



Australian Government
Corporations and Markets
Advisory Committee

CAMAC

Final Report

Corporations and Markets Advisory Committee

Final Report

© Commonwealth of Australia 2018

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19 June 2018

The Hon Scott Morrison MP
Treasurer
Parliament House
CANBERRA ACT 2600

Dear Treasurer

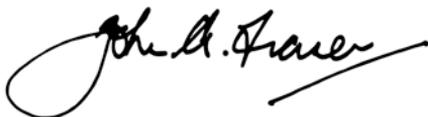
I enclose the final report of the Corporations and Markets Advisory Committee (CAMAC).

CAMAC was abolished on 21 February 2018. The final report has been prepared in accordance with Schedule 7 of the *Statute Update (Smaller Government) Act 2018*.

Having regard to the interests of the Parliament and other users, and for consistency with prior years' annual reports, the report also complies – insofar as practicable and reasonable given CAMAC's circumstances – with the requirements that applied to CAMAC annual reports prior to its abolition.

I note that, under the *Statute Update (Smaller Government) Act 2018*, a copy of this report is to be tabled in each House of the Parliament within 15 sitting days of that House after the day on which you receive the report.

Yours sincerely

A handwritten signature in black ink, reading "John A. Fraser". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

John A. Fraser
Secretary of the Treasury

Contents

Activities of the Committee	1
The Committee	3
Overview.....	3
Functions.....	3
Structure and governance.....	3
Membership of the Committee	4
Membership of the Legal Committee	5
Audit committee.....	6
Executive	6
Other information	7
Financial performance	7
Related entity transactions	7
External scrutiny	7
Indemnities and insurance premiums	8
Ecologically sustainable development and environmental performance	8
Legal services expenditure.....	8
Management of human resources.....	8
Purchasing.....	9
Consultants, competitive tendering and contracting	9
Australian National Audit Office Access Clauses	9
Exempt contracts.....	9
Procurement initiatives to support small business	9
Commonwealth Disability Strategy	9
Work health and safety	10
Freedom of information	10
Advertising and market research.....	10
Discretionary grants	10
Glossary	11
Date and signing of report	12
Financial statements	13
For the period ended 30 June 2015	13
For the period ended 30 June 2016	47
For the period ended 30 June 2017	71
For the period ended 30 June 2018	89
Index	107

Activities of the Committee

As part of the 2014–15 Budget, the Government announced its decision to cease the operation of CAMAC and its legal committee. CAMAC was abolished by Schedule 7 of the *Statute Update (Smaller Government) Act 2018*, which commenced on 21 February 2018.

CAMAC’s key performance indicator as described in the 2014–15 Treasury Portfolio Budget Statements was ‘timely advice to the Minister in the form of CAMAC reports and other papers’. CAMAC’s stated outcome was ‘informed decisions by Government on issues relating to corporations regulation and financial products, services and markets through independent and expert advice’.

However, given the Government’s decision, the activities of CAMAC during the reporting period focussed on ceasing its operations in an orderly manner and terminating the engagement of its three staff.

In line with the Budget decision, CAMAC’s outstanding work was transferred to Treasury to be progressed in line with the Government’s priorities.

The Committee

Overview

CAMAC was established under the *Australian Securities and Investments Commission Act 2001* (ASIC Act) to provide advice and recommendations to the Minister about matters relating to corporations and financial services law, administration and practice.

CAMAC was a corporate Commonwealth entity for the purposes of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and related legislation.

As a result of the 2014–15 Budget decision to cease the operation of CAMAC and its legal committee, CAMAC’s work during the reporting period focussed on the winding down of its operations.

During the reporting period CAMAC had four members until 19 December 2014 and then a single member until its abolition. CAMAC had an audit committee comprising two CAMAC members until 19 December 2014.

Functions

The Committee’s statutory functions were to, on its own initiative or when requested by the Minister, advise the Minister and to make to the Minister such recommendations as it thought fit about any matter connected with companies or the financial products and services industry, the operation or administration of the corporations legislation or amendment or reform of the corporations or financial services legislation.

CAMAC’s outstanding work at the time of the 2014–15 Budget on the crowd-sourced equity funding reference was completed during the 2013–14 year; and on the annual general meeting and shareholder engagement reference (referred by the then Parliamentary Secretary to the Treasurer, the Hon David Bradbury MP, in December 2011) and managed investment schemes reference (following on from work referred by the then Parliamentary Secretary to the Treasurer, the Hon David Bradbury MP, in November 2010) was transferred to Treasury, to be progressed in line with the Government’s priorities.

Structure and governance

As noted above, CAMAC was a corporate Commonwealth entity for the purposes of the PGPA Act and related legislation.

During the reporting period, there were three meetings of CAMAC and these meetings focussed primarily on matters of staffing.

CAMAC's legal committee, which provided expert legal analysis, assessment and advice to CAMAC about particular matters referred to it by CAMAC, did not operate during the reporting period. Additionally, the structure of subcommittees for each reference, which CAMAC had established to assist in performing its statutory functions and which were comprised of CAMAC members and/or current or past members of the legal committee, was not utilised during the reporting period.

CAMAC had an audit committee comprising two CAMAC members and one external member who were appointed by the Convenor pursuant to section 45 of the PGPA Act, section 17 of the *Public Governance, Performance and Accountability Rule 2014* and the CAMAC Audit Committee Charter. The audit committee's primary responsibility was to review the 2013–14 financial statements.

The operation and winding up of the Committee was assisted by a full-time Executive located in Sydney until the final member of staff was released on 19 December 2014. From then, CAMAC's secretariat function was performed by Treasury officials located in Canberra pending the abolition of the agency.

Specific education and performance review processes for members were not undertaken during the reporting period given the Government's decision to cease the operations of CAMAC.

In terms of ethics, CAMAC staff members were bound by the Australian Public Service values and code of conduct under the *Public Service Act 1999*. Australian Public Service values include commitment to service, ethical behaviour, respect for all people, accountability and impartiality. The requirements of the code of conduct include honesty, care and diligence, courtesy, compliance with the law, avoiding conflicts of interest and proper use of Commonwealth resources and information.

CAMAC had appropriate fraud prevention, detection, investigation, reporting and data collection procedures and processes in place that met its needs. CAMAC took all reasonable measures to minimise the possibility of fraud and to ensure that any fraud against CAMAC would be investigated and the proceeds of that fraud recovered. There were no known incidents of fraud.

Membership of the Committee

CAMAC was a body corporate comprising the Chair of the Australian Securities and Investments Commission (ASIC) and part-time members appointed in their personal capacity by the Minister. The Minister appointed one of the members (other than the ASIC Chair) as the Convenor.

During the reporting period CAMAC had four members until 19 December 2014, when the three appointed members including the Convenor resigned. The ASIC Chair was the sole member from 19 December 2014 until CAMAC's abolition on 21 February 2018.

All members were non-executive members.

Details of members during the reporting period are set out below.

- Joanne Rees, Convenor LLB (Sydney)
(resigned on 19 December 2014)
- Teresa Handicott LLB (Hons) (Brisbane)
(resigned on 19 December 2014)
- Greg Medcraft BCom (Sydney)
(while ASIC Chair)
- John Price LLB (Hons) (Melbourne)
(nominee of ASIC Chair from May 2012)

Pursuant to subsections 153(1A) and (1B) of the ASIC Act, John attended meetings as the nominee of the ASIC Chair.

- Brian Salter BA, LLB (Hons), LLM (Hons) (Sydney)
(resigned on 19 December 2014)

During the reporting period, CAMAC met three times. The members attended the following number of meetings:

- Joanne Rees (Convenor) - 3
- Teresa Handicott - 1
- John Price (nominee of ASIC Chair) - 3
- Brian Salter - 3

Membership of the Legal Committee

The members of the legal committee were appointed in their personal capacity by the Minister. They were selected from throughout Australia, following consultation between the Commonwealth and the States and Territories, on the basis of their expertise in corporate law.

Although the legal committee was not operational during the reporting period, it continued to have three members as set out below until 8 September 2014.

- Damian Egan (Hobart)
(term expired on 8 September 2014)
- Brian Salter (Sydney)
(term as a member of the Legal Committee expired on 8 September 2014)
- Rachel Webber (Perth)
(term expired on 8 September 2014)

Audit committee

During 2014–15, Brian Salter was Chair and Teresa Handicott was a member of the audit committee until their resignation on 19 December 2014.

The audit committee met once during the reporting period. The purpose of the meeting was to review CAMAC’s 2013–14 financial statements and consider the outcome of the audit.

Executive

At the beginning of the reporting period, CAMAC had a full-time Executive of three officers, being John Kluver (Executive Director), Vincent Jewell (Deputy Director) and Thaumani (Timmi) Parrino (Office Manager).

Given the Government’s decision to cease the operation of CAMAC, the engagement of each officer was terminated during 2014–15.

Other information

Financial performance

CAMAC operated within its budget for 2014–15. Supplementary funding was provided through the Portfolio Additional Estimates process to address a shortfall arising from redundancy payments undertaken as a result of the cessation of CAMAC.

CAMAC received no further departmental funding.

Related entity transactions

The ASIC Chair was a member of CAMAC and, from the resignation of appointed members in December 2014 until CAMAC's abolition on 21 February 2018, was the Accountable Authority of CAMAC.

During the reporting period, CAMAC received administrative support from ASIC, in particular, from its Finance Section, its Payroll Section and its information technology officers. ASIC provided no payroll or IT services to CAMAC after December 2014.

During 2014–15, ASIC subleased a part of its office space to CAMAC at a cost of \$75,414, which included an amount as compensation for early termination of the lease.

In 2015-16, ASIC provided management services for the first 4 months of the financial year, to the value of \$23,333. This fee was mainly to cover the finalisation of the CAMAC accounts.

External scrutiny

During the reporting period, there were no judicial decisions or decisions of administrative tribunals that have had or may have an effect on the operations of CAMAC. Likewise there were no reports by the Auditor-General (other than the report prepared by the Australian National Audit Office on CAMAC's financial statements), the Commonwealth Ombudsman or the Office of the Australian Information Commissioner concerning CAMAC.

The Parliamentary Joint Committee on Corporations and Financial Services (PJC) and the Senate Economics Legislation Committee also prepare reports on the annual reports of agencies which come under the Treasury portfolio, including CAMAC. In its *Report on the 2015–16 annual reports of bodies established under the ASIC Act*, the PJC noted the proposal to abolish CAMAC and stated that it 'will continue to monitor developments in relation both to CAMAC and the ongoing effectiveness of the development of reforms to corporations law in Australia' (paragraph 2.30).

Indemnities and insurance premiums

No indemnity was given to an officer against a liability, including premiums paid, or agreed to be paid, for insurance against the officer's liability for legal costs.

Ecologically sustainable development and environmental performance

Section 516A of the *Environment Protection and Biodiversity Conservation Act 1999* requires CAMAC to report on matters relevant to environmentally sustainable development (ESD). CAMAC reports that:

- the only activities relevant to ESD principles concern procurement of goods and services
- CAMAC's statutory function is not related to ESD principles
- the outcome specified for CAMAC in the *Appropriation Act (No. 1) 2014-15* does not have ESD implications
- CAMAC was a small agency and had a limited environmental impact. During its operation the CAMAC Executive sought to use the minimum energy, water, paper and other resources necessary to perform its functions and kept under constant review possible measures to reduce its environmental impact.

Legal services expenditure

CAMAC spent \$13,404 obtaining legal advice on various matters concerning the closure of CAMAC in 2014–15. There were no legal fees incurred after 2014–15.

Management of human resources

Given the Government's decision to cease the operation of CAMAC, the engagement of each of the CAMAC Executive's three full-time ongoing officers based in Sydney (two male and one female) was terminated during 2014–15 as follows:

- the Executive Director's (SES level) contract with CAMAC terminated on 19 December 2014
- the Deputy Director's (Executive Level 2) employment terminated on 8 September 2014
- the Office Manager's (APS 6) employment terminated on 29 August 2014.

