

CORPORATIONS AND MARKETS ADVISORY COMMITTEE

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CORPORATIONS AND MARKETS ADVISORY COMMITTEE

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION

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

CAMAC's members are appointed by the Minister following consultation with State and Territory Governments. CAMAC is supported by specialist legal advice from its Legal Committee and by a full-time executive located in Sydney.

In the 2010-11 financial year, CAMAC will consider a reference from the Government on executive remuneration and consider new matters as they arise with a view to developing discussion papers and/or reports on these matters.

CAMAC will also respond to other requests for advice from the Government and keep under consideration other areas that may be suitable for review.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources for CAMAC for 2010-11.

Table 1.1: Corporations and Markets Advisory Committee resource statement — Budget estimates for 2010-11 as at Budget May 2010

	Estimate of prior year amounts available in 2010-11 \$'000	Proposed at Budget 2010-11 \$'000	Total estimate 2010-11 \$'000	Actual available appropriation 2009-10 \$'000
Ordinary annual services				
Departmental				
Prior year departmental carried forward	353 ²	-	353	-
Departmental appropriation ³	-	1,041 ¹	1,041	1,040
Total net resourcing for CAMAC	353	1,041	1,394	1,040

1. Appropriation Bill (No. 1) 2010-11.

2. Estimated adjusted balance carried from previous year for annual appropriations.

3. Includes \$0.02 million in 2010-11 for the Departmental Capital Budget (also refer to Table 3.2.5).

1.3 BUDGET MEASURES

CAMAC does not have any Budget measures for 2010-11.

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

All general Government sector entities are required to measure their intended and actual performance in terms of outcomes. Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Agencies are required to identify the programs that contribute to government outcomes over the budget and forward years.

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

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

Outcome 1 Strategy

To achieve its outcome, CAMAC will:

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

Outcome 1 Budgeted expenses

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

Table 2.1: Budgeted expenses for Outcome 1

Outcome 1: Informed decisions by Government on issues relating to corporations regulation and financial products, services and markets through independent and expert advice	2009-10 Estimated actual expenses \$'000	2010-11 Estimated expenses \$'000
Program 1.1: Corporations and Markets Advisory Committee		
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	1,040	1,036
Revenues from independent sources (s31)	16	16
Total expenses for Outcome 1	1,056	1,052
<hr/>		
Average staffing level (number)	2009-10 3	2010-11 3

Contributions to Outcome 1

Program 1.1: Corporations and Markets Advisory Committee

Program objective

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

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

Program expenses

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

Table 2.2: Program expenses

	2009-10 Revised budget \$'000	2010-11 Budget \$'000	2011-12 Forward year 1 \$'000	2012-13 Forward year 2 \$'000	2013-14 Forward year 3 \$'000
Annual departmental expenses					
Departmental items	1,056	1,052	1,064	1,052	1,060
Total departmental expenses	1,056	1,052	1,064	1,052	1,060

Program deliverables

CAMAC's deliverables are the publication of discussion papers and reports on matters as they arise.

Program key performance indicators

CAMAC's key performance indicator is:

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

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements, which provide a comprehensive snapshot of CAMAC's finances for the budget year 2010-11. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations, program expenses and special accounts.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

CAMAC does not have any administered funds.

3.1.2 Special accounts

Special accounts provide a means to set aside and record amounts used for specified purposes. Special accounts can be created by a Finance Minister's Determination under the *Financial Management and Accountability Act 1997* or under separate enabling legislation. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by CAMAC.

Table 3.1.2: Estimates of special account cash flows and balances

		Opening balance 2010-11 <i>2009-10</i>	Receipts 2010-11 <i>2009-10</i>	Payments 2010-11 <i>2009-10</i>	Adjustments 2010-11 <i>2009-10</i>	Closing balance 2010-11 <i>2009-10</i>
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Services for Other Entities and Trust Moneys - Corporations and Markets Advisory Committee Special Account	1	-	-	-	-	-
Total special accounts 2010-11 Budget estimate		-	-	-	-	-
Total special accounts 2009-10 estimate actual		-	-	-	-	-

3.1.3 Australian Government Indigenous Expenditure

CAMAC does not have any Australian Government Indigenous Expenditure.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

There are no differences between agency resourcing and financial statements.

3.2.2 Analysis of budgeted financial statements

CAMAC is budgeting for a break-even operating result for 2010-11.

