

Australian Competition and Consumer Commission

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Australian Competition and Consumer Commission

Section 1: Entity overview and resources

1.1 Strategic direction statement

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

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

The ACCC and AER share staff, resources and facilities.

The roles of the ACCC and AER are founded on the principle that competition provides the best incentive for businesses to become more efficient, innovative and flexible and to operate in the long-term interests of consumers. Competition is a positive force that promotes economic growth and job creation.

It falls to the ACCC to determine which competition, consumer, fair trading, and product safety matters it investigates, although it also receives directions on market studies and inquiries and industry monitoring from the Minister. The ACCC's role is to focus on those matters that have the potential to harm the competitive process or result in widespread consumer detriment.

The ACCC directs its resources to matters that provide the greatest overall benefit for competition and consumers. Each year the ACCC reviews its competition, consumer protection and fair-trading priorities, as set out in the ACCC Compliance and Enforcement Policy.

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

The ACCC will continue to assess and review mergers via the informal clearance process to prevent changes in market structures that would substantially lessen competition. It will also continue to assess conduct and agreements that may breach relevant competition laws but which should be authorised because there is expected to be a net public benefit.

The ACCC will continue to focus on its role in relation to implementing and enforcing the Consumer Data Right, which provides consumers with more access to and control of their personal data, to promote competition across the economy.

The ACCC is the national regulator of natural monopoly infrastructure services in communication, postal services and rail industries, and has specific regulatory roles in relation to bulk water and bulk wheat port facilities. The ACCC also has a role in enforcing industry-specific competition and market rules in some infrastructure-based markets, such as retail electricity. Promoting efficient infrastructure provision through industry-specific regulation and access conditions is a major focus of the ACCC's economic regulatory role.

The ACCC also monitors other sectors (such as major airports, container stevedoring, petrol and communications) where there is limited competition or high consumer concern to provide information to governments and the public about the operation of the relevant markets.

In 2022-23 the ACCC will continue to focus on markets characterised by a lack of transparency or insufficient competition which inhibit efficient market outcomes. This includes undertaking inquiries, industry analysis and reporting activities covering a broad range of sectors, including gas and electricity, digital platforms, domestic aviation, agriculture, financial services, private health insurance, and home, contents and strata insurance in northern Australia.

When undertaking all these key activities the ACCC will continue to engage extensively with a wide range of stakeholders to:

- achieve outcomes that enhance the welfare of all Australians; and
- minimise the regulatory burden for businesses without compromising its statutory responsibilities to promote competition and protect consumers.

The ACCC also seeks to contribute to the continuous improvement of regulatory frameworks to deliver on our purpose to, 'make markets work for consumers, now and in the future'.

The AER exists so that energy consumers are better off, now and in the future. The AER regulates wholesale and retail energy markets, and energy networks, under national energy legislation and rules. Our functions mostly relate to energy markets in eastern and southern Australia. We place consumers at the heart of our work, and are focused on ensuring a secure, reliable and affordable energy future for Australia.

In December 2020 the AER finalised and launched its Strategic Plan 2020-2025. The outcomes sought are grounded in the former Council of Australian Government (COAG) Strategic Energy Plan. To achieve these outcomes the AER has four objectives:

- protect vulnerable consumers, while enabling consumers to participate in energy markets;
- effectively regulate competitive markets primarily through monitoring and reporting, and enforcement and compliance;
- deliver efficient regulation of monopoly infrastructure while incentivising networks to become platforms for energy services; and
- use our expertise to inform debate about Australia’s energy future and support the energy transition.

