,000
<b>Total for Program 1.3</b>	<b>21,480</b>	<b>12,675</b>
	2012-13	2013-14
<b>Average staffing level (number)<sup>3</sup></b>	<b>930</b>	<b>893</b>

1 Departmental appropriations combine ordinary annual services (Appropriation Bills No. 1 and No. 3) and revenue from independent sources (section 31 receipts).

2 Expenses not requiring appropriation includes depreciation and amortisation expenses and resources received free of charge, such as audit fees.

3 The average staffing level for 2013-14 includes the transfer of the small business policy function to the Treasury from the Department of Industry offset by the Treasury offering voluntary redundancies.



### Program 1.1: Department of the Treasury

There has been no significant change to the program objective, deliverables or key performance indicators from that included in the *Portfolio Budget Statements 2013-14*.

As a result of Administrative Arrangements Orders following the 2013 election, the small business policy function transferred to the Treasury from the Department of Industry. The Treasury now has responsibility for small business policy and supporting the activities of the Australian Small Business Commissioner.

The Treasury will provide a one-off \$8.8 billion grant to the Reserve Bank of Australia (RBA) to meet its request to strengthen its financial position to the level considered appropriate by the RBA Board. The grant will ensure that the RBS is adequately resourced to conduct its monetary policy and foreign exchange operations in an environment of financial market volatility. This was outlined in the *Mid-Year Economic and Fiscal Outlook 2013-14*.

### Program Expenses

Program expenses for the small business policy function are included in departmental items and administered expenses.

**Table 2.2: Program 1.1 expenses**

	2012-13	2013-14	2014-15	2015-16	2016-17
	Actuals	Revised budget	Forward year 1	Forward year 2	Forward year 3
	\$'000	\$'000	\$'000	\$'000	\$'000
Departmental expenses					
Departmental items	160,234	156,622	161,648	154,235	151,307
Australia to host the Group of 20 in 2014	5,298	20,115	16,946	772	-
Payment to CAC body - CEFC	18,383	-	-	-	-
Expenses not requiring appropriation	14,283	9,176	8,315	7,540	6,711
Total departmental expenses	<b>198,198</b>	<b>185,913</b>	<b>186,909</b>	<b>162,547</b>	<b>158,018</b>
Administered expenses					
Grant to the Reserve Bank of Australia	-	8,800,000	-	-	-
Other	85	1,133	465	318	-
Total administered expenses	<b>85</b>	<b>8,801,133</b>	<b>465</b>	<b>318</b>	<b>-</b>
<b>Total program expenses</b>	<b>198,283</b>	<b>8,987,046</b>	<b>187,374</b>	<b>162,865</b>	<b>158,018</b>

**Program 1.3: Support for Markets and Business**

There has been no significant change to the program objective, deliverables or key performance indicators from that included in the *Portfolio Budget Statements 2013-14*.

The Superannuation Consumer Centre will no longer proceed as outlined in the measure in the *Pre-Election and Fiscal Outlook 2013-14*.

**Table 2.2: Program 1.3 expenses**

	2012-13	2013-14	2014-15	2015-16	2016-17
	Actuals	Revised budget	Forward year 1	Forward year 2	Forward year 3
	\$'000	\$'000	\$'000	\$'000	\$'000
Administered expenses					
Annual appropriations					
Centre for International Finance and Regulation	4,650	4,000	1,000	-	-
Housing Loans Insurance Company Limited - payments in respect of insurance claims	67	675	675	675	675
Contribution to the Superannuation Consumer Centre	-	-	-	-	-
Payment to CAC Act bodies - CEFC	-	8,000	-	-	-
Special appropriations					
<i>Superannuation Industry (Supervision) Act 1993</i> - financial assistance grant to compensate fund members for the collapse of Trio	16,763	-	-	-	-
<b>Total administered expenses</b>	<b>21,480</b>	<b>12,675</b>	<b>1,675</b>	<b>675</b>	<b>675</b>
<b>Total program expenses</b>	<b>21,480</b>	<b>12,675</b>	<b>1,675</b>	<b>675</b>	<b>675</b>

## Section 3: Explanatory tables and budgeted financial statements

### 3.1 EXPLANATORY TABLES

#### 3.1.1 Estimates of special account flows

Special accounts provide a means to set aside and record amounts used for specific purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by the Treasury.

**Table 3.1.1: Estimates of special account cash flows and balances**

	Outcome	Opening balance <b>2013-14</b> 2012-13 \$'000	Receipts		Payments <b>2013-14</b> 2012-13 \$'000	Closing balance <b>2013-14</b> 2012-13 \$'000
			Non- Appropriated <b>2013-14</b> 2012-13 \$'000	Receipts Appropriated <b>2013-14</b> 2012-13 \$'000		
Actuarial Services Special Account(D)	1	<b>2,819</b> 2,819	<b>1,269</b> 1,629	- -	<b>1,269</b> 1,629	<b>2,819</b> 2,819
Clean Energy Finance Corporation Special Account (A)	1	-	<b>39,538</b> -	<b>487,247</b> -	<b>487,247</b> -	<b>39,538</b> -
COAG Reform Fund Special Account(A)	1	-	<b>15,974,925</b> 10,259,734	- -	<b>15,974,925</b> 10,259,734	- -
Financial System Stability Special Account(A)	1	-	-	-	-	-
Services for Other Entities and Trust Moneys Special Account - Department of the Treasury(A/D)	1	- -	- -	- -	- -	- -
<b>Total special accounts</b>						
<b>2013-14 Budget estimate</b>		<b>2,819</b>	<b>16,015,732</b>	<b>487,247</b>	<b>16,463,441</b>	<b>42,357</b>
Total special accounts 2012-13 actual		2,819	10,261,363	-	10,261,363	2,819

(A) Administered.

(D) Departmental.

### 3.2 BUDGETED FINANCIAL STATEMENTS

#### 3.2.1 Analysis of budgeted financial statements

The Department of the Treasury is budgeting for a departmental breakeven operating result for 2013-14.

Agency Additional Estimates Statements – Treasury

The Department of the Treasury has a sound financial position and currently has sufficient cash reserves to fund provisions and payables, and asset replacement, as they fall due.

