

Australian Secret Intelligence Service (ASIS)

Agency resources and planned performance

AUSTRALIAN SECRET INTELLIGENCE SERVICE (ASIS)

Section 1: Agency overview and resources	163
1.1 Strategic Direction Statement	163
1.2 Agency Resource Statement	164
1.3 Budget Measures.....	165
Section 2: Outcomes and planned performance	166
2.1 Outcomes and performance information	166
Section 3: Explanatory tables and budgeted financial statements	170
3.2 Budgeted Financial Statements.....	171

AUSTRALIAN SECRET INTELLIGENCE SERVICE (ASIS)

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

In 2012-13 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 sources. 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 2012-13 as at Budget May 2012

	Estimate of prior year amounts available in 2012-13 \$'000	Proposed at Budget 2012-13 \$'000	Total estimate 2012-13 \$'000	Actual available appropriation 2011-12 \$'000
Ordinary annual services¹				
Departmental appropriation				
Prior year departmental appropriation ²	67,132	-	67,132	70,185
Departmental appropriation ³	-	205,379	205,379	192,858
s31 Relevant agency receipts ⁴	-	37,465	37,465	52,465
Total	67,132	242,844	309,976	315,508
Total ordinary annual services	67,132	242,844	309,976	315,508
Other services⁵				
Departmental non-operating				
Equity injections	-	6,080	6,080	219
Total	-	6,080	6,080	219
Total other services	-	6,080	6,080	219
Total resourcing	67,132	248,924	316,056	315,727
Total net resourcing for ASIS	67,132	248,924	316,056	315,727

1 Appropriation Bill (No.1) 2012-13.

2 Estimated adjusted balance carried forward from previous year.

3 Includes an amount for the Departmental Capital Budget.

For accounting purposes this amount has been designated as 'contributions by owners'.

4 s31 Relevant Agency receipts — estimate.

5 Appropriation Bill (No.2) 2012-13.

Reader note: All figures are GST exclusive.

1.3 BUDGET MEASURES

Budget measures relating to ASIS are detailed in Budget Paper No. 2.

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

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 agencies achieve the intended results of their outcome statements. Agencies 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, specifying the performance indicators and targets used to assess and monitor the performance of ASIS in achieving Government outcomes.

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.

Outcome 1 Strategy

- 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.

Table 2.1: 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		
	2011-12 Estimated actual expenses \$'000	2012-13 Estimated expenses \$'000
Program 1.1: Secret Intelligence		
Departmental expenses		
Departmental appropriation ¹	173,688	168,961
Expenses not requiring appropriation in the Budget year ²	17,030	19,046
Total for Program 1.1	190,718	188,007
Program 1.2: Other Services		
Departmental expenses		
Departmental appropriation ¹	57,896	56,320
Expenses not requiring appropriation in the Budget year ²	5,677	6,349
Total for Program 1.2	63,573	62,669
Outcome 1 Totals by appropriation type		
Departmental expenses		
Departmental appropriation ¹	231,584	225,282
Expenses not requiring appropriation in the Budget year ²	22,707	25,394
Total expenses for Outcome 1	254,291	250,676

¹ Departmental Appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (s31)'.
² Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense.

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

Contributions to Outcome 1

Program 1.1: Secret Intelligence

Program objective

- Secret Intelligence

Program expenses

- All variations to program 1.1 are a result of measures and other adjustments as provided by the Government.

	2011-12 Revised budget \$'000	2012-13 Budget \$'000	2013-14 Forw ard year 1 \$'000	2014-15 Forw ard year 2 \$'000	2015-16 Forw ard year 3 \$'000
Annual departmental expenses	173,688	168,961	177,785	181,624	183,050
Expenses not requiring appropriation in the Budget year ¹	17,030	19,046	16,988	17,165	14,302
Total program expenses	190,718	188,007	194,773	198,789	197,352

¹ Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense.

Program 1.1 Deliverables

- Secret Intelligence

Program 1.1 Key Performance Indicators

- The overall achievement of the performance measures for this program 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 the Government. The assessment of performance includes both qualitative and quantitative analysis. Details of this process are not divulged in the interests of national security.

Program 1.2: Other Services

Program objective

- Other Services

Program expenses

- All variations to program 1.2 are a result of measures and other adjustments as provided by the Government.

	2011-12 Revised budget \$'000	2012-13 Budget \$'000	2013-14 Forw ard year 1 \$'000	2014-15 Forw ard year 2 \$'000	2015-16 Forw ard year 3 \$'000
Annual departmental expenses	57,896	56,320	59,262	60,541	61,017
Expenses not requiring appropriation in the Budget year ¹	5,677	6,349	5,663	5,722	4,767
Total program expenses	63,573	62,669	64,924	66,263	65,784

¹ Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense.

Program 1.2 Deliverables

- Other Services

Program 1.2 Key Performance Indicators

- The overall achievement of the performance measures for this program 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 the Government. The assessment of performance includes both qualitative and quantitative analysis. Details of this process are not divulged in the interests of national security.