Immediately prior to its abolition, CAMAC had no staff.

The Executive Director was employed pursuant to a contract for services with CAMAC, with his salary and other entitlements being linked to ASIC SES salary scales and other entitlements. The Executive Director was not entitled to performance pay.

The salaries and other entitlements of the Deputy Director and the Office Manager were linked to relevant ASIC officer salary scales and entitlements, which are determined under a collective agreement for ASIC staff. The Deputy Director and the Office Manager did not receive a performance bonus during the reporting period.

Purchasing

CAMAC's general policy was that any major capital items were purchased through arrangement with ASIC, which follows the *Commonwealth Procurement Rules*. CAMAC did not have any major capital purchases during the reporting period.

Consultants, competitive tendering and contracting

During the reporting period, CAMAC did not enter into any new consultancy contracts and there were no active ongoing consultancy contracts.

CAMAC did not undertake any competitive tendering or contracting during the reporting period.

Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website www.tenders.gov.au.

Australian National Audit Office Access Clauses

CAMAC did not enter into any contract of \$100,000 or more during the reporting period that did not provide for the Auditor-General to have access to the contractor's premises.

Exempt contracts

CAMAC had no contracts or standing offers that were exempted from being published in AusTender on the basis that publication would disclose exempt matters under the *Freedom of Information Act 1982*.

Procurement initiatives to support small business

CAMAC supported small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts/.

Commonwealth Disability Strategy

General information on the Commonwealth Disability Strategy and the National Disability Strategy 2010-2020 is available in the Australian Public Service Commission's *State of the Service Report* and the *APS Statistical Bulletin*, available at www.apsc.gov.au.

A high level two-yearly report will track progress against each of the six outcome areas of the National Disability Strategy and present a picture of how people with disability are faring. The first of these reports became available in late 2014 and can be found at www.dss.gov.au.

Work health and safety

CAMAC, through its Executive, monitored the workplace environment on an ongoing basis to ensure the health, safety and welfare of workers who carry out work for CAMAC. No deaths, serious injuries or illnesses or dangerous incidents, or relevant investigations, arose out of CAMAC's operations during the reporting period.

All employees, and CAMAC members when attending meetings, were covered under Comcare and Comcover.

No work health and safety issues arose during the reporting period.

Freedom of information

Agencies subject to the *Freedom of Information Act 1982* (FOI Act) are required to publish information to the public as part of the Information Publication Scheme (IPS). This requirement is in Part II of the FOI Act and has replaced the former requirement to publish a section 8 statement in an annual report. Each agency must display on its website a plan showing what information it publishes in accordance with the IPS requirements. This information appeared on the CAMAC website under the FOI tab.

Advertising and market research

CAMAC did not carry out any advertising or market research.

Discretionary grants

CAMAC did not administer any discretionary grant programs.

Glossary

APS	Australian Public Service
ASIC	Australian Securities and Investments Commission
ASIC Act	<i>Australian Securities and Investments Commission Act 2001</i>
CAMAC	Corporations and Markets Advisory Committee
Committee	Corporations and Markets Advisory Committee
ESD	Environmentally Sustainable Development
FOI Act	<i>Freedom of Information Act 1982</i>
IPS	Information Publication Scheme
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PJC	Parliamentary Joint Committee on Corporations and Financial Services
SES	Senior Executive Service

Date and signing of report

This final report is signed by John Fraser, Secretary of the Treasury.

A handwritten signature in black ink, reading "John A. Fraser". The signature is written in a cursive style with a large, looping initial "J" and a long horizontal stroke at the end.

John A. Fraser
Secretary of the Treasury
19 June 2018

Corporations and Markets Advisory Committee

Financial Statements

for the period ended 30 June 2015

Auditor's report

For the period ended 30 June 2015



INDEPENDENT AUDITOR'S REPORT

To the Treasurer

Opinion

In my opinion, the financial statements of the Corporations and Markets Advisory Committee for the year ended 30 June 2015:

- (a) comply with Australian Accounting Standards and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Corporations and Markets Advisory Committee as at 30 June 2015 and its financial performance and cash flows for the year then ended.

The financial statements of the Corporations and Markets Advisory Committee, which I have audited, comprise the following statements as at 30 June 2015 and for the year then ended:

- Statement by the Secretary of the Treasury;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Schedule of Commitments; and
- Notes to and forming part of the financial statements, comprising a Summary of Significant Accounting Policies and other explanatory information.

Basis for Opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Corporations and Markets Advisory Committee in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* to the extent that they are not in conflict with the *Auditor-General Act 1997* (the Code). I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter – Basis of Preparation

I draw attention to Note 1 of the financial statements of the Corporations and Markets Advisory Committee, which discloses that upon proclamation of the *Statute Update (Smaller Government) Act 2018* on the 21 February 2018, the Corporations and Markets Advisory Committee was abolished and as a result the financial statements have not been prepared on a going concern basis.

My opinion, set out above, has not been modified in respect of this matter.

For the period ended 30 June 2015 (continued)

Other Information

The Secretary of the Department of the Treasury is responsible for the other information. The other information comprises the information included in the Final Report but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Secretary of the Department of the Treasury's Responsibility for the Financial Statements

Pursuant to Item 22 of Schedule 7 of the *Statute Update (Smaller Government) Act 2018*, following the abolishment of the Corporations and Markets Advisory Committee, responsibility for the preparation of a final report on the activities of the Corporations and Markets Advisory Committee since the last reporting date (30 June 2014) was transferred to the Secretary of the Department of the Treasury. The Secretary of the Department of the Treasury is responsible under the *Public Governance, Performance and Accountability Act 2013* for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards and the rules made under that Act. The Secretary of the Department of the Treasury is also responsible for such internal control as the Secretary of the Department of the Treasury determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Secretary of the Department of the Treasury is responsible for assessing the Corporations and Markets Advisory Committee's ability to continue as a going concern, taking into account whether the entity's operations will cease as a result of an administrative restructure or for any other reason. The Secretary of the Department of the Treasury is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;

For the period ended 30 June 2015 (continued)

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Secretary of the Department of the Treasury;
- conclude on the appropriateness of the Secretary of the Department of the Treasury's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Jocelyn Ashford
Senior Executive Director
Delegate of the Auditor-General

Canberra

19 June 2018

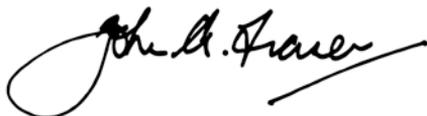
CORPORATIONS AND MARKETS ADVISORY COMMITTEE

Statement by the Secretary of the Treasury

Pursuant to item 22 of Schedule 7 of the *Statute Update (Smaller Government) Act 2018*, the Secretary of the Treasury is responsible for preparing the financial statements of the Corporations and Markets Advisory Committee for the year ended 30 June 2015.

In my opinion, the attached financial statements for the year ended 30 June 2015:

- a. comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act);
- b. have been prepared on properly maintained financial records as per subsection 41(2) of the PGPA Act; and
- c. when this statement was made, there were reasonable grounds to believe that the Corporations and Market Advisory Committee's debts have been extinguished. Following the abolition of the Corporations and Market Advisory Committee on 21 February 2018 the Department of the Treasury, on behalf of the Australian Government, assumed responsibility for any remaining obligations when the entity ceased to exist.



John A. Fraser
Secretary of the Treasury
19 June 2018

TABLE OF CONTENTS

Auditor’s report	14
Statement of Comprehensive Income.....	21
Statement of Financial Position	22
Statement of Changes in Equity	23
Cash Flow Statement	24
Schedule of Commitments.....	25
Notes to and forming part of the Financial Statements.....	27
Note 1: Summary of significant accounting policies	27
Note 2: Net cash appropriation arrangements	33
Note 3: Operating expenses	34
Note 4: Financial Assets	35
Note 5: Non-Financial Assets	35
Note 5: Non-Financial Assets (continued).....	36
Note 5: Non-Financial Assets (continued).....	37
Note 6: Payables	38
Note 7: Cash flow reconciliation	38
Note 8: Contingent liabilities and assets.....	39
Note 9: Senior management personnel remuneration	39
Note 10: Financial instruments	40
Note 11: Appropriations	40
Note 12: Reporting of outcomes.....	41
Note 13: Budgetary reports and explanations of major variances	42

STATEMENT OF COMPREHENSIVE INCOME
for the period ended 30 June 2015

	Notes	2015 \$	2014 \$
NET COST OF SERVICES			
Expenses			
Employee benefits	3A	508,744	615,625
Suppliers	3B	197,600	265,506
Depreciation and amortisation	3C	66	4,900
Write-down and impairment of assets	3D	375	26,079
Finance costs - unwinding of other provision discount		-	826
<i>Total expenses</i>		<u>706,785</u>	<u>912,936</u>
Gains			
Resources received free of charge – Auditor’s remuneration		20,234	16,000
<i>Net cost of services</i>		<u>686,551</u>	<u>896,936</u>
Revenue from Government – departmental appropriations		1,156,000	986,000
<i>Surplus</i>		<u>469,449</u>	<u>89,064</u>
OTHER COMPREHENSIVE INCOME			
Items not subject to subsequent reclassification to net cost of services			
Changes in asset revaluation reserve		-	(10,206)
Total comprehensive income	2	<u>469,449</u>	<u>78,858</u>

The above statement should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION
as at 30 June 2015

	Notes	2015 \$	2014 \$
ASSETS			
Financial assets			
Cash and cash equivalents		40,035	169,223
Receivables		1,103,181	856,347
Total financial assets		1,143,216	1,025,570
Non-financial assets			
Plant and equipment		-	441
Total non-financial assets		-	441
TOTAL ASSETS		1,143,216	1,026,011
LIABILITIES			
Payables			
Suppliers payables		37,519	600
Rent payable		-	2,556
Employees payables	6	-	386,607
Total payables		37,519	389,763
TOTAL LIABILITIES		37,519	389,763
NET ASSETS		1,105,697	636,248
EQUITY			
Contributed equity		100,000	100,000
Reserves		11,935	11,935
Accumulated surplus		993,762	524,313
TOTAL EQUITY		1,105,697	636,248

The above statement should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2015

	Accumulated results		Asset revaluation reserve		Contributed Equity		TOTAL EQUITY	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$	\$	\$	\$	\$	\$	\$	\$
Opening balance	524,313	435,249	11,935	22,141	100,000	56,000	636,248	513,390
Surplus for the period	469,449	89,064					469,449	89,064
Revaluation reserve	-	-	-	(10,206)	-	-	-	(10,206)
Total comprehensive income	469,449	89,064	-	(10,206)	-	-	469,449	78,858
Transactions with owners:								
Contributions by owners								
Departmental capital budget	-	-	-	-	-	44,000	-	44,000
Total transactions with owners	-	-	-	-	-	44,000	-	44,000
Closing balance as at 30 June	993,762	524,313	11,935	11,935	100,000	100,000	1,105,697	636,248

The above statement should be read in conjunction with the accompanying notes.

CASH FLOW STATEMENT
for the period ended 30 June 2015

	Notes	2015 \$	2014 \$
OPERATING ACTIVITIES			
Cash received			
Departmental appropriations		901,275	994,393
GST recovered from ATO		22,297	31,644
Total cash received		<u>923,572</u>	<u>1,026,037</u>
Cash used			
Employees		(895,351)	(628,483)
Suppliers		(157,409)	(285,218)
Total cash used		<u>(1,052,760)</u>	<u>(913,701)</u>
Net cash operating activities	7	<u>(129,188)</u>	<u>112,336</u>
INVESTING ACTIVITIES			
Cash used			
Restoration of leasehold premises		-	(56,500)
Net cash (used) by investing activities		<u>-</u>	<u>(56,500)</u>
FINANCING ACTIVITIES			
Cash received			
Appropriations - contributed equity		-	44,000
Net cash from financing activities		-	44,000
Net increase/(decrease) in cash held		(129,188)	99,836
Cash at the beginning of the reporting period		<u>169,223</u>	<u>69,387</u>
Cash at the end of the reporting period		<u><u>40,035</u></u>	<u><u>169,223</u></u>

The above statement should be read in conjunction with the accompanying notes.

