

AUSTRALIAN COMPETITION AND CONSUMER COMMISSION

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Australian Competition and Consumer Commission (ACCC) is an independent Commonwealth statutory authority whose role is to enforce the *Competition and Consumer Act 2010* (CCA) and a range of additional legislation, promoting competition, fair trading and regulating national infrastructure for the benefit of all Australians.

The Australian Energy Regulator (AER) regulates energy markets and networks under national legislation and rules. The AER has an independent Board.

The ACCC and AER share staff, resources and facilities.

The roles of the ACCC and AER should be seen in the context of the thinking that underpins National Competition Policy – that competition provides the best incentive for businesses to become more efficient, innovative and flexible and to operate in the long-term interests of consumers. Together the ACCC and AER champion strong, efficient and effective markets.

The ACCC is selective in the matters it investigates and the sectors in which it engages in education and market analysis. The ACCC's role is to focus on those circumstances that will, or have the potential to harm the competitive process or result in widespread consumer detriment. The ACCC therefore exercises discretion to direct resources to matters that provide the greatest overall benefit for competition and consumers. Each year the ACCC reviews its compliance and enforcement priorities, as set out in the ACCC Compliance and Enforcement Policy.

The ACCC also annually updates its consumer product safety priorities so as to identify and address the risk of serious injury and death from safety hazards in consumer products.

The ACCC will continue to assess and review mergers via the informal clearance process to prevent structural changes that substantially lessen competition, and will continue to assess and make decisions about applications for authorisation and notification of certain anti-competitive conduct.

The ACCC determines prices and access terms and conditions for some nationally significant monopoly infrastructure services, and monitors and enforces compliance with industry-specific laws for industries including communications, bulk water,

postal services and rail. Fostering efficient infrastructure provision through industry-specific regulation and access conditions – under the umbrella of the long term interest of consumers – is the major focus of the economic regulatory role.

The ACCC also monitors other markets (such as major airports, container stevedoring, wheat ports and fuel) where there is limited competition or high consumer concern to provide information about the operation of the relevant market.

In 2019-20 the ACCC will continue to focus on markets where additional measures and analysis are required to deliver efficient and competitive outcomes. This includes undertaking a number of price inquiries, industry analysis and reporting activities covering a broad range of sectors, including gas and electricity, financial services, private health insurance and residential insurance in Northern Australia.

The ACCC will also focus on its role in relation to the new Consumer Data Right.

The AER works to make all Australian energy consumers better off, now and in the future. The energy laws' objective of 'promoting efficient investment in, and operation and use of, energy services for the long-term interests of energy consumers with respect to price, quality, safety, reliability and security' guides the AER's priorities and work program.

In 2019-20 the AER will:

- drive effective competition where feasible
- provide effective regulation where competition is not feasible
- equip consumers to participate effectively, and protect those who are unable to safeguard their own interests
- use our expertise to inform debate about Australia's energy future, the long-term interests of consumers and the regulatory landscape
- take a long-term perspective while also considering the impact on consumers today

The ACCC and AER work directly and indirectly to achieve a shared outcome, outlined in Section 2.1. Both will use strategic communication and undertake an active program of managed partnerships with other organisations to deliver outcomes that impact favourably on competition and consumer welfare.

1.2 ENTITY RESOURCE STATEMENT

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

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

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

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

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

	<i>2018-19 (a)</i> <i>Estimated</i> <i>actual</i> <i>\$'000</i>	2019-20 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (b)		
Prior year appropriations available	20,107	30,818
Departmental appropriation (c)	209,983	235,161
s74 External Revenue (d)	4,503	3,703
Departmental capital budget (e)	2,534	4,695
Annual appropriations - other services - non-operating (f)		
Prior year appropriations available	12,500	10,000
Equity injection	1,100	1,100
Total departmental annual appropriations	<u>250,727</u>	<u>285,477</u>
Total departmental resourcing	250,727	285,477
Administered		
Special appropriations (g)	20	20
Total administered special appropriations	<u>20</u>	<u>20</u>
Total administered resourcing (h)	20	20
Total resourcing for the ACCC	250,747	285,497
	<u>2018-19</u>	<u>2019-20</u>
Average staffing level (number)	964	1,022