### 3.2.2 Budgeted financial statements

**Table 3.2.1: Budgeted departmental comprehensive income statement (for the period ended 30 June)**

	Actual 2012-13 \$'000	Revised budget 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
<b>EXPENSES</b>					
Employee benefits	122,724	124,812	126,326	122,485	119,848
Supplier	38,134	50,974	50,312	30,591	30,528
Grants	4,969	1,501	2,506	2,481	1,481
Payment to CAC Act body	18,383	-	-	-	-
Depreciation and amortisation	13,733	8,626	7,765	6,990	6,161
Net write-down and impairment	254	-	-	-	-
Finance costs	1	-	-	-	-
<b>Total expenses</b>	<b>198,198</b>	<b>185,913</b>	<b>186,909</b>	<b>162,547</b>	<b>158,018</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Revenue</b>					
Sale of goods and rendering of services	9,946	7,416	7,638	7,868	8,104
Other revenue	565	850	850	850	850
<b>Total revenue</b>	<b>10,511</b>	<b>8,266</b>	<b>8,488</b>	<b>8,718</b>	<b>8,954</b>
<b>Gains</b>					
Other gains	2,420	550	550	550	550
<b>Total gains</b>	<b>2,420</b>	<b>550</b>	<b>550</b>	<b>550</b>	<b>550</b>
<b>Total own-source income</b>	<b>12,931</b>	<b>8,816</b>	<b>9,038</b>	<b>9,268</b>	<b>9,504</b>
<b>Net cost of (contribution by) services</b>	<b>185,267</b>	<b>177,097</b>	<b>177,871</b>	<b>153,279</b>	<b>148,514</b>
Appropriation revenue	174,569	168,471	170,106	146,289	142,353
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>(10,698)</b>	<b>(8,626)</b>	<b>(7,765)</b>	<b>(6,990)</b>	<b>(6,161)</b>
<b>Note: Impact of Net Cash Appropriation Arrangements</b>					
	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
<b>Total Comprehensive Income (loss) less depreciation/amortisation expenses previously funded through revenue appropriations</b>	<b>3,035</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
plus depreciation/amortisation expenses previously funded through revenue appropriations	(13,733)	(8,626)	(7,765)	(6,990)	(6,161)
<b>Total Comprehensive Income (loss) - as per the Statement of Comprehensive Income</b>	<b>(10,698)</b>	<b>(8,626)</b>	<b>(7,765)</b>	<b>(6,990)</b>	<b>(6,161)</b>

Prepared on Australian Accounting Standards basis.

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

	Actual 2012-13 \$'000	Revised budget 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	1,223	1,223	1,223	1,223	1,223
Trade and other receivables	61,997	65,592	67,592	69,592	71,592
<b>Total financial assets</b>	<b>63,220</b>	<b>66,815</b>	<b>68,815</b>	<b>70,815</b>	<b>72,815</b>
<b>Non-financial assets</b>					
Land and buildings	6,815	5,916	4,757	3,813	3,064
Infrastructure, plant and equipment	11,906	9,946	8,853	8,119	7,898
Intangibles	6,260	5,947	5,805	5,826	5,989
Other	2,665	2,665	2,665	2,665	2,665
<b>Total non-financial assets</b>	<b>27,646</b>	<b>24,474</b>	<b>22,080</b>	<b>20,423</b>	<b>19,616</b>
<b>Total assets</b>	<b>90,866</b>	<b>91,289</b>	<b>90,895</b>	<b>91,238</b>	<b>92,431</b>
<b>LIABILITIES</b>					
<b>Provisions</b>					
Employees	45,788	49,415	51,415	53,415	55,415
<b>Total provisions</b>	<b>45,788</b>	<b>49,415</b>	<b>51,415</b>	<b>53,415</b>	<b>55,415</b>
<b>Payables</b>					
Suppliers	2,516	2,516	2,516	2,516	2,516
Other	5,536	5,536	5,536	5,536	5,536
<b>Total payables</b>	<b>8,052</b>	<b>8,052</b>	<b>8,052</b>	<b>8,052</b>	<b>8,052</b>
<b>Total liabilities</b>	<b>53,840</b>	<b>57,467</b>	<b>59,467</b>	<b>61,467</b>	<b>63,467</b>
<b>Net assets</b>	<b>37,026</b>	<b>33,822</b>	<b>31,428</b>	<b>29,771</b>	<b>28,964</b>
<b>EQUITY</b>					
<b>Parent entity interest</b>					
Contributed equity	40,731	46,153	51,524	56,857	62,211
Reserves	5,186	5,186	5,186	5,186	5,186
Retained surpluses or accumulated deficits	(8,891)	(17,517)	(25,282)	(32,272)	(38,433)
<b>Total equity</b>	<b>37,026</b>	<b>33,822</b>	<b>31,428</b>	<b>29,771</b>	<b>28,964</b>
<b>Current assets</b>	<b>65,885</b>	<b>69,480</b>	<b>71,480</b>	<b>73,480</b>	<b>75,480</b>
<b>Non-current assets</b>	<b>24,981</b>	<b>21,809</b>	<b>19,415</b>	<b>17,758</b>	<b>16,951</b>
<b>Current liabilities</b>	<b>49,533</b>	<b>52,870</b>	<b>54,710</b>	<b>56,550</b>	<b>58,390</b>
<b>Non-current liabilities</b>	<b>4,307</b>	<b>4,597</b>	<b>4,757</b>	<b>4,917</b>	<b>5,077</b>

Prepared on Australian Accounting Standards basis.

