

Australian Secret Intelligence Service (ASIS)

Agency resources and planned performance

AUSTRALIAN SECRET INTELLIGENCE SERVICE (ASIS)

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AUSTRALIAN SECRET INTELLIGENCE SERVICE (ASIS)

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION

In 2009-10 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 2009-10 as at Budget May 2009

	Estimate of prior year amounts available in 2009-10 \$'000	Proposed at Budget = 2009-10 \$'000	Total Estimate 2009-10 \$'000	Actual Available Appropriation 2008-09 \$'000
Ordinary Annual Services¹				
Departmental				
Departmental appropriation	-	202,404	202,404	165,113
s31 Relevant agency receipts ³	-	32,461	32,461	30,884
Total ordinary annual services	A -	234,865	234,865	195,997
Other services²				
Departmental non-operating				
Equity injections	-	12,816	12,816	20,939
Previous years' outputs	56,440	-	56,440	46,440
Total other services	B 56,440	12,816	69,256	67,379
Total Available Annual Appropriations	56,440	247,681	304,121	263,376
Total resourcing				
A + B				
Total net resourcing for ASIS	56,440	247,681	304,121	263,376

¹ Appropriation Bill (No.1) 2009-10

² Appropriation Bill (No.2) 2009-10

³ s31 Relevant Agency receipts - estimate

Reader note: All figures are GST exclusive.

1.3 BUDGET MEASURES

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

Table 1.2: ASIS 2009-10 Budget measures

	Program	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000
Expense measures						
Enhancing regional counter-terrorism effectiveness*						
Departmental appropriation	1.1	-	-	-	-	-
Departmental appropriation	1.2	-	-	-	-	-
Total		-	-	-	-	-
Counter-proliferation intelligence enhancement*						
Departmental appropriation	1.1	-	-	-	-	-
Departmental appropriation	1.2	-	-	-	-	-
Total		-	-	-	-	-
Continuity of Government - continuation of funding*						
Departmental appropriation	1.1	-	-	-	-	-
Departmental appropriation	1.2	-	-	-	-	-
Total		-	-	-	-	-
Border protection - combating people smuggling - enhanced intelligence capability						
Departmental appropriation	1.1	-	-	-	-	-
Departmental appropriation	1.2	-	-	-	-	-
Total		-	11,862	9,482	2,786	3,165
Total expense measures						
Departmental		-	11,862	9,482	2,786	3,165
Total		-	11,862	9,482	2,786	3,165
Capital measures						
Enhancing regional counter-terrorism effectiveness*						
Departmental capital	1.1	-	-	-	-	-
Departmental capital	1.2	-	-	-	-	-
Total		-	-	-	-	-
Border protection - combating people smuggling - enhanced intelligence capability						
Departmental capital	1.1	-	-	-	-	-
Departmental capital	1.2	-	-	-	-	-
Total		-	3,213	-	-	-
Total capital measures						
Departmental		-	3,213	-	-	-
Total		-	3,213	-	-	-

Prepared on a Government Financial Statistics (fiscal) basis

* These measures provide for the continuation of funding already in the Forward Estimates.

1.4 TRANSITION FROM OUTCOMES AND OUTPUTS TO OUTCOMES AND PROGRAMS

From the 2009-10 Budget, all General Government Sector (GGS) entities will be reporting on a program basis. The table below outlines the transition from the 2008-09 Budget year (as at Additional Estimates), which was presented in administered items, outputs and output groups, to the program reporting framework used for the 2009-10 Budget. The table also captures revisions made to GGS outcome statements under the Operation Sunlight Outcome Statements Review.

Figure 2: Transition table

2008-09 Budget year	2009-10 Budget year
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: 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
Output Group 1.1: Secret Intelligence	Program 1.1: Secret Intelligence
Output Group 1.2: Other Services	Program 1.2: Other Services

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. Agencies deliver programs which are the government actions taken to deliver the stated outcomes. 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. Further information in relation to detailed performance measures and mandatory targets are not provided in the interests of national security.

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 the Government.

Outcome 1 Budgeted Expenses and Resources

Table 2.1 provides an overview of the total expenses for Outcome 1 by program.

Table 2.1: Budgeted Expenses and Resources for Outcome 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	2008-09 Estimated Actual Expenses \$'000	2009-10 Estimated Expenses \$'000
Program 1.1: Secret Intelligence		
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	132,090	161,923
Revenues from Independent Sources (Section 31)	24,707	25,969
Total for Program 1.1	156,797	187,892
Program 1.2: Other Services		
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	33,023	40,481
Revenues from Independent Sources (Section 31)	6,177	6,492
Total for Program 1.2	39,200	46,973
Outcome 1 Totals by Appropriation type		
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	165,113	202,404
Revenues from Independent Sources (Section 31)	30,884	32,461
Total Expenses for Outcome 1	195,997	234,865

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
<ul style="list-style-type: none"> • Secret Intelligence

Program Expenses

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

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
Annual Departmental Expenses	156,797	187,892	184,846	180,253	184,801
Total Departmental Expenses	156,797	187,892	184,846	180,253	184,801

Program 1.1 Deliverables
<ul style="list-style-type: none"> • Secret Intelligence

Program 1.1 Key Performance Indicators
<p>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.</p>

Program 1.2: Other Services
Program Objective
<ul style="list-style-type: none"> • Other Services

Program Expenses

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

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
Annual Departmental Expenses	39,200	46,973	46,211	45,063	46,200
Total Departmental Expenses	39,200	46,973	46,211	45,063	46,200

Program 1.2 Deliverables
<ul style="list-style-type: none"> • Other Services

Program 1.2 Key Performance Indicators
<p>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.</p>

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 2009-10. 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 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 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by ASIS.