Third party payments from and on behalf of the National Competition Council (NCC)

	2018-19 (a) <i>Estimated actual</i> \$'000	2019-20 Estimate \$'000
Payments made on behalf of the NCC (as disclosed in the NCC's resource statement)	1,990	1,700
Receipts received from the NCC for the provision of services (disclosed above in s74 External Revenue section above)	850	850

(a) Annual appropriation amounts appearing for 2018-19 do not include the Appropriation Bills (No. 3) and (No. 4) 2018-2019, as they had not been enacted at the time of publication.

(b) Appropriation Bill (No. 1) 2019-20.

(c) Excludes departmental capital budget (DCB).

(d) Estimated External Revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

(e) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

(f) Appropriation Bill (No. 2) 2019-20.

(g) Relates to repayments not provided for under other appropriations through section 77 of the PGPA Act.

(h) Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to *Budget Paper No. 4 - Agency Resourcing*. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.

All figures shown above are GST exclusive - these may not match figures in the cash flow statement.

Prepared on a resourcing (that is, appropriations available) basis.

1.3 BUDGET MEASURES

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

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

	Program	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000
Expense measures						
Australian Competition and Consumer Commission Agriculture Unit — continuation						
	Departmental expenses	1.1	-	2,732	-	-
	Total		-	2,732	-	-
Australian Energy Regulator — resourcing for new and expanded functions						
	Departmental expenses	1.2	-	5,361	2,728	2,589
	Total		-	5,361	2,728	2,589
Commercial Construction Unit — additional funding						
	Departmental expenses	1.1	-	1,262	2,711	2,727
	Total		-	1,262	2,711	2,727
Dairy Code of Conduct (a)						
	Departmental expenses	1.1	-	138	391	839
	Total		-	138	391	839
Total expense measures						
	Departmental		-	9,493	5,830	6,155
	Total		-	9,493	5,830	6,202

(a) The lead entity for measure titled 'Dairy Code of Conduct' is the Department of Agriculture and Water Resources. The full measure description and package details appear in Budget Paper No. 2 under the Agriculture and Water Resources portfolio.

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

Section 2: Outcomes and planned performance

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

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

Note:

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

The most recent corporate plan for the ACCC can be found at:
<http://www.accc.gov.au/publications/corporate-plan-priorities>

The most recent annual performance statement can be found at:
<http://www.accc.gov.au/annualreports>

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

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.

Budgeted expenses for Outcome 1

This table shows how much the ACCC intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Departmental funding sources.

Table 2.1: Budgeted expenses for Outcome 1

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
Program 1.1: Australian Competition and Consumer Commission					
Departmental expenses					
Departmental appropriation	166,742	167,356	160,365	155,798	138,730
s74 External Revenue (a)	4,103	3,703	2,331	2,113	1,400
Expenses not requiring appropriation in the Budget year (b)	5,912	6,910	6,521	6,061	5,464
Departmental total	176,757	177,969	169,217	163,972	145,594
Total expenses for Program 1.1	176,757	177,969	169,217	163,972	145,594
Program 1.2: Australian Energy Regulator					
Departmental expenses					
Departmental appropriation	62,199	67,805	64,896	65,320	65,748
Departmental total	62,199	67,805	64,896	65,320	65,748
Total expenses for Program 1.2	62,199	67,805	64,896	65,320	65,748

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

(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses and audit fees.

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

Table 2.1: Budgeted expenses for Outcome 1 (continued)

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
Outcome 1 Totals by appropriation type					
Departmental expenses					
Departmental appropriation	228,941	235,161	225,261	221,118	204,478
s74 External Revenue (a)	4,103	3,703	2,331	2,113	1,400
Expenses not requiring appropriation in the Budget year (b)	5,912	6,910	6,521	6,061	5,464
Departmental total	238,956	245,774	234,113	229,292	211,342
Total expenses for Outcome 1	238,956	245,774	234,113	229,292	211,342
<hr/>					
	2018-19	2019-20			
Average staffing level (number)	964	1,022			

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

(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses and audit fees.