3.2.3 Budgeted financial statements tables

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

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
EXPENSES					
Employee benefits	630	635	640	650	650
Supplier expenses	411	402	409	387	395
Depreciation and amortisation	15	15	15	15	15
Total expenses	1,056	1,052	1,064	1,052	1,060
LESS:					
OWN SOURCE INCOME					
Gains					
Other	16	16	16	16	16
Total gains	16	16	16	16	16
Total own-source income	16	16	16	16	16
Net cost of (contribution by) services	1,040	1,036	1,048	1,036	1,044
Appropriation revenue	1,040	1,021	1,033	1,021	1,029
Surplus (deficit) attributable to the Australian Government	-	(15)	(15)	(15)	(15)
Note: Reconciliation of operating result attributable to the agency					
	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
Operating result attributable to the Australian Government	-	(15)	(15)	(15)	(15)
Plus non-appropriated expenses depreciation and amortisation expenses	-	15	15	15	15
Operating result attributable to CAMAC	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
ASSETS					
Financial assets					
Cash and equivalents	64	64	64	64	64
Trade and other receivables	411	411	407	394	379
Total financial assets	475	475	471	458	443
Non-financial assets					
Land and buildings	22	21	20	19	18
Infrastructure, plant and equipment	79	85	91	97	103
Other	4	4	4	4	4
Total non-financial assets	105	110	115	120	125
Total assets	580	585	586	578	568
LIABILITIES					
Interest bearing liabilities					
Leases	65	54	39	15	-
Total interest bearing liabilities	65	54	39	15	-
Provisions					
Employees	282	292	302	312	312
Total provisions	282	292	302	312	312
Payables					
Suppliers	14	14	14	14	14
Other	48	49	50	51	51
Total payables	62	63	64	65	65
Total liabilities	409	409	405	392	377
Net assets	171	176	181	186	191
EQUITY					
Contributed equity	-	20	40	60	80
Reserves	1	1	1	1	1
Retained surpluses or accumulated deficits	170	155	140	125	110
Total equity	171	176	181	186	191
Current assets	475	475	471	458	443
Non-current assets	105	110	115	120	125
Current liabilities	409	409	405	392	377
Non-current liabilities	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	28	14	14	15	8
Appropriations	1,013	1,007	1,023	1,019	1,036
Other	39	40	41	40	40
Total cash received	1,080	1,061	1,078	1,074	1,084
Cash used					
Employees	621	625	630	640	650
Suppliers	400	396	407	394	394
Other	39	40	41	40	40
Total cash used	1,060	1,061	1,078	1,074	1,084
Net cash from or (used by) operating activities	20	-	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	20	20	20	20	20
Total cash used	20	20	20	20	20
Net cash from or (used by) investing activities	(20)	(20)	(20)	(20)	(20)
FINANCING ACTIVITIES					
Cash received					
Capital Injections	-	20	20	20	20
Total cash received	-	20	20	20	20
Net cash from or (used by) financing activities	-	20	20	20	20
Net increase or (decrease) in cash held	-	-	-	-	-
Cash at the beginning of the reporting period	64	64	64	64	64
Cash at the end of the reporting period	64	64	64	64	64

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2010-11)

	Retained surpluses \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2010					
Balance carried forward from previous period	170	1	-	-	171
Adjusted opening balance	170	1	-	-	171
Comprehensive income					
Surplus (deficit) for the period	(15)	-	-	-	(15)
Total comprehensive income recognised directly in equity	(15)	-	-	-	(15)
Transactions with owners					
Contributions by owners					
Appropriation (departmental capital budget)	-	-	-	20	20
Total transaction with owners	-	-	-	20	20
Estimated closing balance as at 30 June 2011	155	1	-	20	176

Prepared on Australian Accounting Standards basis

Table 3.2.5: Departmental capital budget statement

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 - DCB	-	20	20	20	20
Total capital appropriations	-	20	20	20	20
Represented by:					
Purchase of non-financial assets	-	20	20	20	20
Total represented by	-	20	20	20	20
ACQUISITION OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB	-	20	20	20	20
Funded internally from departmental resources	20	-	-	-	-
TOTAL	20	20	20	20	20

Note: Under the net cash appropriation arrangements implemented as part of Operation Sunlight, agencies are no longer funded for depreciation, amortisation or makegood expenses. Funding for these expenses have been replaced with a Departmental Capital Budget (DCB).

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of asset movements — departmental

	Buildings	Other infrastructure, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2010				
Gross book value	43	96	-	139
<i>less</i> Accumulated depreciation/amortisation	21	17	-	38
Opening net book balance	22	79	-	101
Asset movements				
Additions	-	20	-	20
<i>less</i> Depreciation/amortisation expense	1	14	-	15
Total asset movements	(1)	6	-	5
As at 30 June 2011				
Gross book value	43	116	-	159
<i>less</i> Accumulated depreciation/amortisation	22	31	-	53
Closing net book balance	21	85	-	106

Prepared on Australian Accounting Standards basis.

3.2.4 Notes to the financial statements

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