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

	Actual 2012-13 \$'000	Revised budget 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	9,998	7,416	7,638	7,868	8,104
Appropriations	167,104	164,678	168,885	144,289	140,353
Other	4,551	850	850	850	850
<b>Total cash received</b>	<b>181,653</b>	<b>172,944</b>	<b>177,373</b>	<b>153,007</b>	<b>149,307</b>
<b>Cash used</b>					
Employees	121,763	121,185	124,326	120,485	117,848
Suppliers	36,046	50,258	50,541	30,041	29,978
Grants	23,352	1,501	2,506	2,481	1,481
Borrowing costs	6	-	-	-	-
<b>Total cash used</b>	<b>181,167</b>	<b>172,944</b>	<b>177,373</b>	<b>153,007</b>	<b>149,307</b>
<b>Net cash from or (used by) operating activities</b>	<b>486</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	21	-	-	-	-
<b>Total cash received</b>	<b>21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	7,241	5,446	5,371	5,333	5,354
<b>Total cash used</b>	<b>7,241</b>	<b>5,446</b>	<b>5,371</b>	<b>5,333</b>	<b>5,354</b>
<b>Net cash from or (used by) investing activities</b>	<b>(7,220)</b>	<b>(5,446)</b>	<b>(5,371)</b>	<b>(5,333)</b>	<b>(5,354)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - equity injections	1,631	180	-	-	-
Appropriations - DCB	5,218	5,266	5,371	5,333	5,354
<b>Total cash received</b>	<b>6,849</b>	<b>5,446</b>	<b>5,371</b>	<b>5,333</b>	<b>5,354</b>
<b>Net cash from or (used by) financing activities</b>	<b>6,849</b>	<b>5,446</b>	<b>5,371</b>	<b>5,333</b>	<b>5,354</b>
<b>Net increase or (decrease) in cash held</b>	<b>115</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash at the beginning of the reporting period	1,108	1,223	1,223	1,223	1,223
<b>Cash at the end of the reporting period</b>	<b>1,223</b>	<b>1,223</b>	<b>1,223</b>	<b>1,223</b>	<b>1,223</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (budget year 2013-14)**

	Retained surpluses \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2013</b>					
Balance carried forward from previous period	(8,891)	5,186	-	40,731	37,026
<b>Adjusted opening balance</b>	(8,891)	5,186	-	40,731	37,026
<b>Comprehensive income</b>					
Surplus (deficit) for the period	(8,626)	-	-	-	(8,626)
<b>Total comprehensive income recognised directly in equity</b>	(8,626)	-	-	-	(8,626)
<b>Transactions with owners</b>					
<i>Contribution by owners</i>					
Restructuring - equity adjustment	-	-	-	(1,619)	(1,619)
Appropriation (equity injection)	-	-	-	1,775	1,775
Appropriation (departmental capital budget)	-	-	-	5,266	5,266
<b>Total transactions with owners</b>	-	-	-	5,422	5,422
<b>Estimated closing balance as at 30 June 2014</b>	(17,517)	5,186	-	46,153	33,822

Prepared on Australian Accounting Standards basis.

**Table 3.2.5: Departmental capital budget statement**

	Actual 2012-13 \$'000	Revised budget 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Capital budget - Bill 1 - DCB	6,485	5,266	5,371	5,333	5,354
Total equity injections	583	180	-	-	-
<b>Total new capital appropriations</b>	7,068	5,446	5,371	5,333	5,354
<b>Provided for:</b>					
Purchase of non-financial assets	7,068	5,446	5,371	5,333	5,354
<b>Total Items</b>	7,068	5,446	5,371	5,333	5,354
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations	583	180	-	-	-
Funded by capital appropriation - DCB	6,724	5,266	5,371	5,333	5,354
<b>TOTAL</b>	7,307	5,446	5,371	5,333	5,354
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	7,307	5,446	5,371	5,333	5,354
<b>Total cash used to acquire assets</b>	7,307	5,446	5,371	5,333	5,354

Prepared on Australian Accounting Standards basis.

**Table 3.2.6: Statement of asset movements — Departmental (2013-14)**

	Buildings \$'000	Other infrastructure, plant and equipment \$'000	Intangibles \$'000	Total \$'000
<b>As at 1 July 2013</b>				
Gross book value	12,219	16,038	12,536	40,793
Accumulated depreciation/amortisation and impairment	5,404	4,124	6,276	15,804
<b>Opening net book balance</b>	<b>6,815</b>	<b>11,914</b>	<b>6,260</b>	<b>24,989</b>
<b>Capital asset additions</b>				
By purchase - appropriation DCB	1,500	2,446	1,500	5,446
<b>Total additions</b>	<b>1,500</b>	<b>2,446</b>	<b>1,500</b>	<b>5,446</b>
<b>Other movements</b>				
Depreciation/amortisation expense	2,399	4,414	1,813	8,626
<b>Total other movements</b>	<b>2,399</b>	<b>4,414</b>	<b>1,813</b>	<b>8,626</b>
<b>As at 30 June 2014</b>				
Gross book value	13,719	18,484	14,036	46,239
Accumulated depreciation/amortisation and impairment	7,803	8,538	8,089	24,430
<b>Closing net book balance</b>	<b>5,916</b>	<b>9,946</b>	<b>5,947</b>	<b>21,809</b>

Prepared on Australian Accounting Standards basis.



**Table 3.2.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)**

	Actual 2012-13 \$'000	Revised budget 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Grants	81,437,985	92,281,214	84,218,145	87,215,674	89,508,092
Interest	3,489	5,682	5,055	5,110	5,185
Other	152	1,808	1,140	1,077	977
<b>Total expenses administered on behalf of government</b>	<b>81,441,626</b>	<b>92,288,704</b>	<b>84,224,340</b>	<b>87,221,861</b>	<b>89,514,254</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
<b>Non-taxation revenue</b>					
Levies	-	-	-	400,000	450,000
Goods and services	1,289,007	1,016,796	789,245	745,853	613,420
Interest	1,307	2,752	5,397	15,456	33,014
Dividends	1,034	1,451,374	76,385	76,410	649,431
Nation Building and COAG transfers	1,521,247	1,575,759	1,417,087	1,186,825	465,019
Other sources of non-taxation revenues	37,959	4,200	4,000	4,000	4,000
<b>Total non-taxation revenue</b>	<b>2,850,554</b>	<b>4,050,881</b>	<b>2,292,114</b>	<b>2,428,544</b>	<b>2,214,884</b>
<b>Total own-source revenues administered on behalf of Government</b>	<b>2,850,554</b>	<b>4,050,881</b>	<b>2,292,114</b>	<b>2,428,544</b>	<b>2,214,884</b>
<b>Gains</b>					
Foreign exchange	238,670	59,347	159,587	125,912	135,609
Fair value gain on NDRRA provision	5,071	169,957	-	-	-
<b>Total gains administered on behalf of government</b>	<b>243,741</b>	<b>229,304</b>	<b>159,587</b>	<b>125,912</b>	<b>135,609</b>
<b>Total own-sourced income administered on behalf of Government</b>	<b>3,094,295</b>	<b>4,280,185</b>	<b>2,451,701</b>	<b>2,554,456</b>	<b>2,350,493</b>
<b>Net Cost of (contribution by) services</b>	<b>78,347,331</b>	<b>88,008,519</b>	<b>81,772,639</b>	<b>84,667,405</b>	<b>87,163,761</b>
<b>Surplus (Deficit)</b>	<b>(78,347,331)</b>	<b>(88,008,519)</b>	<b>(81,772,639)</b>	<b>(84,667,405)</b>	<b>(87,163,761)</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)**