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

Table 2.2: Performance criteria for Outcome 1

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

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.	
Program 1.1 – Australian Competition and Consumer Commission	
To achieve compliance with the Competition and Consumer Act 2010 and other legislation to protect, strengthen and supplement the way competition works in Australian markets and industries to improve the efficiency of the economy and to increase the welfare of Australians.	
Delivery	<p>The ACCC achieves Outcome 1 by:</p> <ol style="list-style-type: none"> 1. Maintaining and promoting competition through: <ul style="list-style-type: none"> • delivering outcomes to address harm to consumers and businesses resulting from anti-competitive conduct focusing in particular on the ACCC’s identified priorities; • assessing mergers to prevent structural changes that substantially lessen competition; and • making decisions on authorisation, notification and certification trademark applications in the public interest. 2. Protecting the interests and safety of consumers, and supporting fair trading in markets affecting consumers and small business through: <ul style="list-style-type: none"> • delivering outcomes to address harm to consumers and small businesses resulting from non-compliance with the Australian Consumer Law focusing in particular on the ACCC’s identified priorities; • enhancing the effectiveness of the ACCC’s compliance and enforcement initiatives through partnerships; • identifying and addressing the risk of serious injury and death from safety hazards in consumer products; • supporting a vibrant small business sector; and • empowering consumers by increasing their awareness of their rights under the Australian Consumer Law. 3. Promoting the economically efficient operation of, use of, and investment in infrastructure; and identifying market failure through: <ul style="list-style-type: none"> • delivering network regulation that promotes competition in the long-term interests of end-users; • providing industry monitoring reports to Government in relation to highly concentrated, newly deregulated or emerging markets; and • improving the efficient operation of markets by enforcing industry-specific competition and market rules. 4. Undertaking market studies and inquiries to support competition, consumer and regulatory outcomes

Performance information		
Performance criteria	Forecast result against 2018-19 target	2019-20 and forward year targets
Number of competition enforcement interventions (court proceeding commenced, section 87B undertakings accepted, administrative resolutions)	Expect to achieve target of 6	6
Percentage of merger matters considered (under the informal merger review process) that were finalised by pre-assessment	Expect to exceed target of 80%	80%
Percentage of authorisation applications assessed within statutory timeframe(s) (excluding time periods where information is outstanding)	Expect to meet target of 100%	100%
Number of Australian Consumer Law enforcement interventions (court proceeding commenced, section 87B undertakings accepted, infringement notices issued, administrative resolutions)	Expect to exceed target of 40	40
Number of initial and in depth investigations of emerging product safety hazards (a)	On track to meet target of 10	10
Number of small business Infocentre contacts served	Expect to exceed target of 12,000	12 000
Number of Infocentre contacts served (includes Infocentre contacts served and webforms received)	Expect to exceed target of 200,000	200 000
Number of major regulatory decisions	Expect to achieve target of 4	3
Number of annual monitoring reports	Expect to achieve target of 7	7
Number of reports on monitoring of unleaded petroleum products	Expect to achieve target of 6	6
Number of reports on broadband markets	Expect to achieve target of 8	8
Number of completed markets studies and inquiries	Expect to complete 3 (target was 4)	3
Purpose	The ACCC and the AER work in close coordination to achieve our common purpose: making markets work for consumers, now and in the future. The ACCC enforces the CCA and a range of additional legislation, promoting competition, fair trading and regulating national infrastructure for the benefit of all Australians.	

(a) These performance criteria will be revised based on the outcomes of a strategic review of the AER's approach to compliance and enforcement, being undertaken in 2019 (calendar year).

The above program is linked to the Department of Health (Program 5.1 – Protect the Health and Safety of the Community through Regulation) and the Department of Industry, Innovation and Science (Program 2 – Growing Business Investment and Improving Business Capability).