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: ACCC resource statement – Budget estimates for 2022-23 as at Budget March 2022

	2021-22 Estimated actual \$'000	2022-23 Estimate \$'000
Departmental		
Annual appropriations – ordinary annual services (a)		
Prior year appropriations available	53,877	73,040
Departmental appropriation (b)(c)	286,646	286,876
s74 External Revenue (d)	3,763	3,410
Departmental capital budget (e)(c)	31,872	30,021
Annual appropriations – other services – non-operating (f)		
Prior year appropriations available (b)	24,128	24,128
Equity injection	1,100	14,000
Total departmental annual appropriations	401,386	431,475
Total departmental resourcing	401,386	431,475
Administered		
Special appropriations (g)	20	20
Total administered resourcing	20	20
Total resourcing for the ACCC	401,406	431,495
	2021-22	2022-23
Average staffing level (number)	1,245	1,287

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

	2021-22 Estimated actual \$'000	2022-23 Estimate \$'000
Payments made on behalf of the NCC (as disclosed in the NCCs resource statement)	1,731	1,762
Receipts received from the NCC for the provision of services (disclosed above in s74 External Revenue section above)	850	850

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

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

- (a) Appropriation Bill (No. 1) 2022-23.
- (b) Excludes departmental capital budget (DCB).
- (c) \$2.5m will be received through the 2021-22 Annual Appropriation Bill No.3 and will be recognised in a future PB statement but only after the Bill has received Royal Assent.
- (d) Estimated External Revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).
- (e) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (f) Appropriation Bill (No. 2) 2022-23.
- (g) Relates to repayments not provided for under other appropriations through section 77 of the PGPA Act.

1.3 Budget measures

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

Table 1.2: Entity 2022-23 Budget measures**Part 1: Measures announced since the 2021-22 Mid-Year Economic and Fiscal Outlook (MYEFO)**

Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Payment measures					
Commonwealth's Deregulation Agenda (a)					
Departmental payments	–	1,750	3,514	3,527	1,770
Digital Economy Strategy (a)					
Departmental payments	–	3,548	8,554	3,149	3,149
Government Response to 2021 Regional Telecommunications Review					
Departmental payments	–	1,843	–	–	–
Total payment measures	–	7,141	12,068	6,676	4,919

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.

- (a) The financial implications for this measure include amounts previously provisioned in the Contingency Reserve in the 2021-22 MYEFO or earlier Budget updates.

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.

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance measure 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 a complete picture of an entity's planned and actual performance.

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

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

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Enhanced welfare of Australians through enforcing laws that promote competition and protect consumers, as well as taking other regulatory and related actions including monitoring and market analysis, public education, determining the terms of access to infrastructure services, and discharging regulatory responsibilities governing energy markets and networks

Budgeted expenses for Outcome 1

This table shows how much the entity 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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1.1: Australian Competition and Consumer Commission					
Departmental expenses					
Departmental appropriation	212,569	208,393	189,752	182,484	172,139
s74 External Revenue (a)	2,985	2,585	1,285	1,285	1,285
Expenses not requiring appropriation in the Budget year (b)	16,880	22,166	23,624	22,637	22,141
Departmental total	232,434	233,144	214,661	206,406	195,565
Total expenses for program 1.1	232,434	233,144	214,661	206,406	195,565
Program 1.2: Australian Energy Regulator					
Departmental expenses					
Departmental appropriation	76,286	78,483	64,390	64,894	65,337
Departmental total	76,286	78,483	64,390	64,894	65,337
Total expenses for program 1.2	76,286	78,483	64,390	64,894	65,337

Table 2. 1: Budgeted expenses for Outcome 1 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Outcome 1 Totals by appropriation type					
Departmental expenses					
Departmental appropriation	288,855	286,876	254,142	247,378	237,476
s74 External Revenue (a)	2,985	2,585	1,285	1,285	1,285
Expenses not requiring appropriation in the Budget year (b)	16,880	22,166	23,624	22,637	22,141
Departmental total	308,720	311,627	279,051	271,300	260,902
Total expenses for Outcome 1	308,720	311,627	279,051	271,300	260,902

	2021-22	2022-23
Average staffing level (number)	1,245	1,287

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

(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses, audit fees and Litigation Contingency Fund payments funded from equity.

