

AUSTRALIAN PRUDENTIAL REGULATION AUTHORITY

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AUSTRALIAN PRUDENTIAL REGULATION AUTHORITY

Section 1: Entity overview and resources

1.1 Strategic direction statement

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

APRA's mandate is to protect the Australian community by establishing and enforcing prudential standards and practices designed to ensure that, under all reasonable circumstances, financial promises made by institutions APRA supervises are met within a stable, efficient and competitive financial system.

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

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

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

The structure of the Australian financial system continues to evolve and risks to APRA, the institutions and industries it regulates or financial system stability can emerge

quickly. Each year, in setting its strategic priorities, APRA takes into consideration changes in its operating environment and the Government's policy priorities to ensure it continues to effectively deliver on its statutory objectives and APRA's Statement of Intent in response to the Australian Government's Statement of Expectations for APRA.

APRA's strategic priorities are outlined in its rolling four-year Corporate Plan published annually. APRA's 2020-2024 Corporate Plan includes four strategic focus areas to strengthen outcomes for the Australian community: to maintain financial system resilience; improve outcomes for superannuation members; transform governance, culture, remuneration and accountability across all regulated institutions; and improve cyber resilience across the financial system. The plan also includes areas where APRA intends to improve its internal capabilities to deliver on those outcomes.

In 2020 APRA reprioritised its efforts to respond with urgency to COVID-19 and its economic and financial impacts through the significant changes in the external environment. This included APRA focusing on protecting the financial safety and soundness of regulated entities; fostering the operational resilience of regulated entities during a period of significant disruption; and enhancing contingency plans for adverse events.

APRA continues to monitor the impact of COVID-19 and intends to adjust its priorities accordingly including winding down some specific COVID-19 response activities where improvements are evident and the operating environment stabilises. APRA's strategic priorities will be reviewed as part of settling APRA's 2021-2025 Corporate Plan.

1.2 ENTITY RESOURCE STATEMENT

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

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

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

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

Table 1.1: Australian Prudential Regulation Authority resource statement — Budget estimates for 2021-22 as at Budget May 2021

	2020-21 Estimated actual \$'000	2021-22 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Departmental appropriation	3,630	2,680
s74 External Revenue (b)	2,630	4,587
Total departmental special appropriations	6,260	7,267
Special accounts		
Opening balance (c)	72,828	61,686
Appropriation receipts (d)	6,260	7,267
Non-appropriation receipts	182,216	221,744
Total special accounts	261,304	290,697
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	6,260	7,267
Total departmental resourcing	261,304	290,697
Administered		
Special accounts		
Opening balance (c)	835	835
Non-appropriation receipts to Special Accounts (e)	450,000	450,000
Total special account receipts	450,835	450,835
Total administered resourcing	450,835	450,835
Total resourcing for APRA	712,139	741,532
	2020-21	2021-22
Average staffing level (number)	785	829

Table 1.1: Australian Prudential Regulation Authority resource statement — Budget estimates for 2021-22 as at Budget May 2021 (continued)

Third party payments from and on behalf of other entities

	<i>2020-21 Estimated actual \$'000</i>	<i>2021-22 Estimate \$'000</i>
Receipts received from other entities for the provision of services (disclosed above in s74 External Revenue section above)	705	1,205

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

(a) Appropriation Bill (No. 1) 2021-22.

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

(c) Excludes 'Special Public Money'. For further information on special appropriations and special accounts, refer to *Budget Paper No. 4 - Agency Resourcing*. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.

(d) Appropriation receipts include receipts from the Department of Foreign Affairs and Trade, the Reserve Bank of Australia, the Australian Bureau of Statistics, and the Department of Agriculture, Water and the Environment.

(e) Comprises Private Health Insurance risk equalisation receipts which are redistributed to industry.