SCHEDULE OF COMMITMENTS

as at 30 June 2015

	Note	2015 \$	2014 \$
BY TYPE			
Other commitments			
Operating leases		-	42,883 (a)
Total other commitments		-	42,883
Commitments receivable		-	(3,898) (b)
Net commitments by type		-	38,985
BY MATURITY			
Commitments payable			
Operating lease commitment:			
One year or less		-	42,883
From one to five years		-	-
Total operating lease commitments		-	42,883
Commitments receivable			
Operating lease commitment:			
One year or less		-	(3,898)
From one to five years		-	-
Total commitments receivable		-	(3,898)
Net commitments by maturity		-	38,985

Notes:

a) Operating leases included are effectively non-cancellable and comprise:

Nature of lease	General description of leasing arrangements
Lease for office accommodation	<ul style="list-style-type: none"> • Subject to fixed annual increase. • No contingent rentals exist.

b) Commitments receivable consist of GST recoverable in respect of operating leases. All commitments are GST inclusive.

The above schedule should be read in conjunction with the accompanying notes.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cessation of operations of the Corporations and Markets Advisory Committee

In accordance with the Australian Government's Smaller Government initiative announced in the 2014–15 Budget, the Corporations and Markets Advisory Committee (CAMAC) and its legal committee, ceased operations during 2014–15 with work during that period focussed on winding down its operations. CAMAC was abolished on 21 February 2018, upon proclamation of the *Statute Update (Smaller Government) Act 2018* on the 21 February 2018..

Objectives of the Corporations and Markets Advisory Committee

The Corporations and Markets Advisory Committee (CAMAC) was an independent body operating under the *Australian Securities and Investments Commission Act 2001* to provide informed and expert advice to the Minister about corporate, financial product and financial market matters.

The objectives of CAMAC were to stimulate and lead the debate on the enhancement of standards for corporations and participants in financial markets and to provide the Australian Government with advice of the highest quality on any steps needed to achieve this, including suitable regulatory reform where necessary.

CAMAC was a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*.

Basis of preparation of the financial statements

CAMAC was abolished on 21 February 2018, upon proclamation of the *Statute Update (Smaller Government) Act 2018*. All assets and liabilities at that date ceased to be assets and liabilities of CAMAC and became assets of the Commonwealth without any conveyance, transfer or assignment.

As a result of this Act, CAMAC is no longer a going concern and the financial statements have been prepared on this basis. There is no change in the carrying values of CAMAC's assets and liabilities which were reported at their fair value at 30 June 2015.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The financial statements and notes are required by section 42 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and are general purpose financial statements.

The financial statements and notes have been prepared in accordance with the:

- *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR) for reporting periods ending on or after 1 July 2014; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets, which are at fair value.

NEW AUSTRALIAN ACCOUNTING STANDARDS

Adoption of new Australian Accounting Standard requirements

AASB 1055 Budgetary Reporting applies to reporting periods commencing on or after 1 July 2014 and requires CAMAC to disclose budgeted information, presented to Parliament in the Portfolio Budget Statements. CAMAC is also required to provide explanations of major variances between budgeted and actual amounts. The required disclosures have been included at Note 13.

No new/revised, standards amendments to standards and interpretations issued that are applicable to future reporting periods, have a material impact on CAMAC's financial statements.

Future Australian Accounting Standard requirements

New amending to standards and interpretations issued, that are applicable to future reporting periods, have been issued by the AASB. It is estimated that these pronouncements, when effective, will have no material impact on future reporting periods.

Revenue

Revenues from Government

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as revenue when CAMAC gains control of the appropriation.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Resources received free of charge

Resources received free of charge are recognised as gains when and only when a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense
2015: \$20,234 (2014: \$16,000)

Employee benefits

Liabilities for 'short-term employee benefits' (as defined in *AASB 119 Employee Benefits*) and termination benefits expected within 12 months of the end of the reporting period are measured at their nominal amounts.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of CAMAC is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration, including CAMAC's employer superannuation contribution rates.

Leave liabilities are measured as at 30 June 2015 at their nominal amount.

Superannuation

CAMAC employees are members of the Commonwealth Superannuation Scheme (CSS) or Public Sector Superannuation Scheme (PSS). The CSS and PSS are defined-benefit schemes of the Australian Government.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported by the Department of Finance as an administered item.

CAMAC makes employer contributions to the CSS & PSS at rates determined by an actuary to be sufficient to meet the current cost to the Government of the superannuation entitlements of CAMAC's employees.

Leases

CAMAC has no financial leases. Operating lease payments, (net of lease incentives) are expensed on a straight line-basis which is representative of the pattern of benefits derived from the leased assets.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents

Cash and cash equivalents include:

- a) cash on hand 2015:nil (2014: \$1,000); and
- b) deposits on demand in bank accounts 2015: \$40,035 (2014: \$168,223)

Other non-financial assets

These assets are recognised at their nominal amounts, being cost.

Financial assets and financial liabilities

Financial assets

CAMAC's only financial assets are trade receivables, which are classified as 'loans and receivables' for the purposes of *AASB139 Financial Instruments: Recognition and Measurement*. Financial assets are recognised and derecognised at transaction date.

Trade receivables are recorded at face value less any impairment and are recognised where CAMAC becomes party to a contract and has a legal right to receive cash. Trade receivables are derecognised on payment.

Receivables are assessed for impairment at the end of each reporting period. Allowances are made when collectability of the debt is no longer probable.

Financial liabilities

Suppliers (trade creditors) and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced). Supplier and other payables are derecognised on payment. Suppliers are expected to be settled within 12 months.

Acquisition of assets

Purchases of non-financial assets are initially recognised at cost in the Statement of Financial Position, except for purchases costing less than \$1,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment

Revaluations

Fair values for each class of asset are determined as shown below:

Asset class	Fair value replacement cost
Leasehold improvements	Depreciated replacement cost
Plant and equipment	Depreciated replacement cost

Following initial recognition at cost, leasehold improvements, plant and equipment are carried at fair value less accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuation depends upon the volatility of movements in market values for the relevant assets. The most recent independent valuation was conducted by the Australian Valuation Office as at 30 June 2011.

Depreciation and amortisation

Depreciable plant and equipment assets (including library books) are written down to their estimated residual values over their estimated useful lives to CAMAC using, in all cases, the straight-line method of depreciation. Leasehold improvements are amortised on a straight-line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

Depreciation/amortisation rates (useful lives), residual values and methods are reviewed at each reporting date.

Depreciation rates applying to each class of depreciable assets are based on the following useful lives:

	2015	2014
Leasehold improvements	Lease term	Lease term
Plant and equipment	2 to 20 years	2 to 20 years

Fair value measurement

All property, plant and equipment non-financial assets are measured at fair value using the cost approach (depreciated replacement costs). The unobservable inputs (Level 3 fair value hierarchy) used to determine the fair value include the estimated replacement costs. Appropriate useful life profiles have been adopted to depreciate the replacement costs to reflect the expended life. CAMAC deems transfers between levels of the fair value hierarchy to have occurred at the end of the reporting period. No transfers, revaluations, purchases or sales occurred during 2015 (2014: Nil).

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Impairment

All assets are assessed for impairment at the end of each financial year. Where indications of impairment exist, the asset recoverable amount is estimated and an impairment loss is recognised if the asset recoverable amount is less than the carrying amount.

Taxation

CAMAC is exempt from all forms of taxation except fringe benefits tax (FBT) and the goods and services tax (GST). CAMAC recovers GST from the Australian Taxation Office.

Revenues, expenses, assets and liabilities are recognised net of GST:

- except where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- except for receivables and payables.

Insurance

CAMAC has insured for risks through Comcover, the Government's insurable risk managed fund. Workers' compensation is insured through Comcare Australia.

Comparative figures

Where necessary, comparative figures have been adjusted to conform with changes in presentation in these financial statements.

Changes in accounting policy

There have been no changes in accounting policies during the year ended 30 June 2015.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Rounding

The financial statements are presented in Australian dollars and values are rounded to the nearest dollar except in Note 15, where values have been rounded to the nearest thousand dollars.

Events after the balance sheet date

CAMAC was abolished effective from 21 February 2018 as part of the *Statute Update (Smaller Government) Act 2018*. As a consequence of this, all assets and liabilities of CAMAC become assets and liabilities of the Commonwealth on that date without any conveyance, transfer or assignment.

NOTE 2: NET CASH APPROPRIATION ARRANGEMENTS

	Notes	2015 \$	2014 \$
Total comprehensive income excluding depreciation/amortisation expenses previously funded through revenue appropriations attributable to CAMAC¹		469,515	83,758
<i>Less: non-appropriated expenses</i>			
Depreciation and amortisation expense		<u>(66)</u>	<u>(4,900)</u>
Total comprehensive income as per the Statement of Comprehensive Income		<u>469,449</u>	<u>78,858</u>

- Entities receive a separate capital budget provided through equity appropriations. Capital budgets are to be appropriated in the period when cash payment for capital expenditure is required. The 'Departmental Capital Budget' is used to fund the replacement of CAMAC's business as usual assets (that is, individual assets with a value of less than \$10m).

NOTE 3: OPERATING EXPENSES

	Notes	2015	2014
		\$	\$
<u>Note 3A: Employees & members</u>			
Salaries		157,056	509,015
Superannuation ¹		24,812	81,868
Leave and other entitlements		26,975	24,742
Separation and redundancies		299,901	-
Total employee expenses		508,744	615,625

1. Contributions to superannuation schemes are at rates calculated to cover existing and emerging obligations. Superannuation payments for members are paid into private superannuation funds or the Public Sector Superannuation Scheme (PSS). Refer to Note 11 for remuneration of senior management personnel.

	Notes	2015	2014
		\$	\$
<u>Note 3B: Suppliers</u>			
Goods and services			
Audit fees		20,234	16,000
Management fees		70,000	70,000
Office requisites		3,422	4,269
Postage		-	540
Property-related outgoings		-	12,246
Stationery		2,550	1,119
Subscriptions		-	3,850
Travel		3,478	15,364
Other goods and services		18,382	15,087
Total goods and services		118,066	138,475
Goods and services are made up of:			
Provision of goods - external parties		5,220	8,596
Rendering of services - related parties		98,747	92,763
Rendering of services - external parties		14,100	37,116
Total goods and services expenses		118,066	138,475
Other supplier expenses			
Operating lease rentals		75,414	123,644
Workers compensation premiums		4,120	3,387
Total other supplier expenses		79,534	127,031
Total supplier expenses		197,600	265,506

NOTE 3: OPERATING EXPENSES (CONTINUED)

	Notes	2015	2014
		\$	\$
<u>Note 3C: Depreciation and amortisation</u>			
Depreciation of plant and equipment		66	2,728
Amortisation of leasehold improvements		-	2,172
Total depreciation and amortisation expense		66	4,900
<u>Note 3D: Write down and impairment of assets</u>			
Write down and impairment of assets		375	26,079

NOTE 4: FINANCIAL ASSETS

	Notes	2015	2014
		\$	\$
<u>Note 4A: Receivables</u>			
Appropriation receivable		1,102,793	848,068
GST receivable		388	8,279
Total receivables		1,103,181	856,347
<i>Receivables are expected to be recovered:</i>			
No more than 12 months		1,103,181	856,347

NOTE 5: NON-FINANCIAL ASSETS

Fair value measurement

The following tables provide an analysis of assets and liabilities that are measured at fair value. The different levels of the fair value hierarchy are defined below:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability.

