

# 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> A	<b>168,514</b>	<b>23,842</b>		<b>192,356</b>	<b>152,746</b>
<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>60</b>	<b>14,250</b>		<b>14,310</b>	<b>60</b>
<b>Total available annual appropriations (A+B)</b>	<b>168,574</b>	<b>38,092</b>		<b>206,666</b>	<b>152,806</b>
<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:</b> Law ful 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>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>	<b>798</b>	<b>799</b>

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	Forw ard year 1	Forw ard year 2	Forw ard 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	Forw ard year 1	Forw ard year 2	Forw ard 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
<b>Total special accounts 2013-14 Budget estimate</b>	<b>54</b>	<b>-</b>	<b>-</b>	<b>-</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	Forw ard estimate 2014-15 \$'000	Forw ard estimate 2015-16 \$'000	Forw ard 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	Forw ard estimate 2014-15 \$'000	Forw ard estimate 2015-16 \$'000	Forw ard 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	Forw ard estimate 2014-15 \$'000	Forw ard estimate 2015-16 \$'000	Forw ard 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	Forw ard estimate 2014-15 \$'000	Forw ard estimate 2015-16 \$'000	Forw ard 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	Forw ard estimate 2014-15 \$'000	Forw ard estimate 2015-16 \$'000	Forw ard 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	Forw ard estimate 2014-15 \$'000	Forw ard estimate 2015-16 \$'000	Forw ard 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.