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 measure for Outcome 1

Outcome 1 – Enhanced welfare of Australians through enforcing laws that promote competition and protect consumers, as well as taking other regulatory and related actions including monitoring and market analysis, public education, determining the terms of access to infrastructure services, and discharging regulatory responsibilities governing energy markets and networks	
Program 1.1 – Australian Competition and Consumer Commission	
To achieve compliance with the <i>Competition and Consumer Act 2010</i> and other legislation to protect, strengthen and supplement the way competition works in Australian markets and industries to improve the efficiency of the economy and to increase the welfare of Australians.	
Key Activities	<p>The ACCC achieves Outcome 1 by using its resources to undertake the following key activities to achieve its seven strategic objectives:</p> <ol style="list-style-type: none"> 1. Address anti-competitive conduct and promote competition <ul style="list-style-type: none"> • Initiate compliance and enforcement actions to address harm to consumers and businesses resulting from anti-competitive conduct; • Make decisions on authorisation, notification and certification trademark applications in the public interest; and • Undertake market studies and inquiries to contribute to improved market outcomes. 2. Prevent anti-competitive mergers <ul style="list-style-type: none"> • Assess mergers to prevent changes in market structures that substantially lessen competition. 3. Improve market outcomes by reducing information asymmetries through Consumer Data Right <ul style="list-style-type: none"> • Facilitate the enabling technology solutions for Consumer Data Right; • Support Consumer Data Right participants. including testing and on-boarding; • Accredited Consumer Data Right data recipients; and • Promote compliance with and enforce the Consumer Data Right rules and standards. 4. Protect consumers from misleading and deceptive conduct and promote fair trading <ul style="list-style-type: none"> • Initiate compliance and enforcement actions to address harm to consumers and small businesses resulting from non-compliance with the Australian Consumer Law and industry codes; • Empower small businesses by increasing awareness of their rights under the Australian Consumer Law and industry codes; and • Empower consumers by increasing awareness of their rights under the Australian Consumer Law and alerting them to the risk of scams. 5. Protect consumers from unsafe products <ul style="list-style-type: none"> • Identify safety hazards in consumer products and prioritise the risks that may result in serious injury and death; and • Address the highest priority risks of serious injury and death arising from safety hazards in consumer products through regulation, education, compliance and enforcement actions. 6. Regulate monopoly infrastructure and monitor concentrated markets in the long-term interests of consumers

	<ul style="list-style-type: none"> • Formulate regulatory decisions that promote the long-term interests of end-users and consumers; • Provide industry monitoring reports to government in relation to highly concentrated or emerging markets; and • Improve the efficient operation of markets by enforcing industry-specific competition and market rules. <p>7. Improve our own systems, capabilities and ways of working</p> <ul style="list-style-type: none"> • Support our people to develop and meet their full potential; and facilitate a diverse, respectful and inclusive culture; • Modernise our ICT and improve the reliability, flexibility and security of our business and data systems; • Adapt our ways of working to allow resources to be used flexibly to meet changing priorities and to adopt innovative practises commensurate with the level of risk; and • Further develop our standing as a world-class independent regulator through external engagement and internal collaboration to support robust and transparent decision making that is responsive to complex challenges and demands. 	
Year	Performance measures	Expected Performance Results
Current year 2021-22	<p>Number of competition enforcement interventions (court proceeding commenced, section 87B undertakings accepted, administrative resolutions).</p> <p>Percentage of merger matters considered (under the informal merger review process) that were finalised by pre-assessment.</p> <p>Percentage of authorisation applications assessed within statutory timeframe(s) (excluding time periods where information is outstanding).</p> <p>Number of Australian Consumer Law enforcement interventions (court proceeding commenced, section 87B undertakings accepted, infringement notices issued, administrative resolutions).</p> <p>Number of small business Infocentre contacts served.</p> <p>Number of Infocentre contacts served (includes Infocentre contacts served and webforms received).</p> <p>Number of monitoring reports (covering electricity, gas, communications, rail, petrol, aviation, ports and stevedoring sectors).</p>	<p>Expect to achieve target of 6+</p> <p>Expect to exceed target of 80%</p> <p>Expect to achieve target of 100%</p> <p>Expect to achieve target of 40+</p> <p>Expect to exceed target of 8 000</p> <p>Will exceed target of 200 000</p> <p>Expect to exceed target of 22</p>

