

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 STATEMENT

In 2013-14 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 departmental classification.

Table 1.1: ASIS Resource Statement — Budget Estimates for 2013-14 as at Budget May 2013

	Estimate of prior + year amounts available in 2013-14 \$'000	Proposed at Budget = 2013-14 \$'000	Total estimate 2013-14 \$'000	Actual available appropriation 2012-13 \$'000
Ordinary annual services¹				
Departmental appropriation				
Prior year departmental appropriation ²	49,735	-	49,735	59,430
Departmental appropriation ³	-	207,988	207,988	201,297
s31 Relevant agency receipts ⁴	-	37,465	37,465	39,465
Total	49,735	245,453	295,188	300,192
Total ordinary annual services	A 49,735	245,453	295,188	300,192
Other services⁵				
Departmental non-operating				
Equity injections	-	2,266	2,266	6,080
Total	-	2,266	2,266	6,080
Total other services	B -	2,266	2,266	6,080
Total resourcing				
A+B	49,735	247,719	297,454	306,272
Total net resourcing for ASIS	49,735	247,719	297,454	306,272

1 Appropriation Bill (No.1) 2013-14.

2 Estimated adjusted balance carried forward from previous year.

3 Includes an amount in 2013-14 for the Departmental Capital. For accounting purposes this amount has been designated as 'contributions by owners'.

4 s31 Relevant Agency receipts — estimate.

5 Appropriation Bill (No.2) 2013-14.

Reader note: All figures are GST exclusive.

1.3 BUDGET MEASURES

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

Table 1.2: Agency 2013-14 Budget measures

Part 1: Measures announced since the 2012-13 MYEFO

	Program	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
Measures						
Targeted savings - public service efficiencies						
Departmental expenses	1.1	-	317	146	58	-
Departmental expenses	1.2	-	106	49	20	-
Total		-	423	195	78	-

Prepared on a Government Finance Statistics (fiscal) basis.

Part 2: MYEFO measures not previously reported in a portfolio statement

	Program	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
Measures						
Targeted savings - public service efficiencies						
Departmental expenses	1.1	880	909	909	909	909
Departmental expenses	1.2	293	303	303	303	303
Total		1,173	1,212	1,212	1,212	1,212

Prepared on a Government Financial Statistics (fiscal) basis.

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.

Outcome Expense Statement

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

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		
	2012-13 Estimated actual expenses \$'000	2013-14 Estimated expenses \$'000
Program 1.1: Secret Intelligence		
Departmental expenses		
Departmental appropriation ¹	169,582	172,496
Expenses not requiring appropriation in the Budget year ²	19,045	16,988
Total for Program 1.1	188,627	189,484
Program 1.2: Other Services		
Departmental expenses		
Departmental appropriation ¹	56,527	57,499
Expenses not requiring appropriation in the Budget year ²	6,349	5,663
Total for Program 1.2	62,876	63,162
Outcome 1 Totals by appropriation type		
Departmental expenses		
Departmental appropriation ¹	226,109	229,995
Expenses not requiring appropriation in the Budget year ²	25,394	22,651
Total expenses for Outcome 1	251,503	252,646

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.

	2012-13 Revised budget \$'000	2013-14 Budget \$'000	2014-15 Forw ard year 1 \$'000	2015-16 Forw ard year 2 \$'000	2016-17 Forw ard year 3 \$'000
Annual departmental expenses:	169,582	172,496	176,188	177,690	168,520
Expenses not requiring appropriation in the Budget year ¹	19,045	16,988	17,165	14,301	14,626
Total program expenses	188,627	189,484	193,353	191,991	183,146

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.

	2012-13 Revised budget \$'000	2013-14 Budget \$'000	2014-15 Forw ard year 1 \$'000	2015-16 Forw ard year 2 \$'000	2016-17 Forw ard year 3 \$'000
Annual departmental expenses:	56,527	57,499	58,729	59,230	56,173
Expenses not requiring appropriation in the Budget year ¹	6,349	5,663	5,722	4,767	4,875
Total program expenses	62,876	63,162	64,451	63,997	61,048

