

Australian Secret Intelligence Service (ASIS)

Entity resources and planned performance

AUSTRALIAN SECRET INTELLIGENCE SERVICE (ASIS)

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AUSTRALIAN SECRET INTELLIGENCE SERVICE (ASIS)

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

In 2016-17 the Australian Secret Intelligence Service (ASIS) will continue to enhance Government understanding of the overseas environment affecting Australia's vital interests. ASIS will take appropriate action, consistent with applicable legislation, to protect and promote Australia's vital interests through the provision of unique foreign intelligence services as directed by the Government.

The primary functions of ASIS are:

- (a) to obtain, in accordance with the Government's requirements, intelligence about the capabilities, intentions or activities of people or organisations outside Australia;
- (b) to communicate, in accordance with the Government's requirements, such intelligence;
- (c) to provide assistance to the Defence Force in support of military operations and to co-operate with the Defence Force on intelligence matters;
- (d) to conduct counter-intelligence activities;
- (e) to liaise with intelligence or security services, or other authorities, of other countries;
- (f) to co-operate with and assist ASD, AGO, ASIO and other Commonwealth and State authorities in the performance of their functions; and
- (g) to undertake such other activities as the responsible Minister directs relating to the capabilities, intentions or activities of people or organisations outside Australia.

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 departmental (for the entity's operations) classification.

Information in this table is presented on a resourcing (i.e. 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: ASIS resource statement — Budget estimates for 2016-17 as at Budget May 2016

	<i>2015-16 Estimated actual \$'000</i>	<i>2016-17 Estimate \$'000</i>
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	112,892	107,497
Departmental appropriation	240,063	240,526
s 74 retained revenue receipts (b)	51,500	53,500
Departmental capital budget (c)	16,846	18,499
Annual appropriations - other services - non-operating (d)		
Equity injection	10,964	48,513
<i>Total departmental annual appropriations</i>	<i>432,265</i>	<i>468,535</i>
Total departmental resourcing	432,265	468,535
Total resourcing for ASIS	432,265	468,535

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

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

(a) Appropriation Bill (No.1) 2016-17.

(b) Estimated retained revenue receipts under section 74 of the PGPA Act.

(c) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. For accounting purposes, this amount has been designated as a 'contribution by owner'.

(d) Appropriation Bill (No.2) 2016-17.

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.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Enhanced understanding for the Government of the overseas environment affecting Australia's interests through the provision of covert intelligence services about the capabilities, intentions or activities of people or organisations outside Australia.

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

Outcome 1: Enhanced understanding for the Government of the overseas environment affecting Australia's interests through the provision of covert intelligence services about the capabilities, intentions or activities of people or organisations outside Australia.					
	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forw ard estimate \$'000	2018-19 Forw ard estimate \$'000	2019-20 Forw ard estimate \$'000
Program 1.1: Secret Intelligence					
Departmental expenses					
Departmental appropriations	180,047	180,395	186,764	191,074	193,179
Departmental retained revenue receipts (a)	38,625	40,125	40,875	41,625	42,375
Expenses not requiring appropriation in the Budget year (b)	15,472	17,945	26,161	30,259	31,622
Departmental total	234,144	238,465	253,800	262,958	267,176
Total expenses for program 1.1	234,144	238,465	253,800	262,958	267,176

Table continued on following page.

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forw ard estimate \$'000	2018-19 Forw ard estimate \$'000	2019-20 Forw ard estimate \$'000
Program 1.2: Other Services					
Departmental expenses					
Departmental appropriations 74 Retained revenue receipts (a)	60,016	60,131	62,255	63,692	64,393
Expenses not requiring appropriation in the Budget year (b)	12,875	13,375	13,625	13,875	14,125
	5,157	5,982	8,720	10,086	10,541
Departmental total	78,048	79,488	84,600	87,653	89,059
Total expenses for program 1.2	78,048	79,488	84,600	87,653	89,059
Outcome 1 Totals by appropriation type					
Departmental expenses					
Departmental appropriations 74 Retained revenue receipts (a)	240,063	240,526	249,019	254,766	257,572
Expenses not requiring appropriation in the Budget year (b)	51,500	53,500	54,500	55,500	56,500
	20,629	23,927	34,881	40,345	42,163
Departmental total	312,192	317,953	338,400	350,611	356,235
Total expenses for Outcome 1	312,192	317,953	338,400	350,611	356,235

(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.

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

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of ASIS' finances for the 2016-17 budget year, including the impact of budget measures and resourcing on financial statements.