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2012-13 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds, special accounts and government indigenous expenditure.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.3 Budgeted financial statements tables

**Table 3.2.1 Comprehensive Income Statement (Showing Net Cost of Services)
(for the period ended 30 June)**

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2011-12	2012-13	2013-14	2014-15	2015-16
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Total expenses	254,291	250,676	259,697	265,052	263,136
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other	52,465	37,465	37,465	37,465	37,465
Total own-source revenue	52,465	37,465	37,465	37,465	37,465
Gains					
Other	-	-	-	-	-
Total gains	-	-	-	-	-
Total own-source income	52,465	37,465	37,465	37,465	37,465
Net cost of (contribution by) services	201,826	213,211*	222,232	227,587	225,671
Revenue from Government	179,119	187,817	199,581	204,700	206,602
Surplus (Deficit) attributable to the Australian Government	(22,707)	(25,394)*	(22,651)*	(22,887)*	(19,069)*
Total comprehensive income (loss) attributable to the Australian Government	(22,707)	(25,394)	(22,651)	(22,887)	(19,069)

Note: Impact of Net Cash Appropriation Arrangements

	2011-12	2012-13	2013-14	2014-15	2015-16
	\$'000	\$'000	\$'000	\$'000	\$'000
Total Comprehensive Income (loss) less depreciation/amortisation expenses previously funded through revenue appropriations.	(22,707)	(25,394)	(22,651)	(22,887)	(19,069)
Total Comprehensive Income (loss) - as per the Statement of Comprehensive Income	(22,707)	(25,394)	(22,651)	(22,887)	(19,069)

* From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of FMA Act agencies 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 3.2.2: Budgeted departmental balance sheet
(as at 30 June)**

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2011-12	2012-13	2013-14	2014-15	2015-16
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets	93,561	93,559	93,757	97,008	100,259
Non-financial assets	123,120	121,712	119,914	113,048	109,753
Total assets	216,681	215,271	213,671	210,056	210,012
LIABILITIES					
Payables	47,668	47,986	48,304	48,622	48,940
Interest bearing liabilities	-	-	-	-	-
Provisions	29,716	32,649	35,582	38,515	41,448
Total liabilities	77,384	80,635	83,886	87,137	90,388
Net assets	139,297	134,636	129,785	122,919	119,624
EQUITY					
Parent entity interest					
Contributed equity	87,425	108,158	125,958	141,979	157,753
Reserves	55,318	55,318	55,318	55,318	55,318
Retained surplus (accumulated deficit)	(3,446)	(28,840)	(51,491)	(74,378)	(93,447)
Total parent entity interest	139,297	134,636	129,785	122,919	119,624

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

Table 3.2.3: Departmental statement of changes in equity — summary of movement (Budget year 2012-13)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2012					
Balance carried forward from previous period	(3,446)	-	55,318	87,425	139,297
Adjusted opening balance	(3,446)	-	55,318	87,425	139,297
Comprehensive income					
Other comprehensive income					
Surplus (deficit) for the period	(25,394)	-	-	-	(25,394)
Total comprehensive income	(25,394)	-	-	-	(25,394)
of which:					
Attributable to the Australian Government	(25,394)	-	-	-	(25,394)
Transactions with owners					
Contributions by owners					
Equity Injection - Appropriation	-	-	-	6,080	6,080
Departmental Capital Budget (DCBs)	-	-	-	14,653	14,653
Sub-total transactions with owners	-	-	-	20,733	20,733
Estimated closing balance as at 30 June 2013	(28,840)	-	55,318	108,158	134,636
Closing balance attributable to the Australian Government	(28,840)	-	55,318	108,158	134,636

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Budgeted departmental statement of cash flows
(for the period ended 30 June)**

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2011-12	2012-13	2013-14	2014-15	2015-16
	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	176,210	190,726	199,581	204,700	206,602
Other	58,518	43,718	43,518	40,465	40,465
Total cash received	234,728	234,444	243,099	245,165	247,067
Cash used					
Other	234,584	228,282	240,046	245,165	247,067
Total cash used	234,584	228,282	240,046	245,165	247,067
Net cash from (used by) operating activities	144	6,162	3,053	-	-
INVESTING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Other	19,920	23,986	20,853	16,021	15,774
Total cash used	19,920	23,986	20,853	16,021	15,774
Net cash from (used by) investing activities					
FINANCING ACTIVITIES					
Cash received					
Contributed equity	16,867	20,733	17,800	16,021	15,774
Other	-	-	-	-	-
Total cash received	16,867	20,733	17,800	16,021	15,774
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (used by) financing activities	16,867	20,733	17,800	16,021	15,774
Net increase (decrease) in cash held	(2,909)	2,909	-	-	-
Cash and cash equivalents at the beginning of the reporting period	17,485	14,576	17,485	17,485	17,485
Cash and cash equivalents at the end of the reporting period	14,576	17,485	17,485	17,485	17,485

Prepared on Australian Accounting Standards basis.

3.2.4 Notes to the financial statements

Under the Australian Government's 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.