

Australian Secret Intelligence Service

**Agency resources and planned
performance**

AUSTRALIAN SECRET INTELLIGENCE SERVICE

Section 1: Agency overview and resources	157
1.1 Strategic direction	157
1.2 Agency resource statement	157
1.3 Budget measures.....	159
Section 2: Outcomes and planned performance	160
2.1 Outcomes and performance information	160
Section 3: Explanatory tables and budgeted financial statements	163
3.1 Explanatory tables	163
3.2 Budgeted financial statements	165

AUSTRALIAN SECRET INTELLIGENCE SERVICE

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION

In 2008-09 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 conduct counter-intelligence activities;
- (d) to liaise with intelligence or security services, or other authorities, of other countries; and
- (e) 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 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all origins. The table summarises how resources will be applied by outcome and by administered and departmental classification.

Table 1.1: ASIS resource statement — Budget estimates for 2008-09 as at Budget May 2008

	Estimate of prior ⁺ year amounts available in 2008-09 \$'000	Proposed at Budget ⁼ 2008-09 \$'000	Total Estimate 2008-09 \$'000	Estimated Appropriation Available 2007-08 \$'000
Ordinary Annual Services				
Departmental outputs				
Departmental outputs ¹	20,763	164,714	185,477	148,733
s31 Relevant agency receipts ³	-	17,805	17,805	17,400
Total ordinary annual services	A 20,763	182,519	203,282	166,133
Other services				
Departmental non-operating				
Equity injections ²	-	16,754	16,754	13,398
Total other services	B -	16,754	16,754	13,398
Total Available Annual Appropriations	20,763	199,273	220,036	179,531
Total Resourcing	20,763	199,273	220,036	179,531
Total net resourcing for ASIS			220,036	179,531

¹ Appropriation Bill (No.1) 2008-09

² Appropriation Bill (No.2) 2008-09

³ s31 Relevant Agency receipts - estimate

1.3 BUDGET MEASURES

Budget measures relating to ASIS are detailed in Budget Paper No. 2. Table 1.2 provides a summary of government measures and identifies the relevant output groups associated with each measure.

Table 1.2: ASIS 2008-09 Budget measures

	Output Group	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000
Expense measures					
National Security – enhanced intelligence capability					
	Departmental outputs	1.1			
	Departmental outputs	1.2			
Total		3,467	3,317	-	-
Total expense measures					
	Departmental				
Total	Total	3,467	3,317	-	-
Expense measures					
Illegal Foreign Fishing – intelligence support					
	Departmental outputs	1.1			
	Departmental outputs	1.2			
Total		(411)	(415)	(418)	(422)
Total expense measures					
	Departmental				
Total	Total	(411)	(415)	(418)	(422)
Capital measures					
National Security – enhanced intelligence capability					
	Departmental outputs	1.1	-	-	-
	Departmental capital	1.2	-	-	-
Total		1,940	-	-	-
Total capital measures					
	Departmental				
Total	Total	1,940	-	-	-

Prepared on a Government Financial Statistics (fiscal) basis

Note: The impact of the 2008-09 Budget measure *Efficiency Dividend* was published in the 2007-08 Foreign Affairs and Trade Portfolio Additional Estimates Statements.

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

The Australian Government requires agencies to measure their intended and actual performance in terms of outcomes. Government outcomes are the results, impacts or consequences of actions by the Government on the Australian community. Agencies are required to identify the output groups which demonstrate their contribution to Government outcomes over the coming year.

Each outcome is described below by output groups, specifying the performance indicators and targets used to assess and monitor the performance of ASIS in achieving government outcomes. Further information in relation to detailed performance measures and mandatory targets are not provided in the interests of national security.

2.1.1 Outcome 1: Enhance government understanding of the overseas environment affecting Australia's vital interests and take appropriate action, consistent with applicable legislation, to protect particular identified interests

Outcome 1 Strategy

Enhance Government understanding of the overseas environment affecting Australia's vital interests and 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 Government.

Outcome 1 Resource statement

Table 2.1 provides additional detail of Budget appropriations and the total resourcing for outcome 1.

Table 2.1: Total resources for Outcome 1

Outcome 1:	2008-09 Total estimate of available resources \$'000	2007-08 Estimated actual \$'000
Output Group 1.1: Secret Intelligence		
Departmental Outputs		
Secret Intelligence	145,174	129,705
Revenues from other sources (s.31)	14,244	13,920
Subtotal for Output Group 1.1	159,418	143,625
Output Group 1.2: Other Services		
Departmental Outputs		
Other Services	36,294	32,426
Revenues from other sources (s.31)	3,561	3,480
Subtotal for Output Group 1.2	39,855	35,906
Total resources for Outcome 1	199,273	179,531

Note: Departmental Appropriation splits and totals, by outcome and output, are indicative estimates and may change in the course of the budget year as government priorities change.