3.2.1 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forw ard estimate \$'000	2018-19 Forw ard estimate \$'000	2019-20 Forw ard estimate \$'000
EXPENSES					
Total expenses	312,192	317,953	338,400	350,611	356,235
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other	51,500	53,500	54,500	55,500	56,500
Total own-source revenue	51,500	53,500	54,500	55,500	56,500
Gains					
Other	-	-	-	-	-
Total gains	-	-	-	-	-
Total own-source income	51,500	53,500	54,500	55,500	56,500
Net (cost of)/contribution by services	(260,692)	(264,453)	(283,900)	(295,111)	(299,735)
Revenue from Government	240,063	240,526	249,019	254,766	257,572
Surplus/(deficit) attributable to the Australian Government	(20,629)	(23,927)	(34,881)	(40,345)	(42,163)
Total comprehensive income/(loss) attributable to the Australian Government	(20,629)	(23,927)	(34,881)	(40,345)	(42,163)

Note: Impact of net cash appropriation arrangements

	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations.	-	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	20,629	23,927	34,881	40,345	42,163
Total comprehensive income/(loss) - as per the statement of comprehensive income	(20,629)	(23,927)	(34,881)	(40,345)	(42,163)

(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.

Prepared on Australian Accounting Standards basis.

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

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forw ard estimate \$'000	2018-19 Forw ard estimate \$'000	2019-20 Forw ard estimate \$'000
ASSETS					
Financial assets	107,497	108,488	110,524	112,156	113,355
Non-financial assets	154,182	197,267	232,247	239,564	241,180
Total assets	261,679	305,755	342,771	351,720	354,535
LIABILITIES					
Payables	43,500	44,050	44,600	45,150	45,700
Interest bearing liabilities	-	-	-	-	-
Provisions	46,997	47,438	48,924	50,006	50,655
Total liabilities	90,497	91,488	93,524	95,156	96,355
Net assets	171,182	214,267	249,247	256,564	258,180
EQUITY*					
Parent entity interest					
Contributed equity	179,810	246,822	316,683	364,345	408,124
Reserves	76,000	76,000	76,000	76,000	76,000
Retained surplus (accumulated deficit)	(84,628)	(108,555)	(143,436)	(183,781)	(225,944)
Total parent entity interest	171,182	214,267	249,247	256,564	258,180
Total equity	171,182	214,267	249,247	256,564	258,180

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

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2016-17)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2016					
Balance carried forward from previous period	(84,628)	-	76,000	179,810	171,182
Adjusted opening balance	(84,628)	-	76,000	179,810	171,182
Comprehensive income					
Other comprehensive income	-	-	-	-	-
Surplus/(deficit) for the period	(23,927)	-	-	-	(23,927)
Total comprehensive income	(23,927)	-	-	-	(23,927)
of which:					
Attributable to the Australian Government	(23,927)	-	-	-	(23,927)
Transactions with owners					
Contributions by owners					
Equity injection - Appropriation	-	-	-	48,513	48,513
Departmental capital budget (DCB)	-	-	-	18,499	18,499
Sub-total transactions with owners	-	-	-	67,012	67,012
Estimated closing balance as at 30 June 2017	(108,555)	-	76,000	246,822	214,267
Closing balance attributable to the Australian Government	(108,555)	-	76,000	246,822	214,267

Prepared on Australian Accounting Standards basis.

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

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forw ard estimate \$'000	2018-19 Forw ard estimate \$'000	2019-20 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	245,566	239,535	246,982	253,134	256,374
Other	51,500	53,500	54,500	55,500	56,500
Total cash received	297,066	293,035	301,482	308,634	312,874
Cash used					
Other	297,066	293,035	301,482	308,634	312,874
Total cash used	297,066	293,035	301,482	308,634	312,874
Net cash from/(used by) operating activities	-	-	-	-	-
INVESTING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Other	27,810	67,012	69,861	47,661	43,779
Total cash used	27,810	67,012	69,861	47,661	43,779
Net cash from/(used by) investing activities	(27,810)	(67,012)	(69,861)	(47,661)	(43,779)
FINANCING ACTIVITIES					
Cash received					
Other	27,810	67,012	69,861	47,661	43,779
Total cash received	27,810	67,012	69,861	47,661	43,779
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from/(used by) financing activities	27,810	67,012	69,861	47,661	43,779
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	25,000	25,000	25,000	25,000	25,000
Cash and cash equivalents at the end of the reporting period	25,000	25,000	25,000	25,000	25,000

Prepared on Australian Accounting Standards basis.