NOTE 5: NON-FINANCIAL ASSETS (CONTINUED)**Note 5A: Fair value measurements, valuation technique and inputs used**

	2015	2014	Category (Level 1, 2, 3)	Valuation technique(s) ¹	Inputs used	Range (weighted average) ²	Sensitivity of the fair value measurement to changes in unobservable inputs
	\$	\$					
Non-financial assets:							
Plant and equipment	-	441	3	Depreciated Replacement Cost (DRC)	Replacement cost	N/A	The significant unobservable inputs used in the fair value measurement of plant and equipment relates to asset obsolescence.
Total non-financial assets	-	441					

1. There have been no changes to valuation techniques.

2. Significant unobservable inputs only. Not applicable for assets or liabilities in the Level 2 category.

CAMAC did not measure any non-financial assets at fair value on a non-recurring basis as at 30 June 2015.

A reconciliation of movements in plant and equipment has been included in Table B below.

NOTE 5: NON-FINANCIAL ASSETS (CONTINUED)

Analysis of leasehold improvements, plant and equipment

Table A: Reconciliation of opening and closing balances of leasehold improvements and plant and equipment 2015

	Leasehold improvements	Plant and equipment	Total
	\$	\$	\$
As at 1 July 2014			
Gross book value - at fair value	-	3,232	3,232
Accumulated depreciation/amortisation	-	(2,791)	(2,791)
<i>Opening net book value</i>	-	441	441
Write Off	-	(375)	(375)
Depreciation/amortisation expense	-	(66)	(66)
As at 30 June 2015			
Gross book value - at fair value	-	-	-
Accumulated depreciation/amortisation	-	-	-
<i>Closing net book value</i>	-	-	-

Table B: Reconciliation of opening and closing balances of leasehold improvements, plant and equipment 2014

	Leasehold improvements	Plant and equipment	Total
	\$	\$	\$
As at 1 July 2013			
Gross book value - at fair value	28,609	20,258	48,867
Accumulated depreciation/amortisation	(9,963)	(7,484)	(17,447)
<i>Opening net book value</i>	18,646	12,774	31,420
Write Off	(16,474)	(9,605)	(26,079)
Depreciation/amortisation expense	(2,172)	(2,728)	(4,900)
As at 30 June 2014			
Gross book value - at fair value	-	3,232	3,232
Accumulated depreciation/amortisation	-	(2,791)	(2,791)
<i>Closing net book value</i>	-	441	441

NOTE 6: PAYABLES

Suppliers are expected to be settled within 12 months.

	2015	2014
	\$	\$
	<u> </u>	<u> </u>
Employee payables		
Salaries and bonuses	-	41,242
Leave entitlements	-	345,365
Total employee payables	<u> </u> -	<u> </u> 386,607

Payables are expected to be settled: within 12 months

NOTE 7: CASH FLOW RECONCILIATION

Reconciliation of cash per Statement of Financial Position to Statement of Cash Flows

	2015	2014
	\$	\$
	<u> </u>	<u> </u>
Cash Flow Statement	40,035	169,223
Statement of Financial Position	40,035	169,223
Variance	<u> </u> -	<u> </u> -

Reconciliation of net cost of services to net cash from operating activities:

	2015	2014
	\$	\$
	<u> </u>	<u> </u>
Net cost of services	(686,551)	(896,936)
Add revenue from Government	1,156,000	986,000
Surplus attributable to the Australian Government	<u> </u> 469,449	<u> </u> 89,064

Adjustments for non-cash items

	2015	2014
	\$	\$
	<u> </u>	<u> </u>
Depreciation and amortisation	66	4,900
Finance costs	-	826
Write down and impairment of non-financial assets	375	26,079

Changes in assets and liabilities resulting from operating activities

	2015	2014
	\$	\$
Decrease in employee provisions	-	(363,945)
Increase/(decrease) in employee payable	(386,607)	351,087
Decrease in other non-financial assets	-	8,344
(Increase)/decrease in receivables	(246,834)	9,884
Increase/(decrease) in payables	34,363	(13,903)
<i>Net cash received from operating activities</i>	<u>(129,188)</u>	<u>112,336</u>

NOTE 8: CONTINGENT LIABILITIES AND ASSETS

There were no quantifiable or unquantifiable contingent liabilities or assets as at 30 June 2015 (2014: nil).

NOTE 9: SENIOR MANAGEMENT PERSONNEL REMUNERATION

Senior management personnel are those who perform functions controlling operational activities that directly impact the economic function and viability of CAMAC and whose employment conditions are equivalent to SES employment conditions of service.

	2015	2014
	\$	\$
Note 9A: Total expense recognised in relation to employment of senior executives		
Short-term employee benefits:		
Salary and performance bonuses	126,255	262,612
Total short-term employee benefits	<u>126,255</u>	<u>262,612</u>
Post-employment benefits:		
Superannuation	19,190	35,723
Other long-term benefits:		
Annual leave	5,166	(11,516)
Long service leave	4,068	7,356
Termination benefits:		
Severance benefit	147,637	-
Total remuneration expense for senior executives	<u>302,316</u>	<u>294,175</u>

The total number of senior management personnel that is included in the above table is 1 (2014: 1).

NOTE 10: FINANCIAL INSTRUMENTS

CAMAC is not exposed to any form of currency, interest rate or other price risks.

	2015	2014
	\$	\$
<u>Note 10A: Fair values of financial instruments</u>		
Financial Assets		
Cash	40,035	169,223
Total financial assets	40,035	169,223
Financial Assets		
Trade creditors	37,519	600
Total financial assets	37,519	600

CAMAC has sufficient available financial assets to meet all financial liabilities at 30 June 2015.

	2015	2014
	\$	\$
<u>Note 10B: Financial assets reconciliation</u>		
Total financial assets as per statement of financial position	1,143,216	1,025,570
Less: non-financial instrument components:		
Appropriations receivable	1,102,793	848,068
GST receivable included in financial assets	388	8,279
Total non-financial instrument components	1,103,181	856,347
Total financial assets as per financial instruments note	40,035	169,223

NOTE 11: APPROPRIATIONS

Table A: Annual appropriations ('recoverable GST exclusive')

<i>Departmental</i>	2015	2014
Ordinary annual services	\$	\$
Annual appropriation	1,156,000	1,030,000
Appropriations applied (current and prior year)	1,030,463	938,563
Variance¹	125,537	91,437

1 CAMAC received \$179,000 through *Appropriation Act No. 3 2014-15* for Abolish Agency Redundancy Funding.

NOTE 11: APPROPRIATIONS (CONTINUED)

Table B: Departmental Capital Budget ('recoverable GST exclusive')

	2015	2014
Departmental Capital Budget	\$	\$
Annual appropriation	-	44,000
Payment for non-financial assets	-	56,500
Variance	-	(12,500)

Table C: Unspent departmental appropriations ('recoverable GST exclusive')

	2015	2014
Authority	\$	\$
<i>Appropriation Act (No.1) 2012-2013</i>	-	399,351
<i>Appropriation Act (No.1) 2013-2014</i>	-	617,940
<i>Appropriation Act (No.1) 2014-2015</i>	963,828	-
<i>Appropriation Act (No.3) 2014-2015</i>	179,000	-
Total	1,142,828	1,017,291

NOTE 12: REPORTING OF OUTCOMES

Table A: Net cost of outcome delivery

	Outcome 1	
	2015	2014
	\$	\$
Departmental		
Expenses	706,785	912,936
Total expenses	706,785	912,936
Income from other sources		
Income from government sector	(20,234)	(16,000)
Total net cost of outcome delivery (a)	686,551	896,936

Net costs shown include intra-government costs that are eliminated in calculating the Budget outcome.

NOTE 13: BUDGETARY REPORTS AND EXPLANATIONS OF MAJOR VARIANCES

The following tables provide a comparison of the original budget as presented in the 2014-15 Portfolio Budget Statements (PBS) to the 2014-15 final outcome as presented in accordance with Australian Accounting Standards for CAMAC. The budget is not audited. Variances greater than 10% are provided.

Statement of Comprehensive Income

	Actual	Budget Original	Variance
	2015	2015	2015
	\$'000	\$'000	\$'000
EXPENSES			
Employee benefits	509	712	(203)
Supplier	198	281	(83)
Depreciation and amortisation	-	14	(14)
Total expenses	707	1,007	(300)
LESS:			
OWN-SOURCE INCOME			
Gains			
Other	20	16	4
Total gains	20	16	4
Net cost of services	687	991	(304)
Appropriation revenue	1,156	977	179
Surplus (deficit) attributable to the Australian Government	469	(14)	483

NOTE 13: BUDGETARY REPORTS AND EXPLANATIONS OF MAJOR VARIANCES (CONTINUED)

Statement of financial position

	Actual	Budget Original	Variance
	2015	2015	2015
	\$'000	\$'000	\$'000
ASSETS			
Financial assets			
Cash and equivalents	40	70	(30)
Trade and other receivables	1,103	818	285
Other	-	9	(9)
Total financial assets	1,143	897	246
Non-financial assets			
Land and Building	-	12	(12)
Infrastructure, plant and equipment	-	30	(30)
Total non-financial assets	-	42	(42)
Total assets	1,143	939	204
LIABILITIES			
Payables			
Suppliers	38	32	6
Total payables	38	32	6
Provisions			
Employee provisions	-	420	(420)
Total provisions	-	420	(420)
Total liabilities	38	452	(414)
Net assets	1,106	487	619
EQUITY			
Contributed equity	100	99	1
Reserves	12	23	(11)
Accumulated deficits	994	365	629
Total equity	1,106	487	619

NOTE 13: BUDGETARY REPORTS AND EXPLANATIONS OF MAJOR VARIANCES (CONTINUED)**Statement of changes in equity**

	Asset revaluation			Contributed equity/capital			Total equity				
	Actual	Variance	Budget Original	Actual	Variance	Budget Original	Actual	Variance	Budget Original	Variance	
											\$'000
Opening balance as at 1 July 2014	524	379	145	12	23	99	100	(1)	636	501	135
Balance carried forward from previous period											
Adjusted opening balance	524	379	145	12	23	99	100	(1)	636	501	135
Comprehensive income											
Surplus (deficit) for the period	470	(14)	484	-	-	-	-	-	470	(14)	484
Total comprehensive income recognised directly in equity	470	(14)	484	-	-	-	-	-	470	(14)	484
Transactions with owners											
Contributions by owners											
Equity Injection - Appropriation	-			-	-	-	-	-	-	-	-
Departmental Capital Budget (DCB)	-			-	-	-	-	-	-	-	-
Total transactions with owners	-			-	-	-	-	-	-	-	-
Estimated closing balance as at 30 June 2015	994	365	629	12	23	99	100	(1)	1,106	487	619
Closing balance attributable to the Australian Government	994	365	629	12	23	99	100	(1)	1,106	487	619

NOTE 13: BUDGETARY REPORTS AND EXPLANATIONS OF MAJOR VARIANCES (CONTINUED)

Cash Flow Statement

	Actual	Budget	Variance
	2015	2015	2015
	\$'000	\$'000	\$'000
OPERATING ACTIVITIES			
Cash received			
Goods and services	22	41	(19)
Appropriations	901	979	(78)
Total cash received	924	1,020	(96)
Cash used			
Employees	895	712	183
Suppliers	157	269	(112)
Other	-	39	(39)
Total cash used	1,053	1,020	33
Net cash (used by) operating activities	(129)	-	(129)
INVESTING ACTIVITIES			
Cash used			
Purchase of property, plant and equipment	-	-	-
Total cash used	-	-	-
Net cash from or (used by) investing activities	-	-	-
FINANCING ACTIVITIES			
Cash received			
Appropriations - contributed equity	-	-	-
Total cash received	-	-	-
Net cash from or (used by) financing activities	-	-	-
Net increase or (decrease) in cash held	(129)	-	(129)
Cash at the beginning of the reporting period	169	70	99
Cash at the end of the reporting period	40	70	(30)

NOTE 13: BUDGETARY REPORTS AND EXPLANATIONS OF MAJOR VARIANCES (CONTINUED)

Explanation of major variances	Affected line item (and schedule)
Expenses	
<u>Employee benefits</u>	
The budget was prepared on the basis that CAMAC would be operational for the full financial year, however all FTEs left by December 2014.	All items (Statement of Changes in Equity (SoCE)). Employee benefits (Statement of Comprehensive Income). Employee Provision (Balance Sheet). Employees (Cash Flow Statement). Appropriations (Cash Flow Statement).
<u>Suppliers</u>	
CAMAC ceased business as usual operations during December 2014.	All items (SoCE). Suppliers (Statement of Comprehensive Income). Suppliers (Cash Flow Statement). Appropriations (Cash Flow Statement).
<u>Appropriation</u>	
CAMAC received \$179,000 in Appropriation Bill No. 3 as Abolish Agency Redundancy Funding.	All items (SoCE). Appropriation revenue (Statement of Comprehensive Income).