	Actual 2012-13 \$'000	Revised budget 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Cash and cash equivalents	3,719	3,719	3,719	3,719	3,719
Advances and loans	911,579	967,342	934,502	873,565	786,632
Receivables	818,588	1,751,529	221,282	113,215	656,566
Investments	16,456,446	31,345,659	31,566,921	32,115,779	32,767,805
<b>Total financial assets</b>	<b>18,190,332</b>	<b>34,068,249</b>	<b>32,726,424</b>	<b>33,106,278</b>	<b>34,214,722</b>
<b>Non financial assets</b>					
Prepayments	149,505	-	-	-	-
<b>Total non financial assets</b>	<b>149,505</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets administered on behalf of government</b>	<b>18,339,837</b>	<b>34,068,249</b>	<b>32,726,424</b>	<b>33,106,278</b>	<b>34,214,722</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Interest bearing liabilities</b>					
Loans	3,167,335	6,954,707	6,432,323	6,409,686	6,386,205
Other	4,999,212	4,977,448	5,065,055	5,153,172	5,243,491
<b>Total interest bearing liabilities</b>	<b>8,166,547</b>	<b>11,932,155</b>	<b>11,497,378</b>	<b>11,562,858</b>	<b>11,629,696</b>
<b>Payables</b>					
Grants and subsidies	6,522,008	3,369,352	787,477	115,503	113,680
Other payables	535,934	191,796	121,581	89,050	59,671
<b>Total payables</b>	<b>7,057,942</b>	<b>3,561,148</b>	<b>909,058</b>	<b>204,553</b>	<b>173,351</b>
<b>Total liabilities administered on behalf of government</b>	<b>15,224,489</b>	<b>15,493,303</b>	<b>12,406,436</b>	<b>11,767,411</b>	<b>11,803,047</b>
<b>Net assets/(liabilities)</b>	<b>3,115,348</b>	<b>18,574,946</b>	<b>20,319,988</b>	<b>21,338,867</b>	<b>22,411,675</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.9: Schedule of budgeted administered cash flows  
(for the period ended 30 June)**

	Actual 2012-13 \$'000	Revised budget 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Levies	-	-	-	400,000	450,000
Sales of goods and rendering of services	611,859	328,551	91,372	35,608	32,809
Interest	1,759	2,149	2,241	10,032	27,124
Dividends	675,000	150,000	1,525,000	150,000	75,000
Grants	10,430,252	10,405,765	10,958,534	11,491,307	465,017
Other	30,142	4,200	4,000	4,000	4,000
<b>Total cash received</b>	<b>11,749,012</b>	<b>10,890,665</b>	<b>12,581,147</b>	<b>12,090,947</b>	<b>1,053,950</b>
<b>Cash used</b>					
Grant payments	87,575,009	103,231,329	95,632,567	97,481,330	88,929,013
Interest paid	3,918	4,691	5,051	5,125	5,200
Other	11,818	5,826	2,140	1,077	977
<b>Total cash used</b>	<b>87,590,745</b>	<b>103,241,846</b>	<b>95,639,758</b>	<b>97,487,532</b>	<b>88,935,190</b>
<b>Net cash from or (used by) operating activities</b>	<b>(75,841,733)</b>	<b>(92,351,181)</b>	<b>(83,058,611)</b>	<b>(85,396,585)</b>	<b>(87,881,240)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Loans Advances and HECS	30,142	90,316	103,263	108,741	110,623
Other investing activities	12	39,538	98,296	110,957	65,584
<b>Total cash received</b>	<b>30,154</b>	<b>129,854</b>	<b>201,559</b>	<b>219,698</b>	<b>176,207</b>
<b>Cash used</b>					
Purchase of investments	25,862	2,195,250	579,383	449,342	497,631
Advances and loans	222,734	148,013	50,000	25,000	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>248,596</b>	<b>2,343,263</b>	<b>629,383</b>	<b>474,342</b>	<b>497,631</b>
<b>Net cash from or (used by) investing activities</b>	<b>(218,442)</b>	<b>(2,213,409)</b>	<b>(427,824)</b>	<b>(254,644)</b>	<b>(321,424)</b>
<b>Net increase or (decrease) in cash held</b>	<b>(76,060,175)</b>	<b>(94,564,590)</b>	<b>(83,486,435)</b>	<b>(85,651,229)</b>	<b>(88,202,664)</b>
Cash at beginning of reporting period	3,719	3,719	3,719	3,719	3,719
Cash from Official Public Account - appropriations	78,938,684	96,755,101	86,727,692	87,249,527	88,957,788
Cash to Official Public Account	2,876,525	2,190,511	3,241,257	1,598,298	755,124
<b>Cash at end of reporting period</b>	<b>3,719</b>	<b>3,719</b>	<b>3,719</b>	<b>3,719</b>	<b>3,719</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.10: Schedule of Administered Capital Budget**

	Actual 2012-13 \$'000	Revised budget 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Administered assets and liabilities	57,000	47,518	-	-	-
Special appropriations	248,569	1,818,516	573,731	38,463	22,218
<b>Total new capital appropriations</b>	<b>305,569</b>	<b>1,866,034</b>	<b>573,731</b>	<b>38,463</b>	<b>22,218</b>
<b>Provided for:</b>					
International Financial Institutions	248,569	1,818,516	573,731	38,463	22,218
Other	57,000	47,518	-	-	-
<b>Total Items</b>	<b>305,569</b>	<b>1,866,034</b>	<b>573,731</b>	<b>38,463</b>	<b>22,218</b>

Prepared on Australian Accounting Standards basis.

### Notes to the financial statements

The Treasury's budgeted statements are prepared on an accrual basis in accordance with:

- the Government's financial budgeting and reporting framework; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board.

Under the Government's accrual budgeting framework, and consistent with Australian Accounting Standards, transactions that departments control (departmental transactions) are separately budgeted for, and reported on, from transactions departments do not have control over (administered transactions). This ensures that departments are only held accountable for the transactions over which they have control.

