

AUSTRALIAN PRUDENTIAL REGULATION AUTHORITY

SECTION 1: ENTITY OVERVIEW AND RESOURCES	123
1.1 Strategic direction statement	123
1.2 Entity resource statement	125
1.3 Budget measures.....	127
SECTION 2: OUTCOMES AND PLANNED PERFORMANCE	129
2.1 Budgeted expenses and performance for Outcome 1.....	130
SECTION 3: BUDGETED FINANCIAL STATEMENTS.....	132
3.1 Budgeted financial statements.....	132
3.2. Budgeted financial statements tables	134

AUSTRALIAN PRUDENTIAL REGULATION AUTHORITY

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

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

APRA's mandate is to protect the Australian community by establishing and enforcing prudential standards and practices designed to ensure that, under all reasonable circumstances, financial promises made by institutions APRA supervises are met within a stable, efficient and competitive financial system. APRA also administers the Financial Claims Schemes, the private health insurance risk equalisation special account and, as a national statistical agency for the Australian financial sector, collects and publishes data from prudentially regulated and other financial institutions.

APRA works closely with other regulatory agencies that form part of the Council of Financial Regulators (CFR) including the Department of the Treasury (the Treasury), the Reserve Bank of Australia (RBA), and the Australian Securities and Investments Commission (ASIC) in achieving its mandate.

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

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

Consistent with the Government's expectations, APRA does not pursue a zero failure objective. APRA cannot eliminate the risk that any institution might fail and it recognises that attempting to do so would impose an unnecessary burden on institutions and the financial system. APRA seeks to maintain a low incidence of failure of APRA-regulated institutions whilst not unduly hindering efficiency, competition or otherwise impeding the competitive neutrality or contestability of the financial system. APRA's aim is to identify likely failure of an APRA-regulated institution early enough so that corrective action can be promptly initiated or an orderly exit achieved.

The structure of the Australian financial system continues to evolve and risks to APRA, the institutions and industries it regulates or financial system stability can emerge quickly. Each year, in setting its strategic priorities and initiatives, APRA takes into consideration its operating environment including emerging trends and risks and the Government's policy priorities to ensure it continues to effectively deliver on its mandate. This year, in reviewing its strategic priorities, APRA will also consider the outcomes of the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry; the Financial Sector Assessment Program (FSAP) undertaken by the International Monetary Fund (IMF); and the Productivity Commission's reviews of the efficiency and competitiveness of the Australian superannuation system and competition in Australia's financial system.

1.2 ENTITY RESOURCE STATEMENT

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

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

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

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

Table 1.1: Australian Prudential Regulation Authority resource statement — Budget estimates for 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)		
Departmental appropriation	126	-
s74 External Revenue (c)	5,476	5,277
Total departmental annual appropriations	5,602	5,277
Special accounts		
Opening balance (d)	83,343	71,695
Appropriation receipts (e)	5,602	5,277
Non-appropriation receipts to Special Accounts	143,435	187,044
<i>Total special account receipts</i>	<i>232,380</i>	<i>264,016</i>
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	<i>5,602</i>	<i>5,277</i>
Total departmental resourcing	232,380	264,016
Administered		
Special accounts		
Opening balance (d)	835	835
Non-appropriation receipts to Special Accounts (f)	450,000	450,000
<i>Total special account receipts</i>	<i>450,835</i>	<i>450,835</i>
Total administered resourcing	450,835	450,835
Total resourcing for APRA	683,215	714,851
	<i>2018-19</i>	<i>2019-20</i>
Average staffing level (number)	652	738

Table 1.1: Australian Prudential Regulation Authority resource statement — Budget estimates for 2019-20 as at Budget April 2019 (continued)

Third party payments from and on behalf of other entities

	<i>2018-19 Estimated actual \$'000</i>	2019-20 Estimate \$'000
Receipts received from other entities for the provision of services (disclosed above in s74 External Revenue section above)	721	1,465

- (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) Estimated External Revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).
- (d) Excludes 'Special Public Money'. For further information on special appropriations and special accounts, please refer to *Budget Paper No. 4 - Agency Resourcing*. Please also see 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.
- (e) Appropriation receipts include receipts from the Department of Foreign Affairs and Trade, the Reserve Bank of Australia, the Australian Bureau of Statistics, the Australian Taxation Office, the Australian Securities and Investments Commission and the Department of Agriculture and Water Resources.
- (f) Includes Private Health Insurance Industry risk equalisation receipts which are redistributed to industry, estimated to be \$450.0m in 2018-19 and \$450.0m in 2019-20.

