

CORPORATIONS AND MARKETS ADVISORY COMMITTEE

Section 1: Agency overview and resources	197
1.1 Strategic direction	197
1.2 Agency resource statement	198
1.3 Budget measures.....	198
Section 2: Outcomes and planned performance	199
2.1 Outcomes and performance information	199
Section 3: Explanatory tables and budgeted financial statements	202
3.1 Explanatory tables	202
3.2 Budgeted financial statements	203

CORPORATIONS AND MARKETS ADVISORY COMMITTEE

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION

The Corporations and Markets Advisory Committee (CAMAC) is constituted under Part 9 of the *Australian Securities and Investments Commission Act 2001* (ASIC Act). Its functions, as reflected in paragraph 1(1)(c) and section 148 of the ASIC Act, are to provide informed and expert advice to the Government about corporate, financial product and financial market matters, on its own initiative or when requested by the Minister. CAMAC promotes a sound and effective regulatory environment through the provision of timely advice to the Minister about relevant policy and law design issues.

CAMAC's members are appointed by the Minister following consultation with State and Territory Governments. CAMAC is supported by specialist legal advice from its Legal Committee and by a full-time executive located in Sydney.

In the 2008-09 financial year, CAMAC will consider submissions and publish reports on the following references:

- shareholder claims against insolvent companies: implications of the *Sons of Gwalia* decision; and
- issues in external administration.

In 2008-09, CAMAC will also publish a discussion paper on members' schemes of arrangement, inviting submissions for input to the review.

CAMAC will also respond to requests for advice from the Government and keep under consideration other areas that may be suitable for review.

1.2 AGENCY RESOURCE STATEMENT

The total appropriation and other resources for CAMAC in the 2008-09 Budget is \$1 million.

Table 1.1 shows the total resources from all origins for 2008-09, including appropriations.

Table 1.1: Corporations and Markets Advisory Committee 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	173 ²	1,031 ¹	1,204	1,035
Total net resourcing for CAMAC	173	1,031	1,204	1,035

1. Appropriation Bill (No.1) 2008-09.

2. Estimated adjusted balance carried forward from previous year for annual appropriations.

1.3 BUDGET MEASURES

Table 1.2: Corporations and Markets Advisory Committee 2008-09 Budget measures

CAMAC does not have any Budget measures for 2008-09.

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.

CAMAC's outcome is described below by output groups, specifying the performance indicators and targets used to assess and monitor the performance in achieving government outcomes.

2.1.1 Outcome 1: A fair and efficient market characterised by integrity and transparency and supporting confident and informed participation of investors and consumers

Outcome 1 strategy

To achieve outcome 1, CAMAC will:

- consider submissions on outstanding discussion papers and develop recommendations for inclusion in reports to the Minister; and
- develop discussion papers on new matters as they arise, canvassing relevant law and policy considerations to assist and inform the consultation process.

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: A fair and efficient market characterised by integrity and transparency and supporting confident and informed participation of investors and consumers	2008-09 Total estimate of available resources \$'000	2007-08 Estimated actual \$'000
Output group 1.1 - Corporations and Markets Advisory Committee		
Departmental outputs		
Output 1.1.1 - Annual report and discussion papers	485	486
Output 1.1.2 - Recommendations and reports	546	549
Total resources for outcome 1	1,031	1,035
<hr/>		
Average staffing level (number)	2008-09 4	2007-08 4

Note: Departmental splits by 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 — Corporations and Markets Advisory Committee	
<p>The output of CAMAC focuses on the legislation related to corporations and financial markets. Its operations involve either on its own initiative or at the request of the Government conducting major policy reviews, which may include analysing procedural and other issues in current practice. This process is basic to achieving the Government outcome of fair and efficient financial markets characterised by integrity and transparency and supporting confident and informed participation of investors and consumers.</p> <p>Components of output group 1.1 are:</p> <p>Output 1.1.1 — Annual reports and discussion papers — CAMAC seeks to stimulate and lead public debate on the enhancement of standards for corporations and participants in financial markets, and proposes regulatory reform where necessary.</p> <p>Output 1.1.2 — Recommendation and reports — CAMAC builds on the public consultation process by thoroughly reviewing all submissions on discussion papers and providing timely advice to the Australian Government in the form of CAMAC reports, containing detailed law reform recommendations, where appropriate.</p>	
<p>Output 1.1.1 — Annual reports and discussion papers; and Output 1.1.2 — Recommendation and reports</p>	
Key performance indicators	2008-09 target
Timely advice to the Minister in the form of CAMAC reports and other papers.	<p>Publication of reports on:</p> <ul style="list-style-type: none"> • shareholder claims against insolvent companies: implications of the <i>Sons of Gwalia</i> decision; • issues in external administration; and • members' schemes of arrangement. <p>Possible publication of one or more discussion papers on new matters as they arise.</p>

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of CAMAC's finances for the budget year 2008-09.