Contributions to Outcome 1

Output Group 1.1: Secret Intelligence	
Output Group Description: Secret Intelligence	
Components of Output Group 1.1:	
<ul style="list-style-type: none"> Secret Intelligence 	
Key Performance Indicators	2008-09 Target
The overall achievement of the performance measures for this output group for ASIS is assessed by reference to the customers for ASIS services. This is done continuously and is also the subject of comprehensive annual internal and external assessment, the results of which are reported to Government. The assessment of performance includes both qualitative and quantitative analysis. Details of this process are not divulged in the interests of national security.	Measures and targets are not divulged in the interests of national security.

Output Group 1.2: Other Services

Output Group 1.2: Other Services	
Output Group Description: Other Services Components of Output Group 1.2: <ul style="list-style-type: none"> • Other Services 	
Key Performance Indicators	2008-09 Target
The overall achievement of the performance measures for this output group for ASIS is assessed by reference to the customers for ASIS services. This is done continuously and is also the subject of comprehensive annual internal and external assessment, the results of which are reported to Government. The assessment of performance includes both qualitative and quantitative analysis. Details of this process are not divulged in the interests of national security.	Measures and targets are not divulged in the interests of national security.

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of agency finances for the budget year 2008-09. It explains how budget plans are incorporated into the financial statements and provides further details of movements in administered funds, special accounts and government indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Reconciliation of total available appropriation and outcomes

The Agency Resource Statement (Table 1.1) details the total appropriation available to an agency from all sources. For departmental operating appropriations (outputs) this includes carry-forward amounts as well as amounts appropriated at Budget. As agencies incur and are funded for future liabilities, generally depreciation and employee entitlements, the total amount of departmental operating appropriation available to an agency is unlikely to be fully utilised in the Budget year. The difference between the agency resource statement and the sum of all payments made at the departmental outputs level is the expected carry-forward amount of resources for the 2009-10 Budget year, including amounts related to meeting future obligations to maintain the agency's asset base and to meet employee entitlement liabilities.

Table 3.1.1: Reconciliation of total available appropriation and outcomes

Total available departmental operating appropriation (outputs)	203,282
Less estimated payments in 2008-09	(179,787)
Estimated departmental operating appropriation carry-forward for 2009-10 (outputs)	23,495

3.1.3 Special Accounts

Special accounts provide a means to set aside and record amounts used for specified purposes. Special Accounts can be created by a Finance Minister’s Determination under the *Financial Management and Accountability Act 1997* or under separate enabling legislation. Table 3.1.3 shows the expected additions (receipts) and reductions (payments) for each account used by ASIS.

Table 3.1.3: Estimates of Special Account cash flows and balances

	Opening balance 2008-09 2007-08	Receipts 2008-09 2007-08	Payments 2008-09 2007-08	Adjustments 2008-09 2007-08	Closing balance 2008-09 2007-08
	Outcome \$'000	\$'000	\$'000	\$'000	\$'000
Name of Account (D)	1				
Other Trust Moneys Special Account (D) s20FMA Act	-	-	-	-	-
Name of Account (D)	1				
Services for Other Governments & Non-Agency Bodies Account (D) s20FMA Act	-	-	-	-	-
Total special accounts					
2008-09 Budget estimate	-	-	-	-	-
Total special accounts 2007-08 estimate actual	-	-	-	-	-

(A) = Administered
(D) = Departmental

The purpose of the *Other Trust Moneys Special Account* is for expenditure for moneys temporarily held on trust or otherwise for the benefit of a person other than the Commonwealth.

The purpose of the *Services for Other Government & Non Agency Bodies Special Account* is for expenditure in connection with services performed on behalf of other Governments and bodies that are not Agencies under the *Financial Management and Accountability Act 1997*.

It is anticipated that there will not be any transactions through either of the ASIS Special Accounts during 2008-09 and future out-years. These accounts remain in place in the event that transactions are required.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.2 Analysis of budgeted financial statements

The increase in ASIS's operating revenues and net increase in asset is due to new measures as provided by Government over the last four years. Further analysis of the budgeted financial statements is not provided due to the need to observe requirements of national security.