Table 2.2: Performance criteria for Outcome 1 (continued)

<p>Program 1.2 - Australian Energy Regulator</p> <p>The AER's priorities and work program are guided by the objectives of national energy legislation and rules. The common objective through the legislation is to promote efficient investment in, and efficient operation and use of, energy services for the long term interests of end users of energy with respect to price, quality, safety, reliability and security.</p>		
Delivery	<p>The AER achieves Outcome 1 by:</p> <ul style="list-style-type: none"> • monitoring electricity and gas markets to ensure energy businesses comply with the legislation and rules, and taking enforcement action where necessary; • setting the amount of revenue that network businesses can recover from customers for using these networks and promoting efficient pricing structures; • regulating retail energy markets in Queensland, New South Wales, South Australia, Tasmania (electricity only) and the Australian Capital Territory; • operating Energy Made Easy, a price comparison website and providing other information for energy consumers; and • publishing information on energy markets, including the annual State of the energy market report, and reports on effective competition to assist stakeholders and the wider community. 	
Performance information		
Performance criteria	Forecast result against 2018-19 target	2019-20 and forward year targets
Number of completed revenue decisions for electricity networks and gas pipelines	Expect to achieve target of 7	5 in 2019-20 8 in 2020-21 2 in 2021-22
Number of annual benchmarking reports on electricity networks	Expect to achieve target of 1	1
Percentage of disputes resolved within legislated timeframes, including on network access and connections, and regulatory investment tests	Expect to achieve target of 100%	100%
Number of electricity distribution annual pricing (tariff) proposals and annual gas tariff variations approved	Expect to achieve target of 22 (14 electricity and 8 gas)	22 (14 electricity and 8 gas)
Number of annual reports on compliance in, and performance of, retail energy markets	Achieved target of 2	2
Percentage of retail authorisation and exemptions applications to sell energy assessed within 12 weeks of receiving all relevant information	Expect to achieve target of 100%	100%
Percentage of new retailer hardship policies approved within 12 weeks of receiving the submitted policy	Expect to achieve target of 100%	100%

Performance information (continued)		
Performance criteria	Forecast result against 2018-19 target	2019-20 and forward year targets
Percentage of offers published on the AER's Energy Made Easy price comparator website within two business days of receipt from retailers	Will achieve target of 100%	100%
Number of targeted reviews of compliance with the national energy rules	Expect to achieve target of 4	N/A (b)
Number of quarterly reports on compliance in wholesale electricity and gas markets	Expect to achieve less than the target of 4	N/A (b)
Number of audits completed of systems for energy businesses that are critical to market efficiency and energy security	Expect to achieve target of 1	N/A (b)
Percentage of reports on wholesale electricity market high price events and significant price variations in spot gas markets activity published within statutory timeframes	Expect to achieve target of 100%	100%
Number of reports on effective competition in the wholesale electricity market	Achieved target of 1	4
Purpose	The AER regulates energy markets and networks under national legislation and rules, which aim to promote efficient investment in, and operation and use of, energy services for the long term interests of energy consumers with respect to price, quality, safety, reliability and security.	

(b) This performance criteria was revised in the ACCC and AER Corporate Plan 2018-19 to better reflect the ACCC's case management system and definitions. The target for 2018-19 was revised to 10.

The above program is linked to the Department of the Environment and Energy (Program 4.1 – Energy).

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

Operating revenues

Total appropriation revenue for 2019-20 is estimated to be \$235.2 million. This has increased from \$225.9 million as reported in the *Portfolio Additional Estimates Statements 2018-19*. The increase is due to additional funding received for new budget measures, and includes:

- Australian Competition and Consumer Commission Agriculture Unit – continuation;
- Australian Energy Regulator – resourcing for new and expanded functions;
- Commercial Construction Unit – additional funding; and
- Dairy Code of Conduct.

Refer to Table 1.2 for funding details.

Operating expenses

Total expenses in 2019-20 are estimated to be \$245.8 million. This has increased from \$234.5 million as reported in the *Portfolio Additional Estimates Statements 2018-19*. The increase is largely due to expenditure from new budget measures as summarised in Table 1.2.

Operating capital

The total capital budget in 2019-20 is estimated to be \$5.3 million. There has been no material change to the capital budget since the *Portfolio Additional Estimates Statements 2018-19*.

Departmental Balance Sheet

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.