Corporations and Markets Advisory Committee

Financial Statements

for the period ended 30 June 2016

Auditor's report

For the period ended 30 June 2016



INDEPENDENT AUDITOR'S REPORT

To the Treasurer

Opinion

In my opinion, the financial statements of the Corporations and Markets Advisory Committee for the year ended 30 June 2016:

- (a) comply with Australian Accounting Standards and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Corporations and Markets Advisory Committee as at 30 June 2016 and its financial performance and cash flows for the year then ended.

The financial statements of the Corporations and Markets Advisory Committee, which I have audited, comprise the following statements as at 30 June 2016 and for the year then ended:

- Statement by the Secretary of the Treasury;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to and forming part of the financial statements, comprising an Overview and other explanatory information.

Basis for Opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Corporations and Markets Advisory Committee in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* to the extent that they are not in conflict with the *Auditor-General Act 1997* (the Code). I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter – Basis of Preparation

I draw attention to the Overview of the financial statements of the Corporations and Markets Advisory Committee, which discloses that upon proclamation of the *Statute Update (Smaller Government) Act 2018* on the 21 February 2018, the Corporations and Markets Advisory Committee was abolished and as a result the financial statements have not been prepared on a going concern basis.

My opinion, set out above, has not been modified in respect of this matter.

For the period ended 30 June 2016 (continued)

Other Information

The Secretary of the Department of the Treasury is responsible for the other information. The other information comprises the information included in the Final Report but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Secretary of the Department of the Treasury's Responsibility for the Financial Statements

Pursuant to Item 22 of Schedule 7 of the *Statute Update (Smaller Government) Act 2018*, following the abolishment of the Corporations and Markets Advisory Committee, responsibility for the preparation of a final report on the activities of the Corporations and Markets Advisory Committee since the last reporting date (30 June 2014) was transferred to the Secretary of the Department of the Treasury. The Secretary of the Department of the Treasury is responsible under the *Public Governance, Performance and Accountability Act 2013* for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards and the rules made under that Act. The Secretary of the Department of the Treasury is also responsible for such internal control as the Secretary of the Department of the Treasury determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Secretary of the Department of the Treasury is responsible for assessing the Corporations and Markets Advisory Committee's ability to continue as a going concern, taking into account whether the entity's operations will cease as a result of an administrative restructure or for any other reason. The Secretary of the Department of the Treasury is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Secretary of the Department of the Treasury;

For the period ended 30 June 2016 (continued)

- conclude on the appropriateness of the Secretary of the Department of the Treasury's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office

A handwritten signature in black ink, appearing to read 'Bola Oyetunji', written in a cursive style.

Bola Oyetunji
Senior Executive Director
Delegate of the Auditor-General

Canberra

19 June 2018

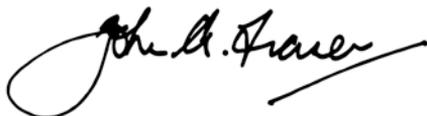
CORPORATIONS AND MARKETS ADVISORY COMMITTEE

Statement by the Secretary of the Treasury

Pursuant to item 22 of Schedule 7 of the *Statute Update (Smaller Government) Act 2018*, the Secretary of the Treasury is responsible for preparing the financial statements of the Corporations and Markets Advisory Committee for the year ended 30 June 2016.

In my opinion, the attached financial statements for the year ended 30 June 2016:

- a. comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act);
- b. have been prepared on properly maintained financial records as per subsection 41(2) of the PGPA Act; and
- c. when this statement was made, there were reasonable grounds to believe that the Corporations and Market Advisory Committee's debts have been extinguished. Following the abolition of the Corporations and Market Advisory Committee on 21 February 2018 the Department of the Treasury, on behalf of the Australian Government, assumed responsibility for any remaining obligations when the entity ceased to exist.



John A. Fraser
Secretary of the Treasury
19 June 2018

TABLE OF CONTENTS

Auditor’s report	48
Statement of Comprehensive Income.....	55
Statement of Financial Position	56
Statement of Changes in Equity	57
Cash Flow Statement	58
Overview	59
1. Departmental financial performance.....	66
1.1 Expenses.....	66
1.2 Own-source revenue.....	67
2. Departmental financial position	67
2.1 Financial assets.....	67
2.2 Non-financial assets	68
3. Funding	68
3.1 Appropriations.....	68
4. People and relationships.....	69
4.1 Senior management personnel remuneration	69
5. Managing uncertainties	70
5.1 Contingent assets and liabilities	70
5.2 Financial instruments	70

STATEMENT OF COMPREHENSIVE INCOME
for the period ended 30 June 2016

	Notes	2016 \$	2015 \$
NET COST OF SERVICES			
Expenses			
Employee benefits	1.1A	-	508,744
Suppliers	1.1B	23,461	197,600
Depreciation and amortisation	2.2A, 2.2B	-	66
Write-down and impairment of assets	1.1C	-	375
Total expenses		23,461	706,785
LESS:			
Own-source revenue			
Resources received free of charge - Auditors' remuneration		-	20,234
Total own-source revenue		-	20,234
Net cost of services		(23,461)	(686,551)
Revenue from Government	1.2A	-	1,156,000
(Deficit)/Surplus		(23,461)	469,449
Other comprehensive income		-	-
Total comprehensive income/(loss)		(23,461)	469,449

The above statement should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

as at 30 June 2016

	Notes	2016 \$	2015 \$
ASSETS			
Financial assets			
Cash and cash equivalents		4,442	40,035
Trade and other receivables	2.1A	1,077,794	1,103,181
Total financial assets		1,082,236	1,143,216
TOTAL ASSETS		1,082,236	1,143,216
LIABILITIES			
Payables			
Suppliers		-	37,519
Total payables		-	37,519
TOTAL LIABILITIES		-	37,519
NET ASSETS		1,082,236	1,105,697
EQUITY			
Contributed equity		100,000	100,000
Reserves		11,935	11,935
Accumulated surplus		970,301	993,762
TOTAL EQUITY		1,082,236	1,105,697

The above statement should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2016

	Notes	2016 \$'000	2015 \$'000
CONTRIBUTED EQUITY			
Opening balance		100,000	100,000
Closing balance as at 30 June		<u>100,000</u>	<u>100,000</u>
RETAINED EARNINGS			
Opening balance		993,762	524,313
<i>Comprehensive income</i>			
Surplus/(Deficit) for the period		(23,461)	469,449
Total comprehensive income/(loss)		<u>(23,461)</u>	<u>469,449</u>
Closing balance as at 30 June		<u>970,301</u>	<u>993,762</u>
ASSET REVALUATION RESERVE			
Opening balance		11,935	11,935
<i>Comprehensive income</i>			
Total comprehensive income		<u>-</u>	<u>-</u>
Closing balance as at 30 June		<u>11,935</u>	<u>11,935</u>
TOTAL EQUITY			
Opening balance		1,105,697	636,248
<i>Comprehensive income</i>			
Other comprehensive income		-	-
Surplus/(Deficit) for the period		(23,461)	469,449
Total comprehensive income/(loss)		<u>(23,461)</u>	<u>469,449</u>
Transactions with owners			
Contributions by owners			
Total transactions with owners		<u>-</u>	<u>-</u>
Closing balance as at 30 June		<u><u>1,082,236</u></u>	<u><u>1,105,697</u></u>

The above statement should be read in conjunction with the accompanying notes.

CASH FLOW STATEMENT

for the period ended 30 June 2016

	Notes	2016	2015
		\$	\$
OPERATING ACTIVITIES			
Cash received			
Departmental appropriations		25,000	901,275
GST recovered from ATO		388	22,297
<i>Total cash received</i>		25,388	923,572
Cash used			
Employees		-	(895,351)
Suppliers		(60,981)	(157,409)
<i>Total cash used</i>		(60,981)	(1,052,760)
Net cash (used by) operating activities		(35,593)	(129,188)
<i>Net increase/(decrease) in cash held</i>		(35,593)	(129,188)
Cash at the beginning of the reporting period		40,035	169,223
<i>Cash at the end of the reporting period</i>		4,442	40,035

The above statement should be read in conjunction with the accompanying notes.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2016

OVERVIEW

Cessation of operations of the Corporations and Markets Advisory Committee

In accordance with the Australian Government's Smaller Government initiative announced in the 2014–15 Budget, the Corporations and Markets Advisory Committee (CAMAC) and its legal committee, ceased operations during 2014–15 with work during that period focussed on winding down its operations. CAMAC was abolished on 21 February 2018, upon proclamation of the *Statute Update (Smaller Government) Act 2018* on the 21 February 2018.

Objectives of the Corporations and Markets Advisory Committee

The Corporations and Markets Advisory Committee (CAMAC) was an independent body operating under the *Australian Securities and Investments Commission Act 2001* to provide informed and expert advice to the Minister about corporate, financial product and financial market matters.

The objectives of CAMAC were to stimulate and lead the debate on the enhancement of standards for corporations and participants in financial markets and to provide the Australian Government with advice of the highest quality on any steps needed to achieve this, including suitable regulatory reform where necessary.

CAMAC was a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*.

Basis of preparation of the financial statements

CAMAC was abolished on 21 February 2018, upon proclamation of the *Statute Update (Smaller Government) Act 2018*. All assets and liabilities at that date ceased to be assets and liabilities of CAMAC and became assets of the Commonwealth without any conveyance, transfer or assignment.

As a result of this Act, CAMAC is no longer a going concern and the financial statements have been prepared on this basis. There is no change in the carrying values of CAMAC's assets and liabilities which were reported at their fair value at 30 June 2016.

OVERVIEW (CONTINUED)

The financial statements and notes are required by section 42 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and are general purpose financial statements.

The financial statements and notes have been prepared in accordance with the:

- *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR) for reporting periods ending on or after 1 July 2015; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets, which are at fair value.

NEW AUSTRALIAN ACCOUNTING STANDARDS

Adoption of new Australian Accounting Standard requirements

CAMAC has adopted the AABS 2015-7 Amendments to *AASB13 - Fair Value Disclosures of Not-for-Profit Public Sector Entities*. The amending standard applies to annual reporting periods beginning on or after 1 July 2016. Early adoption impacts on disclosure of fair value measurements of property, plant and equipment assets, with no effect on the face statements.

All other new/revised, amending standards or interpretations that were issued prior to the sign-off date and are applicable to future reporting periods are not expected to have a future material impact on the entity's financial statements.

Personnel

There were no personnel employed by CAMAC during the period (2015: three).

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue

Revenues from Government

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as revenue when CAMAC gains control of the appropriation.

Resources received free of charge

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.
2016: nil (2015: \$20,234).

Employee benefits

Liabilities for 'short-term employee benefits' (as defined in *AASB 119 Employee Benefits*) and termination benefits expected within 12 months of the end of the reporting period are measured at their nominal amounts.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of CAMAC is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration, including CAMAC's employer superannuation contribution rates.

Leave liabilities are measured as at 30 June 2016 at their nominal amount.

Superannuation

CAMAC employees are members of the Commonwealth Superannuation Scheme (CSS) or Public Sector Superannuation Scheme (PSS).