Year	Performance measures (a)	Planned Results	Performance
Budget Year 2022-23	<p>Number of competition enforcement interventions (court proceeding commenced, section 87B undertakings accepted, administrative resolutions).</p> <p>Percentage of merger matters considered (under the informal merger review process) that were finalised by pre-assessment.</p> <p>Percentage of authorisation applications assessed within statutory timeframe(s) (excluding time periods where information is outstanding).</p> <p>Number of Australian Consumer Law and industry codes enforcement interventions (court proceeding commenced, section 87B undertakings accepted, infringement notices issued, administrative resolutions).</p> <p>Number of small business Infocentre contacts served.</p> <p>Number of monitoring reports (covering electricity, gas, communications, rail, petrol, aviation, ports, and stevedoring sectors).</p>	<p>Target is 6+</p> <p>Target is [80% to 95%]</p> <p>Target is 100%</p> <p>Target is 40+</p> <p>Target is 7,000</p> <p>Target is 30</p>	
Forward Estimates 2023-24-and beyond	As per 2022-23		

The above program is linked to the Department of Health (Program 1.8 – Health Protection, Emergency Response and Regulation) and the Department of Industry, Science, Energy and Resources (Program 1.2 – Growing innovative and competitive businesses, industries and regions and Program 3.1 – Supporting reliable, secure and affordable energy).

Table 2.2: Performance measure for Outcome 1 (continued)

<p>Outcome 1 – Enhanced welfare of Australians through enforcing laws that promote competition and protect consumers, as well as taking other regulatory and related actions including monitoring and market analysis, public education, determining the terms of access to infrastructure services, and discharging regulatory responsibilities governing energy markets and networks</p>		
<p>Program 1.2 – Australian Energy Regulator</p> <p>The AER exists so that energy consumers are better off, now and in the future.</p> <p>We focus on ensuring a secure, reliable and affordable energy future for Australia. We regulate wholesale and retail energy markets, and energy networks, under national energy legislation and rules. Our functions relate mostly to energy markets in eastern and southern Australia.</p>		
<p>Key Activities</p>	<p>The AER achieves Outcome 1 by:</p> <ul style="list-style-type: none"> • Consumer protection: enabling consumers to make informed choices about their energy supplier, including through setting the Default Market Offer to protect consumers from high prices and encourage participation in the market, approving retailer policies to assist customers facing financial hardship, and administering a retailer of last resort scheme if a retailer fails. • Retail energy market regulation: regulating retail electricity and gas markets in jurisdictions that have commenced the National Energy Retail Law: Tasmania (for electricity customers only), the Australian Capital Territory, South Australia, New South Wales and Queensland. We also provide a price comparison website – Energy Made Easy – to help consumers find the best energy offers for their needs. • Wholesale energy market regulation: monitoring, investigating and enforcing compliance with national energy legislation and rules in wholesale electricity and gas markets. We monitor participant bidding and rebidding, market dispatch and prices, network constraints and outages, demand forecasts and forecasts of production and capacity. We also report on market activity. • Energy networks regulation: regulating electricity networks and natural gas pipelines by setting the maximum amount of revenue they can earn, with reference to factors including quality of engagement with customers, projected demand, age of infrastructure, operating and financial costs, and network reliability and safety standards. • Policy and advocacy: advocating for policy changes and improvements to energy laws and rules that protect and promote the interests of energy consumers. 	
<p>Year</p>	<p>Performance measures</p>	<p>Expected Performance Results</p>
<p>Current year 2021-22</p>	<p>Proportion of stakeholder survey respondents that agree with the statements:</p> <ul style="list-style-type: none"> • The AER supports and protects energy consumers, particularly those in vulnerable circumstances; • The AER demonstrates a sound knowledge and understanding of energy consumers. <p>Number of people completing their plan search on Energy Made Easy (EME).</p> <p>Percentage of new and amended retailer hardship policies assessed within 12 weeks of AER receiving all relevant information.</p>	<p>N/A – survey for 2021-22 not yet undertaken</p> <p>N/A – survey for 2021-22 not yet undertaken</p> <p>Expect to achieve target of ≥ 2020-21 result</p>