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

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

1.3 BUDGET MEASURES

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

Table 1.2: Entity 2019-20 Budget measures

Part 1: 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
Revenue measures					
Government Response to the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry					
Administered revenues	-	30,114	35,298	40,405	43,999
Total	-	30,114	35,298	40,405	43,999
Superannuation Complaints Tribunal — completion of casework (a)					
Administered revenues	-	-	2,093	149	57
Total	-	-	2,093	149	57
Total revenue measures					
Administered	-	30,114	37,391	40,554	44,056
Total	-	30,114	37,391	40,554	44,056
Expense measures					
Government Response to the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry					
Departmental expenses	-	26,077	32,698	39,805	43,399
Total	-	26,077	32,698	39,805	43,399
Total expense measures					
Departmental	-	26,077	32,698	39,805	43,399
Total	-	26,077	32,698	39,805	43,399
Capital measures					
Government Response to the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry					
Departmental capital	-	3,000	-	-	-
Total	-	3,000	-	-	-
Total capital measures					
Departmental	-	3,000	-	-	-
Total	-	3,000	-	-	-

(a) The lead entity for measure titled 'Superannuation Complaints Tribunal – completion of casework' is ASIC. The full measure description and package details appear in Budget Paper No. 2 under the Treasury 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.

Table 1.2: Entity 2019-20 Budget measures (continued)

Part 2: Other measures not previously reported in a portfolio statement

	Program	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000
Revenue measures						
Australian Prudential Regulation Authority — new and expanded functions	1.1					
Administered revenues		-	24,929	11,867	14,598	14,683
Total		-	24,929	11,867	14,598	14,683
Total revenue measures						
Administered		-	24,929	11,867	14,598	14,683
Total		-	24,929	11,867	14,598	14,683
Expense measures						
Australian Prudential Regulation Authority — new and expanded functions	1.1					
Departmental expenses		10,130	13,283	8,798	11,512	11,579
Total		10,130	13,283	8,798	11,512	11,579
Total expense measures						
Departmental		10,130	13,283	8,798	11,512	11,579
Total		10,130	13,283	8,798	11,512	11,579
Capital measures						
Australian Prudential Regulation Authority — new and expanded functions	1.1					
Departmental capital		4,013	10,951	-	-	-
Total		4,013	10,951	-	-	-
Total capital measures						
Departmental		4,013	10,951	-	-	-
Total		4,013	10,951	-	-	-

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.

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

Note:

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

The most recent corporate plan for APRA can be found at:
<https://www.apra.gov.au/corporate-plan>

The most recent annual performance statement can be found at:
<https://www.apra.gov.au/annual-reports>

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1:

Enhanced public confidence in Australia's financial institutions through a framework of prudential regulation which balances financial safety and efficiency, competition, contestability and competitive neutrality and, in balancing these objectives, promotes financial system stability in Australia.

Budgeted expenses for Outcome 1

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

Table 2.1: Budgeted expenses for Outcome 1

	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 Prudential Regulation Authority					
Administered expenses					
Special accounts (a)	450,000	450,000	450,000	450,000	450,000
Expenses not requiring appropriation in the Budget year (b)	55	55	55	55	55
Administered total	450,055	450,055	450,055	450,055	450,055
Departmental expenses					
Special accounts	151,335	178,750	177,563	188,232	192,657
Ordinary annual services (Appropriation Bill No. 1)	126	-	3,950	3,884	3,855
s74 External Revenue (c)	5,243	5,277	5,277	5,277	5,277
Expenses not requiring appropriation in the Budget year (b)	196	196	196	196	196
Departmental total	156,900	184,223	186,986	197,589	201,985
Total expenses for Program 1.1	606,955	634,278	637,041	647,644	652,040
Total expenses for Outcome 1	606,955	634,278	637,041	647,644	652,040
	2018-19	2019-20			
Average staffing level (number)	652	738			

(a) Private health insurance industry risk equalisation payments.