The CSS and PSS are defined-benefit schemes of the Australian Government.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported by the Department of Finance as an administered item.

CAMAC makes employer contributions to the CSS and PSS at rates determined by an actuary to be sufficient to meet the current cost to the Government of the superannuation entitlements of CAMAC's employees.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

CAMAC has no financial leases. Operating lease payments, (net of lease incentives) are expensed on a straight line-basis which is representative of the pattern of benefits derived from the leased assets.

Cash and cash equivalents

Cash and cash equivalents comprise deposits on demand in bank accounts.
2016 \$4,442 (2015: \$40,035)

Other non-financial assets

These assets are recognised at their nominal amounts, being cost.

Financial assets and financial liabilities

Financial assets

CAMAC's only financial assets are trade receivables, which are classified as 'loans and receivables' for the purposes of *AASB139 Financial Instruments: Recognition and Measurement*. Financial assets are recognised and derecognised at transaction date.

Trade receivables are recorded at face value less any impairment and are recognised where CAMAC becomes party to a contract and has a legal right to receive cash. Trade receivables are derecognised on payment.

Receivables are assessed for impairment at the end of each reporting period. Allowances are made when collectability of the debt is no longer probable.

Financial liabilities

Suppliers, trade creditors and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced). Supplier and other payables are derecognised on payment.

Acquisition of assets

The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Purchases of non-financial assets are initially recognised at cost in the Statement of Financial Position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

Property, plant and equipment

Revaluations

Fair values for each class of asset are determined as shown below:

Asset class	Fair value replacement cost
Leasehold improvements	Depreciated replacement cost
Plant and equipment	Depreciated replacement cost

Following initial recognition at cost, leasehold improvements, plant and equipment are carried at fair value less accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuation depends upon the volatility of movements in market values for the relevant assets. The most recent independent valuation was conducted by the Australian Valuation Office as at 30 June 2011.

Depreciation and amortisation

Depreciable plant and equipment assets (including library books) are written down to their estimated residual values over their estimated useful lives to CAMAC using, in all cases, the straight-line method of depreciation. Leasehold improvements are amortised on a straight-line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

Depreciation rates (useful lives), residual values and depreciation methods are reviewed at each reporting date.

	2016	2015
Leasehold improvements	Lease term	Lease term
Plant and equipment	2 to 20 years	2 to 20 years

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair value measurement

All property, plant and equipment non-financial assets are measured at fair value using the cost approach (depreciated replacement costs). The unobservable inputs (Level 3 fair value hierarchy) used to determine the fair value include the estimated replacement costs. Appropriate useful life profiles have been adopted to depreciate the replacement costs to reflect the expended life. CAMAC deems transfers between levels of the fair value hierarchy to have occurred at the end of the reporting period. No transfers, revaluations, purchases or sales occurred during 2016 (2015: Nil).

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Impairment

All assets are assessed for impairment at the end of each financial year. Where indications of impairment exist, the asset recoverable amount is estimated and an impairment loss is recognised if the asset recoverable amount is less than the carrying amount.

Taxation

CAMAC is exempt from all forms of taxation except fringe benefits tax (FBT) and the goods and services tax (GST). CAMAC recovers GST from the Australian Taxation Office.

Revenues, expenses, assets and liabilities are recognised net of GST:

- except where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- except for receivables and payables.

Insurance

CAMAC has insured for risks through Comcover, the Government's insurable risk managed fund. Workers' compensation is insured through Comcare Australia.

Rounding

The financial statements are presented in Australian dollars and values are rounded to the nearest dollar.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Events after the reporting period

CAMAC was abolished effective from 21 February 2018 as part of the *Statute Update (Smaller Government) Act 2018*. As a consequence of this, all assets and liabilities of CAMAC become assets and liabilities of the Commonwealth on that date without any conveyance, transfer or assignment.

1. DEPARTMENTAL FINANCIAL PERFORMANCE

This section analyses the financial performance of CAMAC for the year ended 30 June 2016.

1.1 Expenses

	2016	2015
	\$	\$
<u>1.1A: Employees & members</u>		
Salaries	-	157,056
Superannuation ¹	-	24,812
Leave and other entitlements	-	26,975
Separation and redundancies	-	299,901
Total employee expenses	-	508,744
<p>1. Contributions to superannuation schemes are at rates calculated to cover existing and emerging obligations. Superannuation payments for members are paid into private superannuation funds or the Public Sector Superannuation Scheme (PSS). Refer to Note 4 for remuneration of senior management personnel.</p>		
<u>1.1B: Suppliers</u>		
Goods and services supplied or rendered		
Audit fees	-	20,234
Management fees	23,333	70,000
Office requisites	-	3,422
Stationery	-	2,550
Travel	-	3,478
Other goods and services	128	18,382
Total goods and services supplied or rendered	23,461	118,066
Goods supplied	-	5,220
Services rendered	23,461	112,847
Total goods and services expenses	23,461	118,067
Other supplier expenses		
Operating lease rentals	-	75,414
Workers compensation premiums	-	4,120
Total other supplier expenses	-	79,534
Total supplier expenses	23,461	197,600
<u>1.1C: Write down and impairment of assets</u>		
Write down and impairment of assets	-	375

1. DEPARTMENTAL FINANCIAL PERFORMANCE (CONTINUED)

1.2 Own-source revenue

	2016	2015
	\$	\$
<u>1.2A: Revenue from Government</u>		
Departmental appropriations	-	1,156,000
Total revenue from Government	-	1,156,000

2. DEPARTMENTAL FINANCIAL POSITION

This section analyses CAMAC's assets used to conduct its operations and the operating liabilities incurred as a result. Employee related information is disclosed in the People and Relationships section.

2.1 Financial assets

	2016	2015
	\$	\$
<u>2.1A: Receivables</u>		
Appropriation receivable	1,077,794	1,102,793
GST receivable	-	388
Total receivables	1,077,794	1,103,181
<i>Receivables are expected to be recovered:</i>		
No more than 12 months	1,077,794	1,103,181

ACCOUNTING POLICY

Receivables

Trade receivables and other receivables are classified as 'loans and receivables' and recorded at face value less any impairment. Trade receivables are recognised where CAMAC becomes party to a contract and has a legal right to receive cash. Trade receivables are derecognised on payment.

2.2 Non-financial assets

2.2A: Reconciliation of opening and closing balances of leasehold improvements and plant and equipment 2016

There were no assets or movements in assets from 1 July 2015.

2.2 B: Reconciliation of opening and closing balances of leasehold improvements, plant and equipment 2015

	Leasehold improvements	Plant and equipment	Total
As at 1 July 2014	\$	\$	\$
Gross book value - at fair value	-	3,232	3,232
Accumulated depreciation/amortisation	-	(2,791)	(2,791)
Opening net book value	-	441	441
Write Off	-	(375)	(375)
Depreciation/amortisation expense	-	(66)	(66)
As at 30 June 2015			
Gross book value - at fair value	-	-	-
Accumulated depreciation/amortisation	-	-	-
Closing net book value	-	-	-

3. FUNDING

This section identifies CAMAC's funding structure.

3.1 Appropriations

3.1A: Annual appropriations ('recoverable GST exclusive')

Departmental

<i>Ordinary annual services</i>	2016	2015
	\$	\$
Annual appropriation	-	1,156,000
Appropriations applied (current and prior year)	60,593	1,030,463
Variance¹	(60,593)	125,537

1. In 2014-15 CAMAC received \$179,000 through Appropriation Act No. 3 for Abolish Agency Redundancy Funding.

3.1B: Unspent departmental appropriations ('recoverable GST exclusive')

	2016	2015
	\$	\$
<i>Authority</i>		
<i>Appropriation Act (No.1) 2014-2015</i>	903,236	963,828
<i>Appropriation Act (No.3) 2014-2015</i>	179,000	179,000
Total	1,082,236	1,142,828

4. PEOPLE AND RELATIONSHIPS

This section describes a range of employment and post-employment benefits provided to our people and our relationships with other key people.

4.1 Senior management personnel remuneration

Senior management personnel are those who perform functions controlling operational activities that directly impact the economic function and viability of CAMAC and whose employment conditions are equivalent to SES employment conditions of service.

4.1A: Total expense recognised in relation to employment of senior executives

	2016	2015
	\$	\$
Short-term employee benefits:		
Salary and performance bonuses	-	126,255
Total short-term employee benefits	-	126,255
Post-employment benefits:		
Superannuation	-	19,190
Other long-term benefits:		
Annual leave accrued	-	5,166
Long service leave accrued	-	4,068
Termination benefits:		
Severance benefit	-	147,637
Total remuneration expense for senior executives	-	302,316

The total number of senior management personnel that is included in the above table is nil (2015: one).

5. MANAGING UNCERTAINTIES

This section describes how CAMAC manages financial risks within its operating environment.

5.1 Contingent assets and liabilities

There were no quantifiable or unquantifiable contingent assets or liabilities as at 30 June 2016 (2015: nil).

5.2 Financial instruments

CAMAC is not exposed to any form of currency, interest rate or other price risks.

5.2A: Fair values of financial instruments

	2016	2015
	\$	\$
Financial assets		
Cash	4,442	40,035
<i>Total financial assets</i>	<u>4,442</u>	<u>40,035</u>
Financial liabilities		
Trade creditors	-	37,519
<i>Total financial liabilities</i>	<u>-</u>	<u>37,519</u>

CAMAC has sufficient available financial assets to meet all financial liabilities at 30 June 2016.

Corporations and Markets Advisory Committee

Financial Statements

for the period ended 30 June 2017

Auditor's report

For the period ended 30 June 2017



INDEPENDENT AUDITOR'S REPORT

To the Treasurer

Opinion

In my opinion, the financial statements of the Corporations and Markets Advisory Committee for the year ended 30 June 2017:

- (a) comply with Australian Accounting Standards—Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Corporations and Markets Advisory Committee as at 30 June 2017 and its financial performance and cash flows for the year then ended.

The financial statements of the Corporations and Markets Advisory Committee, which I have audited, comprise the following statements as at 30 June 2017 and for the year then ended:

- Statement by the Secretary of the Treasury;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to and forming part of the financial statements, comprising an Overview and other explanatory information.

Basis for Opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Corporations and Markets Advisory Committee in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* to the extent that they are not in conflict with the *Auditor-General Act 1997* (the Code). I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter – Basis of Preparation

I draw attention to the Overview of the financial statements of the Corporations and Markets Advisory Committee, which discloses that upon proclamation of the *Statute Update (Smaller Government) Act 2018* on the 21 February 2018, the Corporations and Markets Advisory Committee was abolished and as a result the financial statements have not been prepared on a going concern basis.

My opinion, set out above, has not been modified in respect of this matter.

For the period ended 30 June 2017 (continued)

Other Information

The Secretary of the Department of the Treasury is responsible for the other information. The other information comprises the information included in the Final Report but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Secretary of the Department of the Treasury's Responsibility for the Financial Statements

Pursuant to Item 22 of Schedule 7 of the *Statute Update (Smaller Government) Act 2018*, following the abolishment of the Corporations and Markets Advisory Committee, responsibility for the preparation of a final report on the activities of the Corporations and Markets Advisory Committee since the last reporting date (30 June 2014) was transferred to the Secretary of the Department of the Treasury. The Secretary of the Department of the Treasury is responsible under the *Public Governance, Performance and Accountability Act 2013* for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards-Reduced Disclosure Requirements and the rules made under that Act. The Secretary of the Department of the Treasury is also responsible for such internal control as the Secretary of the Department of the Treasury determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Secretary of the Department of the Treasury is responsible for assessing the Corporations and Markets Advisory Committee's ability to continue as a going concern, taking into account whether the entity's operations will cease as a result of an administrative restructure or for any other reason. The Secretary of the Department of the Treasury is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Secretary of the Department of the Treasury;

For the period ended 30 June 2017 (continued)

- conclude on the appropriateness of the Secretary of the Department of the Treasury's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Bola Oyetunji
Senior Executive Director
Delegate of the Auditor-General

Canberra

19 June 2018

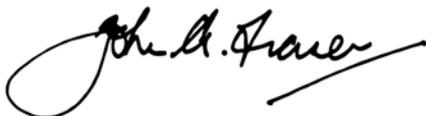
CORPORATIONS AND MARKETS ADVISORY COMMITTEE

Statement by the Secretary of the Treasury

Pursuant to item 22 of Schedule 7 of the *Statute Update (Smaller Government) Act 2018*, the Secretary of the Treasury is responsible for preparing the financial statements of the Corporations and Markets Advisory Committee for the year ended 30 June 2017.