Non-financial assets

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

Departmental liabilities — provisions and payables

Provisions and payables include:

- employee entitlements arising from services rendered by employees. The liability includes unpaid annual leave and long service leave;
- rent straight-line adjustments and lease incentives;
- make good liability and onerous lease provisions for office accommodation; and
- unpaid expenses as at balance date.

3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
EXPENSES					
Employee benefits	135,843	139,966	133,717	131,971	121,422
Suppliers	97,271	98,959	93,927	91,303	84,490
Depreciation and amortisation (a)	5,818	6,816	6,427	5,967	5,370
Finance costs	24	33	42	51	60
Total expenses	238,956	245,774	234,113	229,292	211,342
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	4,103	3,703	2,331	2,113	1,400
Total own-source revenue	4,103	3,703	2,331	2,113	1,400
Gains					
Other	94	94	94	94	94
Total gains	94	94	94	94	94
Total own-source income	4,197	3,797	2,425	2,207	1,494
Net (cost of)/contribution by services	(234,759)	(241,977)	(231,688)	(227,085)	(209,848)
Revenue from Government	228,941	235,161	225,261	221,118	204,478
Surplus/(deficit) attributable to the Australian Government	(5,818)	(6,816)	(6,427)	(5,967)	(5,370)

Note: Impact of net cash appropriation arrangements

	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	-	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	5,818	6,816	6,427	5,967	5,370
Total comprehensive income/(loss) - as per the statement of comprehensive income	(5,818)	(6,816)	(6,427)	(5,967)	(5,370)

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

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,616	1,616	1,616	1,616	1,616
Trade and other receivables	40,495	39,017	41,938	39,155	36,073
Total financial assets	42,111	40,633	43,554	40,771	37,689
Non-financial assets					
Land and buildings	13,485	11,223	9,286	8,323	7,726
Property, plant and equipment	4,218	4,194	4,369	3,613	3,057
Intangibles	11,027	11,792	10,895	10,436	10,027
Other non-financial assets	4,060	4,060	4,060	4,060	4,060
Total non-financial assets	32,790	31,269	28,610	26,432	24,870
Total assets	74,901	71,902	72,164	67,203	62,559
LIABILITIES					
Payables					
Suppliers	13,375	13,108	12,310	11,529	10,972
Other payables	17,138	16,649	21,357	19,098	19,098
Total payables	30,513	29,757	33,667	30,627	30,070
Provisions					
Employee provisions	36,547	35,685	34,547	34,646	31,621
Other provisions	3,188	2,828	2,477	2,135	2,135
Total provisions	39,735	38,513	37,024	36,781	33,756
Total liabilities	70,248	68,270	70,691	67,408	63,826
Net assets	4,653	3,632	1,473	(205)	(1,267)
EQUITY*					
Parent entity interest					
Contributed equity	99,283	105,078	109,346	113,635	117,943
Reserves	4,198	4,198	4,198	4,198	4,198
Retained surplus (accumulated deficit)	(98,828)	(105,644)	(112,071)	(118,038)	(123,408)
Total equity	4,653	3,632	1,473	(205)	(1,267)

*'Equity' is the residual interest in assets after deduction of liabilities.
Prepared on Australian Accounting Standards basis.

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

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2019				
Balance carried forward from previous period	(98,828)	4,198	99,283	4,653
Adjusted opening balance	(98,828)	4,198	99,283	4,653
Comprehensive income				
Surplus/(deficit) for the period	(6,816)	-	-	(6,816)
Total comprehensive income	(6,816)	-	-	(6,816)
Transactions with owners				
Contributions by owners				
Equity injection - Appropriation	-	-	1,100	1,100
Departmental Capital Budget (DCB)	-	-	4,695	4,695
Sub-total transactions with owners	-	-	5,795	5,795
Estimated closing balance as at 30 June 2020	(105,644)	4,198	105,078	3,632
Closing balance attributable to the Australian Government	(105,644)	4,198	105,078	3,632