<p>Outcome 1 – Enhanced welfare of Australians through enforcing laws that promote competition and protect consumers, as well as taking other regulatory and related actions including monitoring and market analysis, public education, determining the terms of access to infrastructure services, and discharging regulatory responsibilities governing energy markets and networks</p>		
<p>Program 1.2 – Australian Energy Regulator</p> <p>The AER exists so that energy consumers are better off, now and in the future.</p> <p>We focus on ensuring a secure, reliable and affordable energy future for Australia. We regulate wholesale and retail energy markets, and energy networks, under national energy legislation and rules. Our functions relate mostly to energy markets in eastern and southern Australia.</p>		
	<p>Percentage of retail authorisation and exemptions applications to sell energy assessed within 16 weeks of receiving all relevant information¹.</p> <p>Percentage of market reports published within agreed/statutory timeframes:</p> <ul style="list-style-type: none"> • Weekly Wholesale Markets; • Quarterly Retail & Wholesale Market Performance; • Annual Retail Markets; • Annual Retail Compliance; • Annual State of the Energy Market; • Biennial Wholesale Electricity Market; and • High Price Events. <p>Percentage of revenue reset determinations for electricity networks and gas pipelines completed within statutory timeframes.</p>	<p>Expect to achieve target of 100%</p> <p>Expect full year result to be between 60-80%, (target is 100%).</p> <p>Expect to achieve target of 100%, except for Weekly Wholesale Markets reports (which are not a statutory requirement)</p> <p>Expect to achieve target of 100%</p>
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	<p>Proportion of stakeholder survey respondents that agree with the statements:</p> <ul style="list-style-type: none"> • The AER supports and protects energy consumers, particularly those in vulnerable circumstances; and • The AER demonstrates a sound knowledge and understanding of energy consumers. <p>Number of people completing their plan search on Energy Made Easy (EME).</p>	<p>Target is ≥ 2021-22 result</p> <p>Target is ≥ 2021-22 result</p> <p>Target is ≥ 2021-22 result</p>

¹ Noting that the 16 week service standard may not be met for complex applications that have greater due diligence requirements.

<p>Outcome 1 – Enhanced welfare of Australians through enforcing laws that promote competition and protect consumers, as well as taking other regulatory and related actions including monitoring and market analysis, public education, determining the terms of access to infrastructure services, and discharging regulatory responsibilities governing energy markets and networks</p>		
<p>Program 1.2 – Australian Energy Regulator</p> <p>The AER exists so that energy consumers are better off, now and in the future.</p> <p>We focus on ensuring a secure, reliable and affordable energy future for Australia. We regulate wholesale and retail energy markets, and energy networks, under national energy legislation and rules. Our functions relate mostly to energy markets in eastern and southern Australia.</p>		
	<p>Percentage of new and amended retailer hardship policies assessed within 12 weeks of AER receiving all relevant information.</p> <p>Percentage of retail authorisation and exemptions applications to sell energy assessed within 16 weeks of receiving all relevant information².</p> <p>Percentage of market reports published within agreed/statutory timeframes.</p> <p>Percentage of revenue reset determinations for electricity networks and gas pipelines completed within statutory timeframes.</p>	<p>Target is 100%</p> <p>Target is 100%</p> <p>Target is 100%</p> <p>Target is 100 %</p>
<p>Forward Estimates 2023-24 and beyond</p>	<p>As per 2022-23</p>	

The above program is linked to the Department of Industry, Science, Energy and Resources (Program 3.1 – Supporting reliable, secure and affordable energy).