Departmental assets, liabilities, revenues and expenses are controlled by the department. Departmental expenses include employee and supplier expenses and other administrative costs, which are incurred by the department in providing goods and services.

Administered items are revenues, expenses, assets or liabilities which are managed by the department on behalf of the Government according to set government directions. Administered expenses include subsidies, grants and personal benefit payments, and administered revenues include taxes, fines and excises.

# AUSTRALIAN COMPETITION AND CONSUMER COMMISSION

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# AUSTRALIAN COMPETITION AND CONSUMER COMMISSION

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION

There has been no significant change to the strategic direction of the Australian Competition and Consumer Commission (ACCC) from that outlined in the *Portfolio Budget Statements 2013-14* (pages 85-86).

The ACCC is seeking an additional \$23.8 million in departmental outputs through Appropriation Bill (No. 3) 2013-14. This comprises an additional \$24.4 million which is offset by savings of \$0.5 million.

The additional \$24.4 million relates to:

- \$2.0 million for the Repeal of the Carbon Tax – abolishing other measures measure as outlined in the *Mid-Year Economic and Fiscal Outlook 2013-14*; and
- \$22.4 million for additional funding for the ACCC which was agreed after the *Mid-Year Economic and Fiscal Outlook 2013-14*.

The savings of \$0.5 million relates to:

- \$0.1 million for the Public Service efficiencies measure as outlined in Budget Paper No. 2, *Budget Measures 2013-14*;
- \$0.1 million for Reforms to APS management and efficient procurement of agency software measure as outlined in the *Economic Statement 2013*; and
- \$0.3 million for targeted information and communications technology savings.

The ACCC is also seeking an additional \$14.3 million in equity injections through Appropriation Bill (No. 4) 2013-14. This comprises:

- \$5.5 million for additional funding for the ACCC which was agreed after the *Mid-Year Economic and Fiscal Outlook 2013-14*; and
- \$8.8 million for the ACCC's Litigation Contingency Fund.

## 1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all origins. The table summarises how resources will be applied by outcome and by administered and departmental classification.

**Table 1.1: Australian Competition and Consumer Commission resource statement — additional estimates for 2013-14 as at Additional Estimates February 2014**

	Estimates as at Budget + 2013-14 \$'000	Proposed Additional Estimates = 2013-14 \$'000	Total estimate at Additional Estimates 2013-14 \$'000	Total available appropriation 2012-13 \$'000
<b>Ordinary annual services</b>				
<b>Departmental appropriation</b>				
Prior year departmental appropriation	10,314	-	10,314	-
Departmental appropriation	157,700	23,842 <sup>1</sup>	181,542	152,246
Receipts from other sources (s31)	500	-	500	500
<b>Total ordinary annual services</b>	<b>A</b> 168,514	23,842	192,356	152,746
<b>Other services</b>				
<b>Departmental non-operating</b>				
Equity injections	60	14,250 <sup>2</sup>	14,310	60
<b>Total other services</b>	<b>B</b> 60	14,250	14,310	60
<b>Total available annual appropriations (A+B)</b>	168,574	38,092	206,666	152,806
<b>Total net resourcing for ACCC (A+B)</b>	<b>168,574</b>	<b>38,092</b>	<b>206,666</b>	<b>152,806</b>

1. Appropriation Bill (No. 3) 2013-14.

2. Appropriation Bill (No. 4) 2013-14.



### 1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2013-14 Budget.

**Table 1.2: Agency measures since Budget**

	Program	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
<b>Expense measures</b>					
Public service efficiencies <sup>1</sup>					
Departmental expenses	1.1	(64)	(326)	(700)	(967)
Departmental expenses	1.2	(20)	(97)	(212)	(290)
Reforms to the APS management and efficient procurement of agency software <sup>2</sup>					
Departmental expenses	1.1	(106)	(107)	(107)	-
Departmental expenses	1.2	(33)	(32)	(32)	-
Repeal of the Carbon Tax - abolishing other measures <sup>3</sup>					
Departmental expenses	1.1	2,000	6,000	2,000	-
ACCC additional funding <sup>4</sup>					
Departmental expenses	1.1	22,369	-	-	-
Departmental capital	1.1	5,450	-	-	-
<b>Total measures</b>		<b>29,596</b>	<b>5,438</b>	<b>949</b>	<b>(1,257)</b>

1. This measure was included in Budget Paper No. 2, *Budget Measures 2013-14*.

2. This measure was included in the *Economic Statement 2013*.

3. This measure was included in the *Mid-Year Economic and Fiscal Outlook 2013-14*.

4. This was agreed after the *Mid-Year Economic and Fiscal Outlook 2013-14*.

### 1.4 ADDITIONAL ESTIMATES AND VARIATIONS

Table 1.3 details the additional estimates resulting from new measures since the 2013-14 Budget. Table 1.4 details the additional estimates resulting from other variations since the 2013-14 Budget.

**Table 1.3: Additional estimates and variations to outcomes from measures since 2013-14 Budget**

	Program	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
<b>Outcome 1</b>					
<b>Increase in estimates (departmental)</b>					
Public service efficiencies	1.1, 1.2	(84)	(423)	(912)	(1,257)
Reforms to the APS management and efficient procurement of agency software	1.1, 1.2	(139)	(139)	(139)	-
Repeal of the Carbon Tax - abolishing other measures	1.1	2,000	6,000	2,000	-
ACCC additional funding	1.1	27,819	-	-	-
<b>Net impact on estimates for Outcome 1 (departmental)</b>		<b>29,596</b>	<b>5,438</b>	<b>949</b>	<b>(1,257)</b>

**Table 1.4: Additional estimates and variations to outcomes from other variations**

	Program	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
<b>Outcome 1</b>					
<b>Decrease in estimates (departmental)</b>					
Targeted information and communications technology savings	1.1, 1.2	(304)	(304)	(189)	-
<b>Net impact on estimates for Outcome 1 (departmental)</b>					
		<b>(304)</b>	<b>(304)</b>	<b>(189)</b>	<b>-</b>
<b>Increase in estimates (capital)</b>					
Litigation Contingency Fund	1.1	8,800	-	-	-
<b>Net impact on estimates for Outcome 1 (capital)</b>					
		<b>8,800</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following table details the additional estimates sought for the ACCC through Appropriation Bill No. 3.