3.2.3 Budgeted financial statements tables

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
INCOME					
Revenue					
Revenues from Government	148,733	164,714	175,927	180,391	181,798
Goods and services	16,686	17,086	17,486	17,791	17,791
Other	514	519	523	526	526
Total revenue	165,933	182,319	193,936	198,708	200,115
Gains					
Sale of assets	200	200	200	200	200
Total gains	200	200	200	200	200
Total income	166,133	182,519	194,136	198,908	200,315
EXPENSE					
Total expenses	166,133	182,519	194,136	198,908	200,315
Surplus (deficit) attributable to the Australian Government	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
ASSETS					
Financial assets	20,763	23,495	26,246	27,058	27,058
Total financial assets	20,763	23,495	26,246	27,058	27,058
Non-financial assets	104,227	120,981	128,700	128,700	128,700
Total non-financial assets	104,227	120,981	128,700	128,700	128,700
Total assets	124,990	144,476	154,946	155,758	155,758
LIABILITIES					
Interest bearing liabilities	-	-	-	-	-
Total interest bearing liabilities	-	-	-	-	-
Provisions	18,385	23,520	26,131	26,996	26,996
Total provisions	18,385	23,520	26,131	26,996	26,996
Payables	6,628	4,225	4,364	4,310	4,310
Total payables	6,628	4,225	4,364	4,310	4,310
Total liabilities	25,013	27,745	30,495	31,306	31,306
Net assets	99,977	116,731	124,451	124,452	124,452
EQUITY*					
Parent entity interest					
Contributed equity	46,517	63,271	70,990	70,991	70,991
Reserves	27,429	27,429	27,429	27,429	27,429
Retained surpluses or accumulated deficits	26,031	26,031	26,032	26,032	26,032
Total parent entity interest	99,977	116,731	124,451	124,452	124,452
Total equity	99,977	116,731	124,451	124,452	124,452
Current assets	21,579	24,561	26,341	26,479	26,479
Non-current assets	103,411	119,915	128,605	129,279	129,279
Current liabilities	18,871	20,809	22,871	23,480	23,480
Non-current liabilities	6,143	6,936	7,624	7,827	7,827

* 'Equity' is the residual interest in assets after deduction of liabilities.
Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	18,287	10,293	15,013	16,871	17,791
Appropriations	148,733	164,714	175,927	180,391	181,798
Other	5,477	6,065	6,316	5,229	5,353
Total cash received	172,497	181,072	197,256	202,491	204,942
Cash used	157,407	169,440	179,526	186,914	187,490
Total cash used	157,407	169,440	179,526	186,914	187,490
Net cash from or (used by) operating activities	15,090	11,632	17,730	15,577	17,452
INVESTING ACTIVITIES					
Cash received	200	200	200	200	200
Total cash received	200	200	200	200	200
Cash used	26,117	32,645	25,372	17,652	17,652
Total cash used	26,117	32,645	25,372	17,652	17,652
Net cash from or (used by) investing activities	(25,917)	(32,445)	(25,172)	(17,452)	(17,452)
FINANCING ACTIVITIES					
Cash received	13,398	16,754	7,720	-	-
Total cash received	13,398	16,754	7,720	-	-
Cash used	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from or (used by) financing activities	13,398	16,754	7,720	-	-
Net increase or (decrease) in cash held	2,571	(4,059)	278	(1,875)	0
Cash at the end of the reporting period	13,160	8,700	8,978	8,870	8,870

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2008-09)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2008					
Balance carried forward from previous period	26,031	-	27,429	46,517	99,977
Adjusted opening balance	26,031	-	27,429	46,517	99,977
Income and expense					
Total income and expenses recognised directly in equity	-	-	-	-	-
Transactions with owners					
<i>Contribution by owners</i>					
Appropriation (equity injection)				16,754	16,754
Sub-total transactions with owners	-	-	-	16,754	16,754
Estimated closing balance as at 30 June 2009	26,031	-	27,429	63,271	116,731

Prepared on Australian Accounting Standards basis.

3.2.4 Notes to the financial statements

Departmental Financial Statements

Under the Australian Government's accrual budgeting framework, and consistent with Australian Accounting Standards, ASIS controls all the agency's transactions. ASIS is fully accountable for assets, liabilities revenues and expenses in relation to the agency. ASIS has no administered transactions.

Appropriations in the accrual budget framework

Under the Australian Government's accrual budgeting framework, separate appropriations are provided for:

- Departmental price of outputs appropriations: representing the Government's funding for outputs from agencies; and
- Departmental capital appropriations: for investments by the Government for either additional equity of loans in agencies.