In my opinion, the attached financial statements for the year ended 30 June 2017:

- a. comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act);
- b. have been prepared on properly maintained financial records as per subsection 41(2) of the PGPA Act; and
- c. when this statement was made, there were reasonable grounds to believe that the Corporations and Market Advisory Committee's debts have been extinguished. Following the abolition of the Corporations and Market Advisory Committee on 21 February 2018 the Department of the Treasury, on behalf of the Australian Government, assumed responsibility for any remaining obligations when the entity ceased to exist.



John A. Fraser
Secretary of the Treasury
19 June 2018

TABLE OF CONTENTS

Auditor’s report	72
Statement of Comprehensive Income.....	79
Statement of Financial Position	80
Statement of Changes in Equity	81
Cash Flow Statement	82
Overview	83
1. Departmental financial performance.....	85
1.1 Expenses.....	85
1.2 Own-source revenue.....	85
2. Departmental financial position	85
2.1 Financial assets.....	85
3. Funding	86
3.1 Appropriations.....	86
4. Managing uncertainties	87
4.1 Contingent assets and liabilities	87
4.2 Financial instruments	87

STATEMENT OF COMPREHENSIVE INCOME
for the period ended 30 June 2017

	Notes	2017 \$	2016 \$
NET COST OF SERVICES			
EXPENSES			
Suppliers	1.1A	<u>121</u>	<u>23,461</u>
<i>Total expenses</i>		<u>121</u>	<u>23,461</u>
<i>Net cost of services</i>		<u>(121)</u>	<u>(23,461)</u>
(Deficit)/Surplus		<u>(121)</u>	<u>(23,461)</u>
<i>Other comprehensive income</i>		<u>-</u>	<u>-</u>
Total comprehensive income/(loss)		<u><u>(121)</u></u>	<u><u>(23,461)</u></u>

The above statement should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

as at 30 June 2017

	Notes	2017 \$	2016 \$
ASSETS			
Financial assets			
Cash and cash equivalents		4,321	4,442
Trade and other receivables	2.1A	-	1,077,794
Total financial assets		4,321	1,082,236
TOTAL ASSETS		4,321	1,082,236
NET ASSETS		4,321	1,082,236
EQUITY			
Contributed equity		100,000	100,000
Reserves		11,935	11,935
Accumulated surplus		(107,614)	970,301
TOTAL EQUITY		4,321	1,082,236

The above statement should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2017

	Notes	2017 \$'000	2016 \$'000
CONTRIBUTED EQUITY			
Opening balance		100,000	100,000
Closing balance as at 30 June		<u>100,000</u>	<u>100,000</u>
RETAINED EARNINGS			
Opening balance		970,302	993,762
<i>Comprehensive income</i>			
Surplus/(Deficit) for the period		(121)	(23,461)
Lapsing of 2014-15 Act 1 Appropriation and Act 3 Appropriation		<u>(1,077,794)</u>	<u>-</u>
<i>Total comprehensive income/(loss)</i>		<u>(1,077,915)</u>	<u>(23,461)</u>
Closing balance as at 30 June		<u>(107,613)</u>	<u>970,301</u>
ASSET REVALUATION RESERVE			
Opening balance		11,935	11,935
<i>Total comprehensive income</i>		<u>-</u>	<u>-</u>
Closing balance as at 30 June		<u>11,935</u>	<u>11,935</u>
TOTAL EQUITY			
Opening balance		1,082,236	1,105,697
<i>Comprehensive income</i>			
Surplus/(Deficit) for the period		(121)	(23,461)
Lapsing of 2014-15 Act 1 Appropriation and Act 3 Appropriation		<u>(1,077,794)</u>	<u>-</u>
<i>Total comprehensive income/(loss)</i>		<u>(1,077,915)</u>	<u>(23,461)</u>
Transactions with owners			
Contributions by owners		<u>-</u>	<u>-</u>
Total transactions with owners		<u>-</u>	<u>-</u>
Closing balance as at 30 June		<u>4,321</u>	<u>1,082,236</u>

The above statement should be read in conjunction with the accompanying notes.

CASH FLOW STATEMENT

for the period ended 30 June 2017

	Notes	2017	2016
		\$	\$
OPERATING ACTIVITIES			
Cash received			
Departmental appropriations		-	25,000
GST recovered from ATO		-	388
<i>Total cash received</i>		-	25,388
Cash used			
Employees		-	-
Suppliers		(121)	(60,981)
<i>Total cash used</i>		(121)	(60,981)
Net cash (used by) operating activities		(121)	(35,593)
<i>Net increase/(decrease) in cash held</i>		(121)	(35,593)
Cash at the beginning of the reporting period		4,442	40,035
<i>Cash at the end of the reporting period</i>		4,321	4,442

The above statement should be read in conjunction with the accompanying notes.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2017

OVERVIEW

Cessation of operations of the Corporations and Markets Advisory Committee

In accordance with the Australian Government's Smaller Government initiative announced in the 2014–15 Budget, the Corporations and Markets Advisory Committee (CAMAC) and its legal committee, ceased operations during 2014–15 with work during that period focussed on winding down its operations. CAMAC was abolished on 21 February 2018, upon proclamation of the *Statute Update (Smaller Government) Act 2018* on the 21 February 2018.

Objectives of the Corporations and Markets Advisory Committee

The Corporations and Markets Advisory Committee (CAMAC) was an independent body operating under the *Australian Securities and Investments Commission Act 2001* to provide informed and expert advice to the Minister about corporate, financial product and financial market matters.

The objectives of CAMAC were to stimulate and lead the debate on the enhancement of standards for corporations and participants in financial markets and to provide the Australian Government with advice of the highest quality on any steps needed to achieve this, including suitable regulatory reform where necessary.

CAMAC was a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*.

Basis of preparation of the financial statements

CAMAC was abolished on 21 February 2018, upon proclamation of the *Statute Update (Smaller Government) Act 2018* on the 21 February 2018. All assets and liabilities at that date ceased to be assets and liabilities of CAMAC and became assets of the Commonwealth without any conveyance, transfer or assignment.

As a result of this Act, CAMAC is no longer a going concern and the financial statements have been prepared on this basis. There is no change in the carrying values of CAMAC's assets and liabilities which were reported at their fair value at 30 June 2017.

OVERVIEW (CONTINUED)

The financial statements and notes are required by section 42 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and are general purpose financial statements.

The financial statements and notes have been prepared in accordance with the:

- *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR) for reporting periods ending on or after 1 July 2015; and
- Australian Accounting Standards and Interpretations – Reduced Disclosure Requirements issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets, which are at fair value.

NEW AUSTRALIAN ACCOUNTING STANDARDS

All new accounting standards, amendments to standards and interpretations that were issued before the sign-off date and are applicable to the current reporting period did not have a material effect, and are not expected to have a future material effect, on CAMAC's financial statements. The 2016-17 financial statements have adopted the related parties disclosure and the introduction of the Tier 2 reporting under reduced disclosures standards.

Taxation

CAMAC is exempt from all forms of taxation except fringe benefits tax (FBT) and the goods and services tax (GST).

Personnel

There were no personnel employed by CAMAC during the period (2016: nil).

Related parties

There were no related party transactions for CAMAC during the period (2016: nil).

Events after the reporting period

CAMAC was abolished effective from 21 February 2018 as part of the *Statute Update (Smaller Government) Act 2018*. As a consequence of this, all assets and liabilities of CAMAC become assets and liabilities of the Commonwealth on that date without any conveyance, transfer or assignment.

1. DEPARTMENTAL FINANCIAL PERFORMANCE

This section analyses the financial performance of CAMAC for the year ended 30 June 2017.

1.1 Expenses

	2017	2016
	\$	\$
<u>1.1A: Suppliers</u>		
Goods and services supplied or rendered		
Management fees	-	23,333
Bank fees	121	128
Total goods and services supplied or rendered	121	23,461
Services rendered	121	23,461
Total goods and services expenses	121	23,461
Total supplier expenses	121	23,461

No management fees were charged by ASIC in 2016-17.

1.2 Own-source revenue

CAMAC received no appropriation revenue (2016: nil) or resources received free of charge in 2017 (2016: nil).

2. DEPARTMENTAL FINANCIAL POSITION

This section analyses CAMAC's assets used to conduct its operations and the operating liabilities incurred as a result. Employee related information is disclosed in the People and Relationships section.

2.1 Financial assets

	2017	2016
	\$	\$
<u>2.1A: Receivables</u>		
Appropriation receivable	-	1,077,794
Total receivables	-	1,077,794
<i>Receivables not expected to be recovered:</i>		1,077,794

On 1 July 2017, CAMAC's unspent annual appropriation (2014-15 Act 1 Appropriation and Act 3 Appropriation) lapsed and ceased to be available for spending.

ACCOUNTING POLICY**Receivables**

Trade receivables and other receivables are classified as 'loans and receivables' and recorded at face value less any impairment. Trade receivables are recognised where CAMAC becomes party to a contract and has a legal right to receive cash. Trade receivables are derecognised on payment.

3. FUNDING

This section identifies CAMAC's funding structure.

3.1 Appropriations**3.1A: Annual appropriations ('recoverable GST exclusive')****Departmental**

<i>Ordinary annual services</i>	2017	2016
	\$	\$
Annual appropriation	-	-
Appropriations applied (current and prior year)	<u>121</u>	<u>60,593</u>
Variance	<u>(121)</u>	<u>(60,593)</u>

3.1B: Unspent departmental appropriations ('recoverable GST exclusive')

	2017	2016
	\$	\$
Authority		
<i>Appropriation Act (No.1) 2014-2015 (cash on hand)</i>	903,115	903,236
<i>Appropriation Act (No.3) 2014-2015</i>	<u>179,000</u>	<u>179,000</u>
Total	<u>1,082,115</u>	<u>1,082,236</u>

4. MANAGING UNCERTAINTIES

This section describes how CAMAC manages financial risks within its operating environment.

4.1 Contingent assets and liabilities

There were no quantifiable or unquantifiable contingent assets or liabilities as at 30 June 2017 (2016: nil).

4.2 Financial instruments

CAMAC is not exposed to any form of currency, interest rate or other price risks.

4.2A: Fair values of financial instruments

	2017	2016
	\$	\$
Financial Assets		
Cash	4,321	4,442
<i>Total financial assets</i>	4,321	4,442

CAMAC has no financial liabilities at 30 June 2017.

Corporations and Markets Advisory Committee

Financial Statements

for the period ended 31 March 2018

Auditor's report

For the period ended 31 March 2018



INDEPENDENT AUDITOR'S REPORT

To the Treasurer

Opinion

In my opinion, the financial statements of the Corporations and Markets Advisory Committee for the period ended 31 March 2018:

- (a) comply with Australian Accounting Standards-Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Corporations and Markets Advisory Committee as at 31 March 2018 and its financial performance and cash flows for the period then ended.

The financial statements of the Corporations and Markets Advisory Committee, which I have audited, comprise the following statements as at 31 March 2018 and for the period then ended:

- Statement by the Secretary of the Treasury;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to and forming part of the financial statements, comprising an Overview and other explanatory information.