1.3 BUDGET MEASURES

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

Table 1.2: Australian Prudential Regulation Authority 2021-22 Budget measures – Measures announced since the 2020-21 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000
Receipt measures						
Stronger Consumer Outcomes for Members of Superannuation						
Administered receipt	1.1	-	1,891	2,329	2,665	2,676
Total		-	1,891	2,329	2,665	2,676
Total receipt measures						
Administered		-	1,891	2,329	2,665	2,676
Total		-	1,891	2,329	2,665	2,676
Payment measures						
Stronger Consumer Outcomes for Members of Superannuation						
Departmental payment	1.1	-	1,891	2,329	2,665	2,676
Total		-	1,891	2,329	2,665	2,676
Total payment measures						
Departmental		-	1,891	2,329	2,665	2,676
Total		-	1,891	2,329	2,665	2,676

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

Section 2: Outcomes and planned performance

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

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

Note:

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

The most recent corporate plan for APRA can be found at:

(<https://www.apra.gov.au/news-and-publications/apra-2020-2024-corporate-plan>)

The most recent annual performance statement can be found at:

(<https://www.apra.gov.au/news-and-publications/apra-annual-reports>)

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Enhanced public confidence in Australia’s financial institutions through a framework of prudential regulation which balances financial safety and efficiency, competition, contestability and competitive neutrality and, in balancing these objectives, promotes financial system stability in Australia.

Budgeted expenses for Outcome 1

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

Table 2.1: Budgeted expenses for Outcome 1

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Program 1.1: Australian Prudential Regulation Authority					
Administered expenses					
Special appropriations (a)	450,000	450,000	450,000	450,000	450,000
Expenses not requiring appropriation in the Budget year	55	55	55	55	55
Administered total	450,055	450,055	450,055	450,055	450,055
Departmental expenses					
Special accounts	189,873	218,308	198,992	199,699	197,297
s74 External Revenue (b)	2,514	4,587	4,542	4,542	4,542
Ordinary annual services (Appropriation Bill No. 1)	3,630	2,680	2,229	2,262	4,815
Expenses not requiring appropriation in the Budget year (c)	240	240	240	240	240
Departmental total	196,257	225,815	206,003	206,743	206,894
Total expenses for program 1.1	646,312	675,870	656,058	656,798	656,949
Total expenses for Outcome 1	646,312	675,870	656,058	656,798	656,949

	2020-21	2021-22
Average staffing level (number)	785	829

(a) Private Health Insurance Industry risk equalisation payments.

(b) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013.

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

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

Table 2.2: Performance criteria for Outcome 1

Table 2.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2021-22 Budget measures have created new programs or materially changed existing programs.

<p>Outcome 1 – Enhanced public confidence in Australia’s financial institutions through a framework of prudential regulation which balances financial safety and efficiency, competition, contestability and competitive neutrality and, in balancing these objectives, promotes financial system stability in Australia.</p>		
<p>Program 1.1 – Australian Prudential Regulation Authority To enhance public confidence in Australia’s financial institutions through establishing and enforcing prudential standards and practice and delivering on APRA’s strategic objectives set out in its Corporate Plan.</p>		
<p>Delivery</p>	<p>APRA will focus on delivering its strategic objectives laid out in its 2021-2025 Corporate Plan. To serve the interests of the Australian community, APRA will continue to monitor the impact of COVID-19 and adjust its priorities accordingly including starting to wind down some specific COVID-19 response activities where improvements are evident and the operating environment stabilises.</p>	
<p>Performance information</p>		
<p>Year</p>	<p>Performance criteria</p>	<p>Targets</p>
<p>2020-21 and beyond</p>	<ul style="list-style-type: none"> • Performing Entity Ratio (PER) — the PER is an indicator of the incidence of failure amongst regulated institutions. It is determined as the number of regulated institutions that met their commitments to beneficiaries in a given year divided by the total number of regulated institutions. The higher the percentage, the lower the incidence of failure. • Money Protection Ratio (MPR) — the MPR is an indicator of the incidence of loss in the financial sector. It is determined as the dollar value of liabilities to beneficiaries held in Australia in regulated institutions less any prudential losses to beneficiaries in a given year, divided by the total dollar value of liabilities to beneficiaries in Australia in regulated institutions. The higher the percentage, the lower the incidence of loss. • Percentage of Financial Claims Scheme (FCS) payments paid to account holders within seven calendar days of an FCS declaration. • Number of outstanding claims in the event of an FCS declaration. 	<p>Consistent with the Government’s expectations, APRA does not pursue a ‘zero failure’ target. Rather, APRA’s objective is to maintain a low incidence of failure of regulated institutions while not unnecessarily hindering efficiency, competition or otherwise impeding the competitive neutrality or contestability of the financial system.</p> <p>APRA measures the efficiency with which it performs its function in relation to the FCS for banks, building societies and credit unions by measuring the percentage of FCS payments paid to account holders within seven calendar days of an FCS declaration. Although the circumstance of each declaration will vary the timeliness of payment, this measure is consistent with APRA’s endeavours to pay most account holders, or enable them to access, their FCS payment within seven days. Given the long tail nature of general insurance claims which do not easily lend themselves to measures of efficiency, APRA reports on the number of</p>