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

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

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.

<p>Outcome 1 – Enhanced public confidence in Australia’s financial institutions through a framework of prudential regulation which balances financial safety and efficiency, competition, contestability and competitive neutrality and, in balancing these objectives, promotes financial system stability in Australia.</p>		
<p>Program 1.1 – Australian Prudential Regulation Authority To enhance public confidence in Australia’s financial institutions through establishing and enforcing prudential standards and practice that balances financial safety and efficiency, competition, contestability and competitive neutrality and, in balancing these objectives, promotes financial system stability in Australia.</p>		
<p>Delivery</p>	<p>Maintain a robust prudential framework that sets requirements for prudent behaviour at regulated institutions and actively supervise regulated institutions with the aim of identifying likely failures early enough so that corrective action can be promptly initiated or an orderly exit achieved. This will include but not be limited to strategic initiatives to facilitate the improvement of accountability, governance and risk culture within financial institutions, greater use of data as a strategic asset and building crisis management capability to better deal with the failure of a financial institution and to preserve financial stability in times of stress.</p>	
<p>Performance information</p>		
<p>Year</p>	<p>Performance criteria</p>	<p>Targets</p>
<p>2018-19</p>	<ul style="list-style-type: none"> The Performing Entity Ratio (PER) — the PER is an indicator of the incidence of failure amongst regulated institutions. It is determined as the number of regulated institutions that met their commitments to beneficiaries in a given year divided by the total number of regulated institutions. The higher the percentage, the lower the incidence of failure. The Money Protection Ratio (MPR) — the MPR is an indicator of the incidence of loss in the financial sector. It is determined as the dollar value of liabilities to beneficiaries held in Australia in regulated institutions less any prudential losses to beneficiaries in a given year, divided by the total dollar value of liabilities to beneficiaries in Australia in regulated institutions. The higher the percentage, the lower the incidence of loss. 	<p>Consistent with the Government’s expectations, APRA does not pursue a ‘zero failure’ target. Rather, APRA’s objective is to maintain a low incidence of failure of regulated institutions while not unnecessarily hindering efficiency, competition or otherwise impeding the competitive neutrality or contestability of the financial system.</p> <p>The 20-year average PER was 99.93 per cent and 99.97 per cent for the MPR.</p>
<p>2019-20</p>	<p>As per 2018-19</p>	<p>As per 2018-19</p>
<p>2020-21 and beyond</p>	<p>As per 2018-19</p>	<p>As per 2018-19</p>
<p>Purposes</p>	<p>The Australian Prudential Regulation Authority (APRA) is an independent statutory authority established for the purpose of prudential supervision of financial institutions and for promoting financial system stability in Australia. In performing this role, APRA is responsible for protecting the interests of depositors, insurance policyholders and superannuation fund members.</p>	

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of APRA's 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 APRA's resourcing and its financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The departmental comprehensive income statement (Table 3.1) indicates an increase in revenue from Government for 2019-20 as a consequence of new budget measures (Table 1.2) slightly offset by a return to industry of an expected over-collection of industry levies in 2018-19.

Employee benefits of \$132.0 million support an average staffing level (ASL) of 738 in 2019-20. The estimated staffing will enable APRA to supervise regulated institutions, evolve APRA's prudential and supervisory frameworks and practices to respond to emerging risks, continue to develop our resolution capability, deliver our data transformation program, as well as implementation of recommendations from a variety of internal and external reviews, including the Royal Commission, Productivity Commission and Financial Sector Assessment Program.

Supplier costs in 2019-20 reflect office leasing costs, IT support and maintenance, travel, training and other non-people related expenditures.

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

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

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

Apart from the amount required to fund APRA, the levies also include amounts to fund the activities of the Australian Taxation Office (ATO) for unclaimed monies, lost member functions and for the administration of claims for early release of

superannuation benefits on compassionate grounds; the Gateway Network Governance Body Ltd (GNGB) for governing and maintaining the superannuation transactions network; the Australian Securities and Investments Commission (ASIC) to manage superannuation complaints; the Australian Competition and Consumer Commission (ACCC) to enhance competition in the financial system and in 2019-20 only for the Treasury to cover expenses incurred for a 2018-19 capability review of APRA.