Basis for Opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Corporations and Markets Advisory Committee in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* to the extent that they are not in conflict with the *Auditor-General Act 1997* (the Code). I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter – Basis of Preparation

I draw attention to the Overview of the financial statements of the Corporations and Markets Advisory Committee, which discloses that upon proclamation of the *Statute Update (Smaller Government) Act 2018* on the 21 February 2018, the Corporations and Markets Advisory Committee was abolished and as a result the financial statements have not been prepared on a going concern basis.

My opinion, set out above, has not been modified in respect of this matter.

For the period ended 31 March 2018 (continued)

Other Information

The Secretary of the Department of the Treasury is responsible for the other information. The other information comprises the information included in the Final Report but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Secretary of the Department of the Treasury's Responsibility for the Financial Statements

Pursuant to Item 22 of Schedule 7 of the *Statute Update (Smaller Government) Act 2018*, following the abolishment of the Corporations and Markets Advisory Committee, responsibility for the preparation of a final report on the activities of the Corporations and Markets Advisory Committee since the last reporting date (30 June 2014) was transferred to the Secretary of the Department of the Treasury. The Secretary of the Department of the Treasury is responsible under the *Public Governance, Performance and Accountability Act 2013* for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards and the rules made under that Act. The Secretary of the Department of the Treasury is also responsible for such internal control as the Secretary of the Department of the Treasury determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Secretary of the Department of the Treasury is responsible for assessing the Corporations and Markets Advisory Committee's ability to continue as a going concern, taking into account whether the entity's operations will cease as a result of an administrative restructure or for any other reason. The Secretary of the Department of the Treasury is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Secretary of the Department of the Treasury;
- conclude on the appropriateness of the Secretary of the Department of the Treasury's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability

For the period ended 31 March 2018 (continued)

to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern; and

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office

A handwritten signature in black ink, appearing to read 'Bola Oyetunji', written in a cursive style.

Bola Oyetunji
Senior Executive Director
Delegate of the Auditor-General

Canberra

19 June 2018

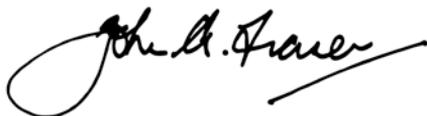
CORPORATIONS AND MARKETS ADVISORY COMMITTEE

Statement by the Secretary of the Treasury

Pursuant to item 22 of Schedule 7 of the *Statute Update (Smaller Government) Act 2018*, the Secretary of the Treasury is responsible for preparing the financial statements of the Corporations and Markets Advisory Committee for the year ended 31 March 2018.

In my opinion, the attached financial statements for the year ended 31 March 2018:

- a. comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act);
- b. have been prepared on properly maintained financial records as per subsection 41(2) of the PGPA Act; and
- c. when this statement was made, there were reasonable grounds to believe that the Corporations and Market Advisory Committee's debts have been extinguished. Following the abolition of the Corporations and Market Advisory Committee on 21 February 2018 the Department of the Treasury, on behalf of the Australian Government, assumed responsibility for any remaining obligations when the entity ceased to exist.



John A. Fraser
Secretary of the Treasury
19 June 2018

TABLE OF CONTENTS

Auditor’s report	90
Statement of Comprehensive Income.....	97
Statement of Financial Position	98
Statement of Changes in Equity	99
Cash Flow Statement	100
Overview	101
1. Departmental financial performance.....	103
1.1 Own-source revenue.....	103
2. Funding	104
2.1 Appropriations.....	104
3. Managing uncertainties	105
3.1 Contingent assets and liabilities	105
3.2 Financial instruments	105

STATEMENT OF COMPREHENSIVE INCOME
for the period ended 31 March 2018

	31 March 2018	2017
	\$	\$
NET COST OF SERVICES		
EXPENSES		
Bank Fees	90	121
Audit Fees	6,000	-
<i>Total expenses</i>	<u>6,090</u>	<u>121</u>
LESS:		
Own-source revenue		
Resources received free of charge - Auditors' remuneration	6,000	-
Total own-source revenue	<u>6,000</u>	<u>-</u>
<i>Net cost of services</i>	<u>(90)</u>	<u>(121)</u>
(Deficit)/Surplus	<u>(90)</u>	<u>(121)</u>
Total comprehensive income/(loss)	<u>(90)</u>	<u>(121)</u>

The above statement should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION
as at 31 March 2018

	31 March 2018	2017
	\$	\$
ASSETS		
Financial assets		
Cash and cash equivalents	-	4,321
Total financial assets	-	4,321
TOTAL ASSETS	-	4,321
NET ASSETS	-	4,321
EQUITY		
Contributed equity	100,000	100,000
Reserves	11,935	11,935
Cash to the OPA	(4,231)	-
Accumulated deficit	(107,704)	(107,614)
TOTAL EQUITY	-	4,321

The above statement should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2018

	31 March 2018	2017
	\$'000	\$'000
CONTRIBUTED EQUITY		
Opening balance	100,000	100,000
Closing balance as at 31 March / 30 June	100,000	100,000
RETAINED EARNINGS		
Opening balance	(107,613)	970,302
<i>Comprehensive income</i>		
Surplus/(Deficit) for the period	(90)	(121)
Cash to the OPA	(4,231)	-
Lapsing of 2014-15 Act 1 Appropriation and Act 3 Appropriation	-	(1,077,794)
<i>Total comprehensive income/(loss)</i>	(4,322)	(1,077,915)
Closing balance as at 31 March / 30 June	(111,935)	(107,613)
ASSET REVALUATION RESERVE		
Opening balance	11,935	11,935
Closing balance as at 31 March / 30 June	11,935	11,935
TOTAL EQUITY		
Opening balance	4,321	1,082,236
<i>Comprehensive income</i>		
Surplus/(Deficit) for the period	(90)	(121)
Cash to the OPA	(4,231)	-
Lapsing of 2014-15 Act 1 Appropriation and Act 3 Appropriation	-	(1,077,794)
<i>Total comprehensive income/(loss)</i>	(4,321)	(1,077,915)
Transactions with owners		
Contributions by owners		
Total transactions with owners	-	-
Closing balance as at 31 March	-	4,321

The above statement should be read in conjunction with the accompanying notes.

CASH FLOW STATEMENT

for the period ended 31 March 2018

	31 March 2018	2017
	\$	\$
OPERATING ACTIVITIES		
Cash used		
Employees	-	-
Suppliers	(90)	(121)
Total cash used	(90)	(121)
Net cash (used by) operating activities	(90)	(121)
INVESTING ACTIVITIES		
Cash used		
Cash transferred to the OPA	(4,231)	-
Net cash from (used by) investing activities	(4,231)	-
Net increase/(decrease) in cash held	(4,231)	(121)
Cash at the beginning of the reporting period	4,231	4,442
Cash at the end of the reporting period	-	4,321

The above statement should be read in conjunction with the accompanying notes.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

OVERVIEW

Cessation of operations of the Corporations and Markets Advisory Committee

In accordance with the Australian Government's Smaller Government initiative announced in the 2014–15 Budget, the Corporations and Markets Advisory Committee (CAMAC) and its legal committee, ceased operations during 2014–15 with work during that period focussed on winding down its operations. CAMAC was abolished on 21 February 2018, upon proclamation of the *Statute Update (Smaller Government) Act 2018* on the 21 February 2018.

Objectives of the Corporations and Markets Advisory Committee

The Corporations and Markets Advisory Committee (CAMAC) was an independent body operating under the *Australian Securities and Investments Commission Act 2001* to provide informed and expert advice to the Minister about corporate, financial product and financial market matters.

The objectives of CAMAC were to stimulate and lead the debate on the enhancement of standards for corporations and participants in financial markets and to provide the Australian Government with advice of the highest quality on any steps needed to achieve this, including suitable regulatory reform where necessary.

CAMAC was a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*.

Basis of preparation of the financial statements

CAMAC was abolished on 21 February 2018, upon proclamation of the *Statute Update (Smaller Government) Act 2018*. All assets and liabilities at that date ceased to be assets and liabilities of CAMAC and became assets of the Commonwealth without any conveyance, transfer or assignment.

As a result of this Act, CAMAC is no longer a going concern and the financial statements have been prepared on this basis. There is no change in the carrying values of CAMAC's assets and liabilities which were reported at their fair value at 31 March 2018.

The financial statements and notes are required by section 42 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and are general purpose financial statements.

The financial statements and notes have been prepared in accordance with the:

- *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR) for reporting periods ending on or after 1 July 2015; and
- Australian Accounting Standards and Interpretations – Reduced Disclosure Requirements issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets, which are at fair value.

NEW AUSTRALIAN ACCOUNTING STANDARDS

All new accounting standards, amendments to standards and interpretations that were issued before the sign-off date and are applicable to the current reporting period did not have a material effect on CAMAC's financial statements.

Taxation

CAMAC is exempt from all forms of taxation except fringe benefits tax (FBT) and the goods and services tax (GST).

Personnel

There were no personnel employed by CAMAC during the period (2017: nil).

Related parties

There were no related party transactions for CAMAC during the period (2017: nil).

Events after the reporting period

CAMAC was abolished effective from 21 February 2018 as part of the *Statute Update (Smaller Government) Act 2018*. As a consequence of this, all assets and liabilities of CAMAC become assets and liabilities of the Commonwealth on that date without any conveyance, transfer or assignment.

1. DEPARTMENTAL FINANCIAL PERFORMANCE

This section analyses the financial performance of CAMAC for the year ended 31 March 2018.

1.1 Own-source revenue

ACCOUNTING POLICY

Revenue from Government

Amounts appropriated for departmental appropriations for the period (adjusted for any formal additions and reductions) are recognised as revenue from Government when CAMAC gains control of the appropriation. Appropriations receivable are recognised at their nominal amounts.

Resources received free of charge

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

CAMAC received no appropriation revenue in 2017-18.

During 2017-18 ANAO provided Resources received free of charge of \$6,000 (2017: nil) which covered audit services for the 2015-16, 2016-17 and 2017-18 financial statements.

2. FUNDING

This section identifies CAMAC's funding structure.

2.1 Appropriations

2.1A: Annual appropriations ('recoverable GST exclusive')

Departmental

<i>Ordinary annual services</i>	31 March 2018	2017
	\$	\$
Annual appropriation	-	-
Appropriations applied (current and prior year)	90	121
Variance	(90)	(121)

2.1B: Unspent departmental appropriations ('recoverable GST exclusive')

	31 March 2018	2017
	\$	\$
<i>Authority</i>		
<i>Appropriation Act (No.1) 2014-2015</i>	-	903,115
<i>Appropriation Act (No.3) 2014-2015</i>	-	179,000
Total	-	1,082,115

On 1 July 2017, CAMAC's unspent annual appropriation (2014-15 Act 1 Appropriation and Act 3 Appropriation) lapsed and ceased to be available for spending.

3. MANAGING UNCERTAINTIES

This section describes how CAMAC manages financial risks within its operating environment.

3.1 Contingent assets and liabilities

There were no quantifiable or unquantifiable contingent assets or liabilities as at 31 March 2018 (2017: nil).

3.2 Financial instruments

CAMAC is not exposed to any form of currency, interest rate or other price risks.

4.2A: Fair values of financial instruments

	31 March 2018	2017
	\$	\$
Financial Assets		
Cash	-	4,321
<i>Total financial assets</i>	-	4,321

CAMAC has no financial assets or liabilities at 31 March 2018.

Index

A

Advertising and market research	10
Audit Committee	6
Australian National Audit Office	
Access Clauses	9

C

Commonwealth Disability Strategy	9
Competitive tendering and contracting	9
Constitution of the Committee	3
Consultants	9

D

Discretionary grants	10
----------------------------	----

E

Environmental performance	8
Executive	6
Exempt contracts	9
External scrutiny	7

F

Financial performance	7
Financial statements	13
Freedom of information	10
Functions of the Committee	3

G

Glossary	11
Governance	3

H

Human resources	8
-----------------------	---

L

Legal Committee	5
Legal services expenditure	8

P

Purchasing	9
------------------	---

W

Work health and safety	10
------------------------------	----