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 2013-14 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
	2012-13	2013-14	2014-15	2015-16	2016-17
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Total expenses	251,503	252,646	257,804	255,988	244,194
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other	39,465	37,465	37,465	37,465	37,465
Total own-source revenue	39,465	37,465	37,465	37,465	37,465
Gains					
Other	-	-	-	-	-
Total gains	-	-	-	-	-
Total own-source income	39,465	37,465	37,465	37,465	37,465
Net cost of (contribution by) services	212,038	215,181	220,339	218,523	206,729
Revenue from Government	186,644	192,530	197,452	199,454	187,228
Surplus (Deficit) attributable to the Australian Government	(25,394)	(22,651)	(22,887)	(19,069)	(19,501)
Total comprehensive income (loss) attributable to the Australian Government	(25,394)	(22,651)	(22,887)	(19,069)	(19,501)

Note: Impact of Net Cash Appropriation Arrangements

	2012-13	2013-14	2014-15	2015-16	2016-17
	\$'000	\$'000	\$'000	\$'000	\$'000
Total Comprehensive Income (loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	-	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations ¹	25,394	22,651	22,887	19,069	19,501
Total Comprehensive Income (loss) - as per the Statement of Comprehensive Income	(25,394)	(22,651)	(22,887)	(19,069)	(19,501)

¹ 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 2012-13 \$'000	Budget estimate 2013-14 \$'000	Forw ard estimate 2014-15 \$'000	Forw ard estimate 2015-16 \$'000	Forw ard estimate 2016-17 \$'000
ASSETS					
Financial assets	68,806	66,595	67,642	68,119	65,812
Non-financial assets	121,092	119,217	112,244	108,841	102,499
Total assets	189,898	185,812	179,886	176,960	168,311
LIABILITIES					
Payables	26,895	27,231	27,658	27,831	26,772
Interest bearing liabilities	-	-	-	-	-
Provisions	30,664	31,170	31,790	32,094	30,846
Total liabilities	57,559	58,401	59,448	59,925	57,618
Net assets	132,339	127,411	120,438	117,035	110,693
EQUITY*					
Parent entity interest					
Contributed equity	108,733	126,456	142,370	158,036	171,195
Reserves	54,000	54,000	54,000	54,000	54,000
Retained surplus (accumulated deficit)	(30,394)	(53,045)	(75,932)	(95,001)	(114,502)
Total parent entity interest	132,339	127,411	120,438	117,035	110,693
Total Equity	132,339	127,411	120,438	117,035	110,693

* '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 2013-14)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2013					
Balance carried forward from previous period	(30,394)	-	54,000	108,733	132,339
Adjusted opening balance	(30,394)	-	54,000	108,733	132,339
Comprehensive income					
Other comprehensive income	-	-	-	-	-
Surplus (deficit) for the period	(22,651)	-	-	-	(22,651)
Total comprehensive income	(22,651)	-	-	-	(22,651)
of which:					
Attributable to the Australian Government	(22,651)	-	-	-	(22,651)
Transactions with owners					
Contributions by owners					
Equity Injection - Appropriation	-	-	-	2,266	2,266
Departmental Capital Budget (DCBs)	-	-	-	15,458	15,458
Sub-total transactions with owners	-	-	-	17,724	17,724
Estimated closing balance as at 30 June 2014	(53,045)	-	54,000	126,456	127,411
Closing balance attributable to the Australian Government	(53,045)	-	54,000	126,456	127,411

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
	2012-13	2013-14	2014-15	2015-16	2016-17
	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	196,338	194,741	196,405	198,978	189,535
Other	44,465	42,465	42,465	42,465	42,465
Total cash received	240,803	237,206	238,870	241,443	232,000
Cash used					
Other	240,550	234,153	238,870	241,443	232,000
Total cash used	240,550	234,153	238,870	241,443	232,000
Net cash from (used by) operating activities	253	3,053	-	-	-
INVESTING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Other	23,986	20,777	15,914	15,666	13,158
Total cash used	23,986	20,777	15,914	15,666	13,158
Net cash from (used by) investing activities	(23,986)	(20,777)	(15,914)	(15,666)	(13,158)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	20,733	17,724	15,914	15,666	13,158
Other	-	-	-	-	-
Total cash received	20,733	17,724	15,914	15,666	13,158
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (used by) financing activities	20,733	17,724	15,914	15,666	13,158
Net increase (decrease) in cash held	(3,000)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	19,000	16,000	16,000	16,000	16,000
Cash and cash equivalents at the end of the reporting period	16,000	16,000	16,000	16,000	16,000

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.