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	237,163	250,301	234,219	235,280	217,573
Sale of goods and rendering of services	4,503	3,703	2,331	2,113	1,400
Net GST received	10,149	9,629	9,355	9,095	8,513
Total cash received	251,815	263,633	245,905	246,488	227,486
Cash used					
Employees	130,408	138,165	133,615	132,270	124,447
Suppliers	97,832	102,677	91,556	94,244	85,013
Net GST paid	10,149	9,629	9,355	9,095	8,513
s74 External Revenue transferred to OPA	14,002	13,662	11,879	11,379	10,013
Total cash used	252,391	264,133	246,405	246,988	227,986
Net cash from/(used by) operating activities	(576)	(500)	(500)	(500)	(500)
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	10,704	5,295	3,768	3,789	3,808
Total cash used	10,704	5,295	3,768	3,789	3,808
Net cash from/(used by) investing activities	(10,704)	(5,295)	(3,768)	(3,789)	(3,808)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	11,204	5,795	4,268	4,289	4,308
Total cash received	11,204	5,795	4,268	4,289	4,308
Net cash from/(used by) financing activities	11,204	5,795	4,268	4,289	4,308
Net increase/(decrease) in cash held	(76)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	1,692	1,616	1,616	1,616	1,616
Cash and cash equivalents at the end of the reporting period	1,616	1,616	1,616	1,616	1,616

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	10,104	4,695	3,168	3,189	3,208
Equity injections - Bill 2	1,100	1,100	1,100	1,100	1,100
Total new capital appropriations	11,204	5,795	4,268	4,289	4,308
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	10,704	5,295	3,768	3,789	3,808
<i>Other Items</i>	500	500	500	500	500
Total items	11,204	5,795	4,268	4,289	4,308
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	600	600	600	600	600
Funded by capital appropriation - DCB (b)	10,104	4,695	3,168	3,189	3,208
TOTAL	10,704	5,295	3,768	3,789	3,808
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	10,704	5,295	3,768	3,789	3,808
Total cash used to acquire assets	10,704	5,295	3,768	3,789	3,808

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

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

Prepared on Australian Accounting Standards basis.

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

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2019				
Gross book value	15,912	5,867	19,304	41,083
Accumulated depreciation/ amortisation and impairment	(2,427)	(1,649)	(8,277)	(12,353)
Opening net book balance	13,485	4,218	11,027	28,730
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	-	-	600	600
By purchase - appropriation ordinary annual services (b)	97	1,844	2,754	4,695
Total additions	97	1,844	3,354	5,295
Other movements				
Depreciation/amortisation expense	(2,359)	(1,868)	(2,589)	(6,816)
Total other movements	(2,359)	(1,868)	(2,589)	(6,816)
As at 30 June 2020				
Gross book value	16,009	7,711	22,658	46,378
Accumulated depreciation/ amortisation and impairment	(4,786)	(3,517)	(10,866)	(19,169)
Closing net book balance	11,223	4,194	11,792	27,209

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2019-20, including CDABs.

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

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Fees and fines	40,000	40,000	40,000	40,000	40,000
Total non-taxation revenue	40,000	40,000	40,000	40,000	40,000
Total own-source revenue administered on behalf of Government	40,000	40,000	40,000	40,000	40,000
Total own-sourced income administered on behalf of Government	40,000	40,000	40,000	40,000	40,000
Net cost of/(contribution by) services	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
Surplus/(deficit)	40,000	40,000	40,000	40,000	40,000

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	-	-	-	-	-
Trade and other receivables	32,615	32,615	32,615	32,615	32,615
Total financial assets	32,615	32,615	32,615	32,615	32,615
Total assets administered on behalf of Government	32,615	32,615	32,615	32,615	32,615
Net assets/(liabilities)	32,615	32,615	32,615	32,615	32,615

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Fees	40,000	40,000	40,000	40,000	40,000
Total cash received	40,000	40,000	40,000	40,000	40,000
Net cash from/(used by) operating activities	40,000	40,000	40,000	40,000	40,000
Net increase/(decrease) in cash held	40,000	40,000	40,000	40,000	40,000
Cash and cash equivalents at beginning of reporting period	-	-	-	-	-
Cash to Official Public Account for:					
- Transfers to other entities (Finance - Whole of Government)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
Total cash to Official Public Account	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis