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		outstanding claims in the event of an FCS declaration.
Purposes	The Australian Prudential Regulation Authority (APRA) is an independent statutory authority established for the purpose of prudential supervision of financial institutions and for promoting financial system stability in Australia. In performing this role, APRA is responsible for protecting the interests of depositors, insurance policyholders and superannuation fund members.	

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of APRA's finances for the 2021-22 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

There are no material differences between APRA's resourcing and its financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The departmental comprehensive income statement (Table 3.1) indicates an increase in revenue from Government for 2021-22 as a consequence of new budget measures being appropriated in 2020-21 but to be collected from industry in 2021-22.

Employee benefits of \$160.3 million support an average staffing level (ASL) of 829 in 2021-22. The estimated staffing will enable APRA to supervise regulated institutions, evolve APRA's prudential and supervisory frameworks and practices to respond to key risks, continue to deliver on its longer-term strategic objectives and to serve the interests of the Australian community.

Supplier costs in 2021-22 of \$44.3 million reflect office leasing costs, IT support and maintenance, travel, training and other non-people related expenditures.

Depreciation and Amortisation of \$20.5 million reflects the amortisation of APRA's fixed assets over their useful life.

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

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

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

Apart from the amount required to fund APRA, the levies also include amounts to fund the activities of the Australian Taxation Office (ATO) for unclaimed monies, lost member functions and for the administration of claims for early release of superannuation benefits on compassionate grounds; the Gateway Network Governance Body Ltd (GNGB) for governing and maintaining the superannuation transactions

network; the Australian Securities and Investments Commission (ASIC) to manage superannuation complaints and the Australian Competition and Consumer Commission (ACCC) to enhance competition in the financial system.

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

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

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

3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
EXPENSES					
Employee benefits	144,600	160,341	149,908	151,240	151,245
Suppliers	32,699	44,291	33,602	33,412	34,920
Depreciation and amortisation	18,101	20,488	21,953	22,060	20,487
Finance costs	857	695	540	31	242
Total expenses	196,257	225,815	206,003	206,743	206,894
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	1,801	3,357	3,312	3,312	3,312
Other	953	1,470	1,470	1,470	1,470
Total own-source revenue	2,754	4,827	4,782	4,782	4,782
Total own-source income	2,754	4,827	4,782	4,782	4,782
Net (cost of)/contribution by services	(193,503)	(220,988)	(201,221)	(201,961)	(202,112)
Revenue from Government	185,846	224,424	198,867	199,606	200,035
Surplus/(deficit) attributable to the Australian Government	(7,657)	3,436	(2,354)	(2,355)	(2,077)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income/(loss)	(7,657)	3,436	(2,354)	(2,355)	(2,077)
Total comprehensive income/(loss) attributable to the Australian Government	(7,657)	3,436	(2,354)	(2,355)	(2,077)

Note: Impact of net cash appropriation arrangements

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
Total comprehensive income/(loss) less depreciation/amortisation expenses previously funded through revenue appropriations	1,539	15,171	10,659	10,050	10,119
plus: depreciation/amortisation expenses previously funded through revenue appropriations	9,155	12,020	13,649	13,756	12,915
plus: depreciation/amortisation expenses for ROU assets (a)	8,946	8,468	8,304	8,304	7,572
less: principal repayments on leased assets (a)	8,905	8,753	8,940	9,655	8,291
Total comprehensive income/(loss) - as per the statement of comprehensive income	(7,657)	3,436	(2,354)	(2,355)	(2,077)

Prepared on Australian Accounting Standards basis.