² Noting that the 16 week service standard may not be met for complex applications that have greater due diligence requirements.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2022-23 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

The entity resource statement is prepared on a cash basis and provides a view of cash/appropriations resources available to the ACCC whilst the financial statements are prepared on an accrual basis.

3.1.2 Explanatory notes and analysis of budgeted financial statements

Total appropriation revenue for 2022-23 is estimated to be \$286.9 million. This has increased from \$281.7 million as reported in the 2021-22 Portfolio Additional Estimates Statements (PAES). The total capital budget for 2022-23, which exists to cover the purchase of non-financial assets, is estimated to be \$30.6m. This has increased from \$27.8m as reported in the 2021-22 PAES. The increases in operating and capital funding are primarily due to the new budget measures reported under Table 1.2.

The ACCC also received an increase in its 2022-23 equity injection of \$12.9 million to supplement the Litigation Contingency Fund (LCF). This has been reported under Table 3.5 as 'Equity Injections – Bill 2'.

The primary financial asset relates to receivables, and are used to fund the ACCC's capital program, employee entitlements, creditors and to provide working capital.

Non-financial assets represent future benefits that the ACCC will consume in producing outputs. The reported value represents the purchase price paid less depreciation incurred to date in using the asset. Buildings largely represent the recognition of the ACCC's long-term office accommodation leases under *AASB 16-Leases*.

Provisions and payables include:

- employee entitlements arising from services rendered by employees. The liability includes unpaid annual leave and long service leave;
- long-term office accommodation lease liabilities under *AASB16 – Leases*; and
- unpaid expenses as at balance date.

3.2. Budgeted financial statements tables

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	175,711	178,052	161,738	157,288	154,952
Suppliers	103,648	101,231	83,279	79,582	71,284
Depreciation and amortisation (a)	28,821	31,599	33,559	33,823	33,952
Finance costs	540	745	475	607	714
Total expenses	308,720	311,627	279,051	271,300	260,902
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	2,927	2,536	1,246	1,256	1,256
Sublease interest income	58	49	39	29	29
Total own-source revenue	2,985	2,585	1,285	1,285	1,285
Gains					
Other	115	115	115	115	115
Total gains	115	115	115	115	115
Total own-source income	3,100	2,700	1,400	1,400	1,400
Net (cost of)/contribution by services	(305,620)	(308,927)	(277,651)	(269,900)	(259,502)
Revenue from Government	288,855	286,876	254,142	247,378	237,476
Surplus/(deficit) attributable to the Australian Government	(16,765)	(22,051)	(23,509)	(22,522)	(22,026)

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)**Note: Impact of net cash appropriation arrangements**

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Total comprehensive income/(loss) – as per statement of Comprehensive Income	(16,765)	(22,051)	(23,509)	(22,522)	(22,026)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	16,104	21,443	23,590	24,062	24,233
plus: depreciation/amortisation expenses for ROU assets (b)	12,717	10,156	9,969	9,761	9,719
less: lease principal repayments (b)	12,834	10,373	10,925	11,301	11,926
Net Cash Operating Surplus/ (Deficit)	(778)	(825)	(875)	-	-

Prepared on Australian Accounting Standards basis.