**Table 1.5: Appropriation Bill (No. 3) 2013-14**

	2012-13 available \$'000	2013-14 budget \$'000	2013-14 revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>DEPARTMENTAL OUTPUTS</b>					
<b>Outcome 1</b>					
Lawful competition, consumer protection, and regulated national infrastructure markets and services through regulation, including enforcement, education, price monitoring and determining the terms of access to infrastructure services	152,246	157,700	181,542	23,842	-
<b>Total</b>	<b>152,246</b>	<b>157,700</b>	<b>181,542</b>	<b>23,842</b>	<b>-</b>

## 1.6 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following table details the additional estimates sought for the ACCC through Appropriation Bill No. 4.

**Table 1.6: Appropriation Bill (No. 4) 2013-14**

	2012-13 available \$'000	2013-14 budget \$'000	2013-14 revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Non-operating</b>					
Equity Injections	60	60	14,310	14,250	-
<b>Total</b>	<b>60</b>	<b>60</b>	<b>14,310</b>	<b>14,250</b>	<b>-</b>

## Section 2: Revisions to agency outcomes and planned performance

### 2.1 RESOURCES AND PERFORMANCE INFORMATION

There has been no change to outcomes or the outcome strategy for the ACCC from that included in the *Portfolio Budget Statements 2013-14* (pages 89).

**Table 2.1: Budgeted expenses for Outcome 1**

	2012-13	2013-14
	Actual	Revised
	\$'000	estimated
		resources
		\$'000
<b>Outcome 1: Lawful competition, consumer protection, and regulated national infrastructure markets and services through regulation, including enforcement, education, price monitoring and determining the terms of access to infrastructure services</b>		
<b>Program 1.1: Australian Competition and Consumer Commission</b>		
Departmental expenses		
Departmental appropriation	150,228	143,215
Revenues from independent sources (s31)	684	870
Expenses not requiring appropriation in budget year	26,174	4,500
<b>Total for Program 1.1</b>	<b>177,086</b>	<b>148,585</b>
<b>Program 1.2: Australian Energy Regulator</b>		
Departmental expenses		
Departmental appropriation	-	36,302
Expenses not requiring appropriation in budget year	-	898
<b>Total for Program 1.2</b>	<b>-</b>	<b>37,200</b>
<b>Outcome 1 Total by appropriation type</b>		
Departmental expenses		
Departmental appropriation	150,228	179,517
Revenues from independent sources (s31)	684	870
Expenses not requiring appropriation in budget year	26,174	5,398
<b>Total for Outcome 1</b>	<b>177,086</b>	<b>185,785</b>
	2012-13	2013-14
<b>Average staffing level (number)</b>	798	799

Note: Program 1.2 is effective from 2013-14. The AER was previously reported under Program 1.1.

**Program 1.1: Australian Competition and Consumer Commission**

There has been no change to program objectives, deliverables or key performance indicators for the ACCC from that included in the *Portfolio Budget Statements 2013-14*.

**Table 2.2.1: Program expenses**

	2012-13	2013-14	2014-15	2015-16	2016-17
	Actuals	Budget	Forward	Forward	Forward
	\$'000	\$'000	year 1	year 2	year 3
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Program 1.1: Australian Competition and Consumer Commission</b>					
Departmental expenses					
Departmental items	177,086	148,585	124,166	116,621	114,376
<b>Total program expenses</b>	<b>177,086</b>	<b>148,585</b>	<b>124,166</b>	<b>116,621</b>	<b>114,376</b>

**Program 1.2: Australian Energy Regulator**

There has been no change to program objectives, deliverables or key performance indicators for the AER from that included in the *Portfolio Budget Statements 2013-14*.

**Table 2.2.2: Program expenses**

	2012-13	2013-14	2014-15	2015-16	2016-17
	Actuals	Budget	Forward	Forward	Forward
	\$'000	\$'000	year 1	year 2	year 3
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Program 1.2: Australian Energy Regulator</b>					
Departmental expenses					
Departmental items	-	37,200	35,072	34,589	34,180
<b>Total program expenses</b>	<b>-</b>	<b>37,200</b>	<b>35,072</b>	<b>34,589</b>	<b>34,180</b>

## Section 3: Explanatory tables and budgeted financial statements

### 3.1 EXPLANATORY TABLES

#### 3.1.1 Estimates of special account flows

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by the ACCC.

**Table 3.1.2: Estimates of special account cash flows and balances**

	Opening balance	Receipts non- appropriated	Receipts appropriated	Payments	Closing balance	
	2013-14 2012-13	2013-14 2012-13	2013-14 2012-13	2013-14 2012-13	2013-14 2012-13	
Outcome	\$'000	\$'000	\$'000	\$'000	\$'000	
Services for Other Entities and Trust Moneys Account (A)	1	54	-	-	-	54
		54	-	-	-	54
<b>Total special accounts 2013-14 Budget estimate</b>		<b>54</b>	-	-	-	<b>54</b>
Total special accounts 2012-13 actual		54	-	-	-	54

(A) Administered

### 3.2 BUDGETED FINANCIAL STATEMENTS

#### 3.2.1 Analysis of budgeted financial statements

The ACCC is budgeting for a departmental breakeven operating result for 2013-14 after adjusting for non-appropriated expenses of depreciation and amortisation.

### 3.2.2 Budgeted financial statements

#### Departmental financial statements

**Table 3.2.1: Budgeted departmental comprehensive income statement (Showing Net Cost of Services) (for the period ended 30 June)**