(a) Applies leases under AASB 16 Leases.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	61,686	58,406	66,516	74,366	81,834
Trade and other receivables	1,955	1,955	1,955	1,955	1,955
Total financial assets	63,641	60,361	68,471	76,321	83,789
Non-financial assets					
Land and buildings	41,876	33,409	25,105	17,651	13,479
Property, plant and equipment	17,524	15,909	13,385	12,070	9,546
Intangibles	48,088	54,083	50,358	45,317	42,326
Other non-financial assets	3,755	3,755	3,755	3,755	3,755
Total non-financial assets	111,243	107,156	92,603	78,793	69,106
Total assets	174,884	167,517	161,074	155,114	152,895
LIABILITIES					
Payables					
Suppliers	6,555	6,555	6,555	6,555	6,555
Other payables	4,105	4,555	5,006	5,906	6,355
Total payables	10,660	11,110	11,561	12,461	12,910
Interest bearing liabilities					
Leases	43,327	34,574	25,634	16,829	11,938
Total interest bearing liabilities	43,327	34,574	25,634	16,829	11,938
Provisions					
Employee provisions	56,034	60,534	64,934	69,234	73,534
Other provisions	10,752	3,752	3,752	3,752	3,752
Total provisions	66,786	64,286	68,686	72,986	77,286
Total liabilities	120,773	109,970	105,881	102,276	102,134
Net assets	54,111	57,547	55,193	52,838	50,761
EQUITY*					
Parent entity interest					
Contributed equity	16,657	16,657	16,657	16,657	16,657
Reserves	22,591	14,591	15,591	16,591	17,591
Retained surplus (accumulated deficit)	14,863	26,299	22,945	19,590	16,513
Total parent entity interest	54,111	57,547	55,193	52,838	50,761
Total equity	54,111	57,547	55,193	52,838	50,761

Prepared on Australian Accounting Standards basis.

*'Equity' is the residual interest in assets after the deduction of liabilities.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2021-22)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2021					
Balance carried forward from previous period	14,863	7,591	15,000	16,657	54,111
Adjusted opening balance	14,863	7,591	15,000	16,657	54,111
Comprehensive income					
Surplus/(deficit) for the period	3,436				3,436
Total comprehensive income	3,436	-	-	-	3,436
Transfers between equity components	8,000		(8,000)		-
Estimated closing balance as at 30 June 2022	26,299	7,591	7,000	16,657	57,547
Closing balance attributable to the Australian Government	26,299	7,591	7,000	16,657	57,547

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	191,322	233,038	206,464	207,186	207,751
Sale of goods and rendering of services	2,514	4,587	4,542	4,542	4,542
Net GST received	3,212	4,277	3,305	3,288	3,424
Other	240	240	240	240	240
Total cash received	197,289	242,141	214,551	215,255	215,958
Cash used					
Employees	(137,097)	(155,391)	(145,058)	(146,040)	(146,495)
Suppliers	(35,545)	(48,318)	(36,654)	(36,446)	(38,090)
Net GST paid	(250)	(250)	(250)	(250)	(250)
Interest payments on lease liability	(857)	(695)	(540)	(31)	(242)
s74 External Revenue transferred to the OPA	(5,476)	(8,614)	(7,597)	(7,580)	(7,716)
Other	(2,000)	(7,000)	-	-	-
Total cash used	(181,225)	(220,267)	(190,099)	(190,347)	(192,793)
Net cash from/(used by) operating activities	16,064	21,874	24,452	24,908	23,164
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	(18,300)	(16,400)	(7,400)	(7,400)	(7,400)
Total cash used	(18,300)	(16,400)	(7,400)	(7,400)	(7,400)
Net cash from/(used by) investing activities	(18,300)	(16,400)	(7,400)	(7,400)	(7,400)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	(8,905)	(8,753)	(8,940)	(9,655)	(8,291)
Total cash used	(8,905)	(8,753)	(8,940)	(9,655)	(8,291)
Net cash from/(used by) financing activities	(8,905)	(8,753)	(8,940)	(9,655)	(8,291)
Net increase/(decrease) in cash held	(11,142)	(3,279)	8,111	7,853	7,473
Cash and cash equivalents at the beginning of the reporting period	72,828	61,686	58,404	66,512	74,361
Cash and cash equivalents at the end of the reporting period	61,686	58,406	66,516	74,365	81,834

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources	18,300	16,400	7,400	8,250	10,800
TOTAL	18,300	16,400	7,400	8,250	10,800
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	18,300	16,400	7,400	8,250	10,800
Total cash used to acquire assets	18,300	16,400	7,400	8,250	10,800