- (a) From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
- (b) Applies leases under AASB 16 Leases.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	2,078	2,078	2,078	2,078	2,078
Trade and other receivables	97,168	108,533	98,570	96,836	95,755
Total financial assets	99,246	110,611	100,648	98,914	97,833
Non-financial assets					
Land and buildings	85,871	87,402	75,932	64,778	53,430
Property, plant and equipment	3,604	5,087	5,714	5,180	4,700
Intangibles	51,928	61,747	57,529	45,360	33,266
Other non-financial assets	2,280	2,280	2,280	2,280	2,280
Total non-financial assets	143,683	156,516	141,455	117,598	93,676
Total assets	242,929	267,127	242,103	216,512	191,509
LIABILITIES					
Payables					
Suppliers	23,163	21,953	17,542	16,697	15,116
Other payables	6,299	6,299	6,299	6,299	6,299
Total payables	29,462	28,252	23,841	22,996	21,415
Interest bearing liabilities					
Leases	78,676	82,114	71,586	60,285	48,359
Total interest-bearing liabilities	78,676	82,114	71,586	60,285	48,359
Provisions					
Employee provisions	54,822	54,822	49,645	48,256	48,256
Other provisions	162	162	162	162	162
Total provisions	54,984	54,984	49,807	48,418	48,418
Total liabilities	163,122	165,350	145,234	131,699	118,192
Net assets	79,807	101,777	96,869	84,813	73,317
EQUITY*					
Parent entity interest					
Contributed equity	216,743	260,764	279,365	289,831	300,361
Reserves	4,561	4,561	4,561	4,561	4,561
Retained surplus (accumulated deficit)	(141,497)	(163,548)	(187,057)	(209,579)	(231,605)
Total parent entity interest	79,807	101,777	96,869	84,813	73,317
Total equity	79,807	101,777	96,869	84,813	73,317

Prepared on Australian Accounting Standards basis.

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

Table 3.3: Departmental statement of changes in equity – summary of movement (Budget year 2022-23)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2022				
Balance carried forward from previous period	(141,497)	4,561	216,743	79,807
Adjusted opening balance	(141,497)	4,561	216,743	79,807
Comprehensive income				
Surplus/(deficit) for the period	(22,051)	-	-	(22,051)
Total comprehensive income	(22,051)	-	-	(22,051)
Transactions with owners				
Contributions by owners				
Equity injection – Appropriation	-	-	14,000	14,000
Departmental Capital Budget (DCB)	-	-	30,021	30,021
Sub-total transactions with owners	-	-	44,021	44,021
Estimated closing balance as at 30 June 2023	(163,548)	4,561	260,764	101,777
Closing balance attributable to the Australian Government	(163,548)	4,561	260,764	101,777

Prepared on Australian Accounting Standards basis

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	299,736	306,185	277,767	260,753	249,437
Sale of goods and rendering of services	3,763	3,410	2,160	1,285	1,285
Net GST received	14,526	13,864	11,002	9,856	9,095
Other	-	-	-	-	-
Total cash received	318,025	323,459	290,929	271,894	259,817
Cash used					
Employees	171,788	178,052	166,915	158,677	154,952
Suppliers	99,800	102,952	88,321	80,183	72,621
Net GST paid	14,825	14,123	11,131	9,985	9,224
s74 External Revenue transferred to the OPA	18,289	17,274	13,162	11,141	10,380
Interest payments on lease liability	489	685	475	607	714
Total cash used	305,191	313,086	280,004	260,593	247,891
Net cash from/(used by) operating activities	12,834	10,373	10,925	11,301	11,926
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	32,772	30,621	18,101	9,966	10,030
Total cash used	32,772	30,621	18,101	9,966	10,030
Net cash from/(used by) investing activities	(32,772)	(30,621)	(18,101)	(9,966)	(10,030)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	32,772	30,621	18,101	9,966	10,030
Total cash received	32,772	30,621	18,101	9,966	10,030
Cash used					
Principal payments on lease liability	12,834	10,373	10,925	11,301	11,926
Total cash used	12,834	10,373	10,925	11,301	11,926
Net cash from/(used by) financing activities	19,938	20,248	7,176	(1,335)	(1,896)
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	2,078	2,078	2,078	2,078	2,078
Cash and cash equivalents at the end of the reporting period	2,078	2,078	2,078	2,078	2,078