Table 3.1.1: Estimates of Special Account flows and balances

		Opening balance 2009-10 2008-09	Receipts 2009-10 2008-09	Payments 2009-10 2008-09	Adjustments 2009-10 2008-09	Closing balance 2009-10 2008-09
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Other Trust Moneys Special Account (D) s20FMA Act	1	-	-	-	-	-
Services for Other Governments & Non-Agency Bodies Account (D) s20FMA Act	1	-	-	-	-	-
Total special accounts 2009-10 Budget estimate		-	-	-	-	-
Total special accounts 2008-09 estimate actual	1	-	-	-	-	-

(A) = Administered
(D) = Departmental

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

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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 2009-10 and future out-years. These accounts remain in place in the event that transactions are required.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Analysis of budgeted financial statements

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

3.2.2 Budgeted financial statements tables

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

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
EXPENSES					
Total expenses	195,997	234,865	231,057	225,317	231,001
LESS:					
OWN-SOURCE INCOME					
Revenue					
Other revenue	30,684	32,261	27,771	27,781	27,792
Total revenue	30,684	32,261	27,771	27,781	27,792
Gains					
Sale of assets	200	200	200	200	200
Total gains	200	200	200	200	200
Total own-source income	30,884	32,461	27,971	27,981	27,992
Net cost of (contribution by) services	165,113	202,404	203,086	197,336	203,009
Appropriation revenue	165,113	202,404	203,086	197,336	203,009
Surplus (Deficit)	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forw ard estimate 2010-11 \$'000	Forw ard estimate 2011-12 \$'000	Forw ard estimate 2012-13 \$'000
ASSETS					
Financial assets					
Total financial assets	70,319	73,071	73,883	73,883	73,883
Non-financial assets					
Total non-financial assets	110,260	123,074	123,142	123,211	123,280
Total assets	180,579	196,145	197,025	197,094	197,163
LIABILITIES					
Interest bearing liabilities					
Total interest bearing liabilities	-	-	-	-	-
Provisions					
Total provisions	15,384	15,523	15,469	15,469	15,469
Payables					
Total payables	24,291	26,902	27,767	27,767	27,767
Total liabilities	39,675	42,425	43,236	43,236	43,236
Net assets	140,904	153,720	153,789	153,858	153,927
EQUITY*					
Parent entity interest					
Contributed equity	67,105	79,921	79,990	80,059	80,128
Reserves	38,686	38,686	38,686	38,686	38,686
Retained surpluses or accumulated deficits	35,113	35,113	35,113	35,113	35,113
Total parent entity interest	140,904	153,720	153,789	153,858	153,927
Total equity	140,904	153,720	153,789	153,858	153,927
Current assets	30,698	33,344	33,494	33,506	33,517
Non-current assets	149,881	162,801	163,531	163,588	163,646
Current liabilities	29,756	31,819	32,427	32,427	32,427
Non-current liabilities	9,919	10,606	10,809	10,809	10,809

* '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
(as at 30 June)**

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	165,113	202,404	203,086	197,336	203,009
Other	36,150	37,968	32,381	32,505	32,505
Total cash received	201,263	240,372	235,466	229,840	235,514
Cash used					
Total cash used	182,868	228,484	216,631	210,702	217,082
Net cash from or (used by) operating activities	18,395	11,888	18,836	19,139	18,432
INVESTING ACTIVITIES					
Cash received	200	200	200	200	200
Total cash received	200	200	200	200	200
Cash used	37,322	33,057	20,353	19,711	19,015
Total cash used	37,322	33,057	20,353	19,711	19,015
Net cash from or (used by) investing activities	(37,122)	(32,857)	(20,153)	(19,511)	(18,815)
FINANCING ACTIVITIES					
Cash received					
Appropriations - contributed equity	20,939	12,816	69	69	69
Total cash received	20,939	12,816	69	69	69
Cash used	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from or (used by) financing activities	20,939	12,816	69	69	69
Net increase or (decrease) in cash held	2,212	(8,153)	(1,248)	(303)	(314)
Cash at the beginning of the reporting period	17,296	19,508	11,355	10,107	9,803
Effect of exchange rate movements on cash at the beginning of reporting period	-	-	-	-	-
Cash at the end of the reporting period	19,508	11,355	10,107	9,803	9,489

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2009-10)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2009					
Balance carried forward from previous period	35,113	-	38,686	67,105	140,904
Adjusted opening balance	35,113	-	38,686	67,105	140,904
Income and Expenses					
Total income and expenses recognised directly in equity	-	-	-	-	-
Transactions with owners					
<i>Contribution by owners</i>					
Appropriation (equity injection)				12,816	12,816
Sub-total transactions with owners	-	-	-	12,816	12,816
Estimated closing balance as at 30 June 2010	35,113	-	38,686	79,921	153,720

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.