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

The schedule of budgeted assets and liabilities administered on behalf of Government (Table 3.8) reflects residual Financial Assistance Levy funds, the Financial Claims Scheme special account and a \$2.0 million Lloyds security deposit as required by section 92Q of the *Insurance Act 1973*.

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

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	111,578	132,027	135,059	144,158	147,467
Suppliers	36,522	41,872	35,774	37,108	38,177
Depreciation and amortisation	8,800	10,324	16,153	16,323	16,341
Total expenses	156,900	184,223	186,986	197,589	201,985
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	3,624	4,417	4,417	4,417	4,417
Other	1,815	1,056	1,056	1,056	1,056
Total own-source revenue	5,439	5,473	5,473	5,473	5,473
Total own-source income	5,439	5,473	5,473	5,473	5,473
Net (cost of)/contribution by services	(151,461)	(178,750)	(181,513)	(192,116)	(196,512)
Revenue from Government	143,561	187,044	187,577	193,116	197,512
Surplus/(deficit) attributable to the Australian Government	(7,900)	8,294	6,064	1,000	1,000

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	71,697	59,246	74,847	85,249	95,349
Trade and other receivables	2,975	2,975	2,975	2,975	2,975
Total financial assets	74,672	62,221	77,822	88,224	98,324
Non-financial assets					
Property, plant and equipment	18,830	18,391	16,089	14,597	12,295
Intangibles	25,871	48,477	42,026	34,595	27,956
Other non-financial assets	2,830	2,830	2,830	2,830	2,830
Total non-financial assets	47,531	69,698	60,945	52,022	43,081
Total assets	122,203	131,919	138,767	140,246	141,405
LIABILITIES					
Payables					
Suppliers	18,055	17,104	15,874	14,339	12,484
Other payables	13,237	12,411	11,225	10,039	8,853
Total payables	31,292	29,515	27,099	24,378	21,337
Provisions					
Employee provisions	44,342	47,541	50,741	53,941	57,141
Other provisions	3,183	3,183	3,183	3,183	3,183
Total provisions	47,525	50,724	53,924	57,124	60,324
Total liabilities	78,817	80,239	81,023	81,502	81,661
Net assets	43,386	51,680	57,744	58,744	59,744
EQUITY*					
Parent entity interest					
Contributed equity	16,657	16,657	16,657	16,657	16,657
Reserves	15,216	19,216	22,216	23,216	24,216
Retained surplus (accumulated deficit)	11,513	15,807	18,871	18,871	18,871
Total equity	43,386	51,680	57,744	58,744	59,744

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

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

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2019					
Balance carried forward from previous period	11,513	7,216	8,000	16,657	43,386
Adjusted opening balance	11,513	7,216	8,000	16,657	43,386
Comprehensive income					
Surplus/(deficit) for the period	8,294	-	-	-	8,294
Total comprehensive income	8,294	-	-	-	8,294
Transactions with owners					
Sub-total transactions with owners	-	-	-	-	-
Transfers between equity components	(4,000)	-	4,000	-	-
Estimated closing balance as at 30 June 2020	15,807	7,216	12,000	16,657	51,680
Closing balance attributable to the Australian Government	15,807	7,216	12,000	16,657	51,680

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	154,092	196,512	196,499	202,356	206,891
Sale of goods and rendering of services	3,624	4,417	4,417	4,417	4,417
Net GST received	3,505	4,191	3,645	3,963	4,102
Other	1,852	860	860	860	860
Total cash received	163,073	205,979	205,420	211,597	216,270
Cash used					
Employees	109,666	130,374	133,406	140,958	144,267
Suppliers	38,557	46,098	40,092	43,596	45,124
s74 External Revenue transferred to OPA	8,981	9,468	8,922	9,240	9,379
Total cash used	157,204	185,939	182,419	193,795	198,770
Net cash from/(used by) operating activities	5,869	20,040	23,001	17,802	17,500
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	17,515	32,491	7,400	7,400	7,400
Total cash used	17,515	32,491	7,400	7,400	7,400
Net cash from/(used by) investing activities	(17,515)	(32,491)	(7,400)	(7,400)	(7,400)
Net increase/(decrease) in cash held	(11,646)	(12,451)	15,601	10,402	10,100
Cash and cash equivalents at the beginning of the reporting period	83,343	71,697	59,246	74,847	85,249
Cash and cash equivalents at the end of the reporting period	71,697	59,246	74,847	85,249	95,349