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget – Bill 1 (DCB)	32,172	30,021	17,501	9,366	9,430
Equity injections – Bill 2	1,100	14,000	1,100	1,100	1,100
Total new capital appropriations	33,272	44,021	18,601	10,466	10,530
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	32,772	30,621	18,101	9,966	10,030
<i>Other Items</i>	500	13,400	500	500	500
Total items	33,272	44,021	18,601	10,466	10,530
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	600	600	600	600	600
Funded by capital appropriation - DCB (b)	32,172	30,021	17,501	9,366	9,430
TOTAL	32,772	30,621	18,101	9,966	10,030
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	32,772	30,621	18,101	9,966	10,030
Total cash used to acquire assets	32,772	30,621	18,101	9,966	10,030

Prepared on Australian Accounting Standards basis.

(c) Includes both current Bill 2 and prior Act 2/4/6 appropriations.

(d) Includes purchases from current and previous years' Departmental capital budgets (DCBs).

Table 3.6: Statement of departmental asset movements (Budget year 2022-23)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2022				
Gross book value	23,853	5,146	76,294	105,293
Gross book value – ROU assets	96,858	-	-	96,858
Accumulated depreciation/ amortisation and impairment	(3,132)	(1,542)	(24,366)	(29,040)
Accumulated depreciation/amortisation and impairment – ROU assets	(31,708)	-	-	(31,708)
Opening net book balance	85,871	3,604	51,928	141,403
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase – appropriation equity (a)	-	-	600	600
By purchase – appropriation ordinary annual services (b)	785	3,363	25,873	30,021
By purchase – appropriation equity - ROU assets	13,811	-	-	13,811
Total additions	14,596	3,363	26,473	44,432
Other movements				
Depreciation/amortisation expense	(2,909)	(1,880)	(16,654)	(21,443)
Depreciation/amortisation on ROU assets	(10,156)	-	-	(10,156)
Total other movements	(13,065)	(1,880)	(16,654)	(31,599)
As at 30 June 2023				
Gross book value	24,638	8,509	102,767	135,914
Gross book value – ROU assets	110,669	-	-	110,669
Accumulated depreciation/ amortisation and impairment	(6,041)	(3,422)	(41,020)	(50,483)
Accumulated depreciation/amortisation and impairment – ROU assets	(41,864)	-	-	(41,864)
Closing net book balance	87,402	5,087	61,747	154,236

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022-23, including CDABs.

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2022-23 for depreciation/amortisation expenses, DCBs or other operational expenses.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Fines and costs	104,028	120,724	137,498	137,478	137,478
Total non-taxation revenue	104,028	120,724	137,498	137,478	137,478
Total own-source revenue administered on behalf of Government	104,028	120,724	137,498	137,478	137,478
Total own-sourced income administered on behalf of Government	104,028	120,724	137,498	137,478	137,478
Net (cost of)/contribution by services	104,028	120,724	137,498	137,478	137,478
Surplus/(deficit)	104,028	120,724	137,498	137,478	137,478

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Trade and other receivables	46,014	46,014	46,014	46,014	46,014
Total financial assets	46,014	46,014	46,014	46,014	46,014
Total assets administered on behalf of Government	46,014	46,014	46,014	46,014	46,014
Net assets/(liabilities)	46,014	46,014	46,014	46,014	46,014

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Fines and costs	104,028	120,724	137,498	137,478	137,478
Total cash received	104,028	120,724	137,498	137,478	137,478
Net cash from/(used by) operating activities	104,028	120,724	137,498	137,478	137,478
Net increase/(decrease) in cash held	104,028	120,724	137,498	137,478	137,478
Cash and cash equivalents at beginning of reporting period	-	-	-	-	-
Cash to Official Public Account for:					
- Transfers to other entities (Finance – Whole of Government)	(104,028)	(120,724)	(137,498)	(137,478)	(137,478)
<i>Total cash to Official Public Account</i>	<i>(104,028)</i>	<i>(120,724)</i>	<i>(137,498)</i>	<i>(137,478)</i>	<i>(137,478)</i>
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.