3.1 EXPLANATORY TABLES

3.1.1 Reconciliation of total available appropriation and outcomes

The Agency Resource Statement (Table 1.1) details the total available appropriation to CAMAC from all sources. For departmental operating appropriations (outputs) this includes carry-forward amounts as well as amounts appropriated at budget. As CAMAC incurs and is funded for future liabilities, generally depreciation and employee entitlements, the total amount of departmental operating appropriation available to CAMAC is unlikely to be fully utilised in the budget year. The difference between the agency resource statements 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 CAMAC's asset base and to meet employee entitlement liabilities.

Table 3.1.1: Reconciliation of total available appropriation and outcomes

	\$'000
Total available departmental operating appropriation (outputs)	1,204
Less estimated payments in 2008-09	1,036
Estimated departmental outputs carried forward and available for 2009-10	168

3.1.2 Movement of administered funds between years

Table 3.1.2: Movement of administered funds between years

CAMAC does not have any administered funds.

3.1.3 Special accounts

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
Services for Other Entities and Trust Moneys - Corporations and Markets Advisory Committee Special Account	1 -	-	-	-	-
Total special accounts 2008-09 Budget estimate	-	-	-	-	-
Total special accounts 2007-08 estimate actual	-	-	-	-	-

3.1.3 Australian Government Indigenous Expenditure

Table 3.1.4: Australian Government Indigenous Expenditure

CAMAC does not have any Australian Government Indigenous Expenditure.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

There is no difference between agency resourcing and financial statements.

3.2.2 Analysis of budgeted financial statements

Budgeted departmental income statement

CAMAC is budgeting for a break-even operating result for 2008-09.

Budgeted departmental balance sheet

This statement shows the financial position of CAMAC. It helps decision makers to track the management of CAMAC's assets and liabilities.

Budgeted departmental cash flows

This statement identifies cash flows movements from operating and investing activities.

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	1,035	1,031	1,042	1,050	1,065
Other	16	16	16	16	16
Total income	1,051	1,047	1,058	1,066	1,081
EXPENSE					
Employees	620	625	630	635	640
Suppliers	416	407	413	416	426
Depreciation and amortisation	15	15	15	15	15
Total expenses	1,051	1,047	1,058	1,066	1,081
Surplus (deficit) attributable to the Australian Government	-	-	-	-	-

Prepared on an 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					
Cash and equivalents	70	70	70	70	70
Trade and other receivables	117	112	107	102	97
Total financial assets	187	182	177	172	167
Non-financial assets					
Land and buildings	9	8	7	6	6
Infrastructure, plant and equipment	103	109	115	121	126
Other	8	8	8	8	8
Total non-financial assets	120	125	130	135	140
Total assets	307	307	307	307	307
LIABILITIES					
Provisions					
Employees	188	188	188	188	188
Other	32	32	32	32	32
Total liabilities	220	220	220	220	220
Net assets	87	87	87	87	87

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

	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
EQUITY					
Reserves	10	10	10	10	10
Retained surpluses or accumulated deficits	77	77	77	77	77
Total equity	87	87	87	87	87
Current assets	187	182	177	172	167
Non-current assets	120	125	130	135	140
Current liabilities	220	220	220	220	220
Non-current liabilities	-	-	-	-	-

Prepared on an 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					
Appropriations	871	1,031	1,042	1,050	1,065
Interest	2	-	-	-	-
Other	39	39	39	39	39
Total cash received	912	1,070	1,081	1,089	1,104
Cash used					
Employees	620	625	630	635	640
Suppliers	424	425	431	434	444
Total cash used	1,044	1,050	1,061	1,069	1,084
Net cash from or (used by) operating activities	(132)	20	20	20	20
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	20	20	20	20	20
Total cash used	20	20	20	20	20
Net cash from or (used by) investing activities	(20)	(20)	(20)	(20)	(20)
Net increase or (decrease) in cash held	(152)	-	-	-	-
Cash at the beginning of the reporting period	222	70	70	70	70
Cash at the end of the reporting period	70	70	70	70	70

Prepared on an Australian Accounting Standards basis.

Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2007-08)

	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	77	10	-	-	87
Estimated closing balance as at 30 June 2009	77	10	-	-	87

Prepared on an Australian Accounting Standards basis.

Table 3.2.5: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

CAMAC does not have any administered funds.

Table 3.2.6: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

CAMAC does not have any administered funds.

Table 3.2.7: Schedule of budgeted administered cash flows (for the period ended 30 June)

CAMAC does not have any administered funds.

3.2.4 Notes to the financial statements

Basis of accounting

The financial statements have been prepared on an Australian Accounting Standards basis.