	Actual 2012-13 \$'000	Revised budget 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
<b>EXPENSES</b>					
Employee benefits	101,478	109,591	97,446	92,836	91,205
Suppliers	70,456	70,871	58,323	54,905	53,882
Depreciation and amortisation	5,074	5,323	3,469	3,469	3,469
Other expenses	78	-	-	-	-
<b>Total expenses</b>	<b>177,086</b>	<b>185,785</b>	<b>159,238</b>	<b>151,210</b>	<b>148,556</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Revenue</b>					
Sale of goods and rendering of services	592	870	500	500	500
Other revenue	229	75	75	75	75
<b>Total revenue</b>	<b>821</b>	<b>945</b>	<b>575</b>	<b>575</b>	<b>575</b>
<b>Total own-source income</b>	<b>821</b>	<b>945</b>	<b>575</b>	<b>575</b>	<b>575</b>
<b>Net cost of (contribution by) services</b>	<b>176,265</b>	<b>184,840</b>	<b>158,663</b>	<b>150,635</b>	<b>147,981</b>
Appropriation revenue	150,228	179,517	155,194	147,166	144,512
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>(26,037)</b>	<b>(5,323)</b>	<b>(3,469)</b>	<b>(3,469)</b>	<b>(3,469)</b>
<b>Note: Impact of Net Cash Appropriation Arrangements</b>					
	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
<b>Total Comprehensive Income (loss) less depreciation/amortisation expenses previously funded through revenue appropriations</b>	<b>(20,963)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
plus depreciation/amortisation expenses previously funded through revenue appropriations	(5,074)	(5,323)	(3,469)	(3,469)	(3,469)
<b>Total Comprehensive Income (loss) - as per the Statement of Comprehensive Income</b>	<b>(26,037)</b>	<b>(5,323)</b>	<b>(3,469)</b>	<b>(3,469)</b>	<b>(3,469)</b>

Prepared on Australian Accounting Standards basis.

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

	Actual 2012-13 \$'000	Revised budget 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	592	592	592	592	592
Receivables	11,033	19,833	19,833	19,833	19,833
<b>Total financial assets</b>	<b>11,625</b>	<b>20,425</b>	<b>20,425</b>	<b>20,425</b>	<b>20,425</b>
<b>Non-financial assets</b>					
Land and buildings	14,107	15,459	14,147	13,010	11,873
Infrastructure, plant and equipment	7,083	6,112	5,076	4,121	3,137
Intangibles	3,505	2,841	3,547	4,171	4,831
Inventories	22	22	22	22	22
Other	759	759	759	759	759
<b>Total non-financial assets</b>	<b>25,476</b>	<b>25,193</b>	<b>23,551</b>	<b>22,083</b>	<b>20,622</b>
<b>Total assets</b>	<b>37,101</b>	<b>45,618</b>	<b>43,976</b>	<b>42,508</b>	<b>41,047</b>
<b>LIABILITIES</b>					
<b>Provisions</b>					
Employees	25,708	23,233	23,233	23,233	23,233
Other	1,435	1,435	1,435	1,435	1,435
<b>Total provisions</b>	<b>27,143</b>	<b>24,668</b>	<b>24,668</b>	<b>24,668</b>	<b>24,668</b>
<b>Payables</b>					
Suppliers	5,313	5,313	5,313	5,313	5,313
Other	14,046	14,046	14,046	14,046	14,046
<b>Total payables</b>	<b>19,359</b>	<b>19,359</b>	<b>19,359</b>	<b>19,359</b>	<b>19,359</b>
<b>Total liabilities</b>	<b>46,502</b>	<b>44,027</b>	<b>44,027</b>	<b>44,027</b>	<b>44,027</b>
<b>Net assets</b>	<b>(9,401)</b>	<b>1,591</b>	<b>(51)</b>	<b>(1,519)</b>	<b>(2,980)</b>
<b>EQUITY</b>					
Contributed equity	47,283	63,618	65,445	67,446	69,454
Reserves	3,733	3,733	3,733	3,733	3,733
Retained surpluses or accumulated deficits	(60,417)	(65,760)	(69,229)	(72,698)	(76,167)
<b>Total equity</b>	<b>(9,401)</b>	<b>1,591</b>	<b>(51)</b>	<b>(1,519)</b>	<b>(2,980)</b>
<b>Current assets</b>	<b>12,384</b>	<b>21,184</b>	<b>21,184</b>	<b>21,184</b>	<b>21,184</b>
<b>Non-current assets</b>	<b>17,612</b>	<b>18,300</b>	<b>17,694</b>	<b>17,181</b>	<b>16,704</b>
<b>Current liabilities</b>	<b>39,716</b>	<b>37,860</b>	<b>37,860</b>	<b>37,860</b>	<b>37,860</b>
<b>Non-current liabilities</b>	<b>6,786</b>	<b>6,167</b>	<b>6,167</b>	<b>6,167</b>	<b>6,167</b>

Prepared on Australian Accounting Standards basis.



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

	Actual 2012-13 \$'000	Revised budget 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	1,150	870	500	500	500
Appropriations	170,809	170,717	155,194	147,166	144,512
Other	7,107	-	-	-	-
<b>Total cash received</b>	<b>179,066</b>	<b>171,587</b>	<b>155,694</b>	<b>147,666</b>	<b>145,012</b>
<b>Cash used</b>					
Employees	100,882	112,066	97,446	92,836	91,205
Suppliers	73,981	70,796	58,248	54,830	53,807
Other	7,000	-	-	-	-
<b>Total cash used</b>	<b>181,863</b>	<b>182,862</b>	<b>155,694</b>	<b>147,666</b>	<b>145,012</b>
<b>Net cash from or (used by) operating activities</b>	<b>(2,797)</b>	<b>(11,275)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Sale of property, plant and equipment/intangibles	2	-	-	-	-
<b>Total cash received</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment/intangibles	4,144	5,060	2,012	2,001	2,008
<b>Total cash used</b>	<b>4,144</b>	<b>5,060</b>	<b>2,012</b>	<b>2,001</b>	<b>2,008</b>
<b>Net cash from or (used by) investing activities</b>	<b>(4,142)</b>	<b>(5,060)</b>	<b>(2,012)</b>	<b>(2,001)</b>	<b>(2,008)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	5,739	16,335	2,012	2,001	2,008
<b>Total cash received</b>	<b>5,739</b>	<b>16,335</b>	<b>2,012</b>	<b>2,001</b>	<b>2,008</b>
<b>Net cash from or (used by) financing activities</b>	<b>5,739</b>	<b>16,335</b>	<b>2,012</b>	<b>2,001</b>	<b>2,008</b>
<b>Net increase (or decrease) in cash held</b>	<b>(1,200)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash at the beginning of the reporting period	1,792	592	592	592	592
<b>Cash at the end of the reporting period</b>	<b>592</b>	<b>592</b>	<b>592</b>	<b>592</b>	<b>592</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (budget year 2012-13)**

	Retained surpluses \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2013</b>				
Balance carried forward from previous period	(60,437)	3,733	47,283	(9,421)
<b>Adjusted opening balance</b>	(60,437)	3,733	47,283	(9,421)
<b>Comprehensive income</b>				
Surplus (deficit) for the period	(5,323)	-	-	(5,323)
<b>Total comprehensive income recognised directly in equity</b>	(5,323)	-	-	(5,323)
<b>Transactions with owners</b>				
Equity Injection	-	-	16,335	16,335
	-	-	16,335	16,335
<b>Estimated closing balance as at 30 June 2014</b>	(65,760)	3,733	63,618	1,591

Prepared on Australian Accounting Standards basis.