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
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources	17,516	32,491	7,400	7,400	7,400
TOTAL	17,516	32,491	7,400	7,400	7,400
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	17,516	32,491	7,400	7,400	7,400
Total cash used to acquire assets	17,516	32,491	7,400	7,400	7,400

Prepared on Australian Accounting Standards basis.

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

	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2019			
Gross book value	28,265	72,539	100,804
Accumulated depreciation/amortisation and impairment	(9,435)	(46,668)	(56,103)
Opening net book balance	18,830	25,871	44,701
Capital asset additions			
Estimated expenditure on new or replacement assets			
By purchase - other	2,949	29,542	32,491
Total additions	2,949	29,542	32,491
Other movements			
Depreciation/amortisation expense	(3,388)	(6,936)	(10,324)
Total other movements	(3,388)	(6,936)	(10,324)
As at 30 June 2020			
Gross book value	31,214	102,081	133,295
Accumulated depreciation/amortisation and impairment	(12,823)	(53,604)	(66,427)
Closing net book balance	18,391	48,477	66,868

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
EXPENSES					
Finance costs	55	55	55	55	55
Risk equalisation distributions	450,000	450,000	450,000	450,000	450,000
Total expenses administered on behalf of Government	450,055	450,055	450,055	450,055	450,055
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
<i>Financial Institutions Supervisory Levies Collection Act 1998</i>					
Interest	215,216	236,861	229,137	233,726	235,511
Risk equalisation receipts	55	55	55	55	55
Total non-taxation revenue	450,000	450,000	450,000	450,000	450,000
Total own-source revenue administered on behalf of Government	665,271	686,916	679,192	683,781	685,566
Total own-sourced income administered on behalf of Government	665,271	686,916	679,192	683,781	685,566
Net cost of/(contribution by) services	(215,216)	(236,861)	(229,137)	(233,726)	(235,511)
Surplus/(deficit)	215,216	236,861	229,137	233,726	235,511

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	835	835	835	835	835
Receivables	2,203	2,203	2,203	2,203	2,203
Total financial assets	3,038	3,038	3,038	3,038	3,038
Total assets administered on behalf of Government	3,038	3,038	3,038	3,038	3,038
LIABILITIES					
Payables					
Lloyds Security Trust Deposit	2,000	2,000	2,000	2,000	2,000
Total payables	2,000	2,000	2,000	2,000	2,000
Total liabilities administered on behalf of Government	2,000	2,000	2,000	2,000	2,000
Net assets/(liabilities)	1,038	1,038	1,038	1,038	1,038

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					
Financial Institutions Supervisory Levies	215,216	236,861	229,137	233,726	235,511
Risk equalisation levy collections	450,000	450,000	450,000	450,000	450,000
Interest	55	55	55	55	55
Total cash received	665,271	686,916	679,192	683,781	685,566
Cash used					
Risk equalisation levy payments	450,000	450,000	450,000	450,000	450,000
Borrowing costs	55	55	55	55	55
Total cash used	450,055	450,055	450,055	450,055	450,055
Net cash from/(used by) operating activities	215,216	236,861	229,137	233,726	235,511
Cash and cash equivalents at beginning of reporting period	835	835	835	835	835
Cash from Official Public Account for:					
- Risk equalisation collections	450,000	450,000	450,000	450,000	450,000
Total cash from Official Public Account	450,000	450,000	450,000	450,000	450,000
Cash to Official Public Account for:					
- Financial Institutions Supervisory Levies	(215,216)	(236,861)	(229,137)	(233,726)	(235,511)
Risk equalisation payments	(450,000)	(450,000)	(450,000)	(450,000)	(450,000)
Total cash to Official Public Account	(665,216)	(686,861)	(679,137)	(683,726)	(685,511)
Cash and cash equivalents at end of reporting period	835	835	835	835	835

Prepared on Australian Accounting Standards basis.