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2021-22)

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2021				
Gross book value	-	33,174	103,960	137,134
Gross book value - ROU assets	59,517	-	-	59,517
Accumulated depreciation/amortisation and impairment	-	(15,650)	(55,872)	(71,522)
Accumulated depreciation/amortisation and impairment - ROU assets	(17,640)	-	-	(17,640)
Opening net book balance	41,877	17,524	48,088	107,489
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - other	-	1,427	14,973	16,400
Total additions	-	1,427	14,973	16,400
Other movements				
Depreciation/amortisation expense	-	(3,042)	(8,978)	(12,020)
Depreciation/amortisation on ROU assets	(8,468)	-	-	(8,468)
Total other movements	(8,468)	(3,042)	(8,978)	(20,488)
As at 30 June 2022				
Gross book value	-	34,601	118,933	153,534
Gross book value - ROU assets	59,517	-	-	59,517
Accumulated depreciation/amortisation and impairment	-	(18,692)	(64,850)	(83,542)
Accumulated depreciation/amortisation and impairment - ROU assets	(26,108)	-	-	(26,108)
Closing net book balance	33,409	15,909	54,083	103,401

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
EXPENSES					
Finance costs	55	55	55	55	55
Risk equalisation distributions	450,000	450,000	450,000	450,000	450,000
Total expenses administered on behalf of Government	450,055	450,055	450,055	450,055	450,055
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
<i>Financial Institutions Supervisory Levies Collection Act 1998</i>	222,980	262,941	234,508	235,521	233,765
Interest	55	55	55	55	55
Risk equalisation receipts	450,000	450,000	450,000	450,000	450,000
Total non-taxation revenue	673,035	712,996	684,563	685,576	683,820
Total own-source revenue administered on behalf of Government	673,035	712,996	684,563	685,576	683,820
Total own-sourced income administered on behalf of Government	673,035	712,996	684,563	685,576	683,820
Net (cost of)/contribution by services	(222,980)	(262,941)	(234,508)	(235,521)	(233,765)
Surplus/(deficit)	222,980	262,941	234,508	235,521	233,765
Total comprehensive income/(loss)	222,980	262,941	234,508	235,521	233,765

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	835	835	835	835	835
Receivables	2,197	2,197	2,197	2,197	2,197
Total financial assets	3,032	3,032	3,032	3,032	3,032
Total assets administered on behalf of Government	3,032	3,032	3,032	3,032	3,032
LIABILITIES					
Payables					
Lloyds Security Trust Deposit	2,000	2,000	2,000	2,000	2,000
Total payables	2,000	2,000	2,000	2,000	2,000
Total liabilities administered on behalf of Government	2,000	2,000	2,000	2,000	2,000
Net assets/(liabilities)	1,032	1,032	1,032	1,032	1,032

Prepared on Australian Accounting Standards basis.

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

	2020-21 Estimated actual \$'000	2021-22 Budget \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Financial Institutions Supervisory Levies	222,980	262,941	234,508	235,521	233,765
Interest	55	55	55	55	55
Risk equalisation levy collections	450,000	450,000	450,000	450,000	450,000
Total cash received	673,035	712,996	684,563	685,576	683,820
Cash used					
Borrowing costs	55	55	55	55	55
Risk equalisation levy payments	450,000	450,000	450,000	450,000	450,000
Total cash used	450,055	450,055	450,055	450,055	450,055
Net cash from/(used by) operating activities	222,980	262,941	234,508	235,521	233,765
Net increase/(decrease) in cash held	222,980	262,941	234,508	235,521	233,765
Cash and cash equivalents at beginning of reporting period	835	835	835	835	835
Cash from Official Public Account for:					
- Risk equalisation collections	450,000	450,000	450,000	450,000	450,000
Total cash from Official Public Account	450,000	450,000	450,000	450,000	450,000
Cash to Official Public Account for:					
- Financial Institutions Supervisory Levies	(222,980)	(262,941)	(234,508)	(235,521)	(233,765)
Risk equalisation payments	(450,000)	(450,000)	(450,000)	(450,000)	(450,000)
Total cash to Official Public Account	(672,980)	(712,941)	(684,508)	(685,521)	(683,765)
Cash and cash equivalents at end of reporting period	835	835	835	835	835

Prepared on Australian Accounting Standards basis.