**Table 3.2.5: Departmental capital budget statement**

	Actual 2012-13 \$'000	Revised budget 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Capital budget - Bill 1 - DCB	2,018	2,025	2,012	2,001	2,008
Equity Injections - Bill 2	60	14,310	-	-	-
<b>Total new capital appropriations</b>	2,078	16,335	2,012	2,001	2,008
<b>Provided for:</b>					
Purchase of non-financial assets	2,078	5,060	2,012	2,001	2,008
Other	-	11,275	-	-	-
<b>Total Items</b>	2,078	16,335	2,012	2,001	2,008
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation - DCB	2,018	2,025	2,012	2,001	2,008
Funded by capital appropriations	60	3,035	-	-	-
<b>TOTAL</b>	2,078	5,060	2,012	2,001	2,008
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	2,078	5,060	2,012	2,001	2,008
<b>Total cash used to acquire assets</b>	2,078	5,060	2,012	2,001	2,008

Prepared on Australian Accounting Standards basis.

**Table 3.2.6: Statement of asset movements — Departmental (2013-14)**

	Buildings \$'000	Other, infrastructure, plant & equipment \$'000	Intangibles \$'000	Total \$'000
<b>As at 1 July 2013</b>				
Gross book value	16,223	8,705	9,192	34,120
Accumulated depreciation/amortisation and impairment	(2,136)	(1,622)	(5,687)	(9,445)
<b>Opening net book balance</b>	<b>14,087</b>	<b>7,083</b>	<b>3,505</b>	<b>24,675</b>
<b>Capital asset additions</b>				
By purchase - other	3,425	800	835	5,060
<b>Total additions</b>	<b>3,425</b>	<b>800</b>	<b>835</b>	<b>5,060</b>
<b>Other movements</b>				
Depreciation/amortisation expense	(2,053)	(1,771)	(1,499)	(5,323)
<b>Total other movements</b>	<b>(2,053)</b>	<b>(1,771)</b>	<b>(1,499)</b>	<b>(5,323)</b>
<b>As at 30 June 2014</b>				
Gross book value	19,648	9,505	10,027	39,180
Accumulated depreciation/amortisation and impairment	(4,189)	(3,393)	(7,186)	(14,768)
<b>Closing net book balance</b>	<b>15,459</b>	<b>6,112</b>	<b>2,841</b>	<b>24,412</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)**

	Actual 2012-13 \$'000	Revised budget 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
<b>Non-taxation revenue</b>					
Fees and fines	57,067	20,000	20,000	20,000	20,000
<b>Total non-taxation revenue</b>	<b>57,067</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>
<b>Total own-source income administered on behalf of Government</b>	<b>57,067</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Other	4,538	-	-	-	-
<b>Total expenses administered on behalf of Government</b>	<b>4,538</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)**

	Actual 2012-13 \$'000	Revised budget 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Cash and cash equivalents	18	18	18	18	18
Receivables	12,577	12,577	12,577	12,577	12,577
<b>Total financial assets</b>	<b>12,595</b>	<b>12,595</b>	<b>12,595</b>	<b>12,595</b>	<b>12,595</b>
<b>Total assets administered on behalf of government</b>	<b>12,595</b>	<b>12,595</b>	<b>12,595</b>	<b>12,595</b>	<b>12,595</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.9: Schedule of budgeted administered cash flows (for the period ended 30 June)**

	Actual 2012-13 \$'000	Revised budget 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Fees	48,272	20,000	20,000	20,000	20,000
<b>Total cash received</b>	<b>48,272</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>
<b>Cash used</b>					
Cash to Official Public Account	48,263	20,000	20,000	20,000	20,000
<b>Total cash used</b>	<b>48,263</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>
<b>Net cash or equivalents from or (used by) operating activities</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>	<b>9</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>18</b>
Cash at beginning of reporting period	9	-	-	-	-
<b>Cash at end of reporting period</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>18</b>

Prepared on Australian Accounting Standards basis.

### **3.2.3 Notes to the financial statements**

#### **Accounting policy**

The budgeted financial statements have been prepared on an accrual accounting basis having regard to statements of accounting concepts, and in accordance with:

- the Government's financial budgeting and reporting framework; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board.

#### **Departmental and administered items**

Agency assets, liabilities, revenues and expenses are those items that are controlled by the ACCC that are used by the ACCC in producing its program and include:

- computers, plant and equipment and building fitout used in providing goods and services;
- liabilities for employee entitlements;
- revenue from appropriations or independent sources in payment for the departmental program; and
- employee, supplier and depreciation expenses incurred in providing agency program.

Administered items are those items incurred in providing programs that are controlled by the Government and managed, or oversighted by the ACCC on behalf of the government. Administered revenues include fees and fines.

#### **Departmental revenue**

Revenue from government represents the purchase of outputs from the ACCC by the Government and is recognised to the extent that it has been received into the ACCC's bank account.

Revenue from other sources, representing sales from goods and services, is recognised at the time that it is imposed on customers.

#### **Departmental expenses — employees**

Payments and net increases in entitlements to employees for services rendered in the financial year.

#### **Departmental expenses — suppliers**

Payments to suppliers for goods and services used in providing agency programs.

**Departmental expenses — depreciation and amortisation**

Depreciable property, plant and equipment, buildings and intangible assets are written-off to their estimated residual values over their estimated useful life, using the straight-line calculation method.

**Departmental assets — financial assets**

The primary financial asset relates to receivables. Financial assets are used to fund the ACCC's capital program, employee entitlements, creditors and to provide working capital.

**Departmental assets — non-financial assets**

These items represent future benefits that the ACCC will consume in producing outputs. The reported value represents the purchase paid less depreciation incurred to date in using the asset.

**Departmental liabilities — provisions and payables**

Provision has been made for the ACCC's liability for employee entitlements arising from services rendered by employees. The liability includes unpaid annual leave and long service leave.

Provision has also been made for unpaid expenses as at balance date.