

CORPORATIONS AND MARKETS ADVISORY COMMITTEE

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CORPORATIONS AND MARKETS ADVISORY COMMITTEE

Section 1: Overview

The Corporations and Markets Advisory Committee (CAMAC) was established in September 1989. Its role, as set out in section 148 of the *Australian Securities and Investments Commission Act 2001* (the ASIC Act), is to advise the Minister on any matters concerning the *Corporations Act 2001* or improving the efficiency of financial markets. CAMAC may undertake reviews on its own initiative, as well as at the request of the Minister.

The Legal Committee was established in September 1991 to provide expert legal analysis, assessment and advice to the Advisory Committee.

The Treasurer appoints the members of the Advisory Committee and Legal Committee in their personal capacities.

1.1 SUMMARY OF AGENCY CONTRIBUTIONS TO OUTCOMES

The products and services delivered by CAMAC which contribute to the achievement of outcomes are summarised in Table 1.1 and Figure 2 on page 235.

Table 1.1: Contribution to outcomes

Outcome	Description	Output groups
Outcome 1		
A fair and efficient market characterised by integrity and transparency and supporting confident and informed participation of investors and consumers	CAMAC is a statutory body that is the principal source of external advice to the Australian Government on issues in corporations and financial markets law and practice.	Output Group 1.1 Corporations and Markets Advisory Committee

Section 2: Resources for 2007-08

2.1 APPROPRIATIONS AND OTHER RESOURCES

The total appropriation (including capital appropriation) and other resources for the Corporations and Markets Advisory Committee (CAMAC) in the 2007-08 Budget is \$1.1 million.

Table 2.1 shows the total resources from all origins for 2007-08, including appropriations. The table summarises how resources will be applied by outcome departmental classification.

Table 2.1: Appropriations and other resources 2007-08

	Departmental				Administered					Total
	Appropriation Bill No. 1 \$'000	Appropriation Bill No. 2 \$'000	Special Appropriation \$'000	Other resources \$'000	Appropriation Bill No. 1 \$'000	Appropriation SPPs \$'000	Other \$'000	Special Appropriation \$'000	Other resources \$'000	
Corporations and Markets Advisory Committee										
Outcome 1										
A fair and efficient market characterised by integrity and transparency and supporting confident and informed participation of investors and consumers	1,040	-	-	12	-	-	-	-	-	1,052
Total	1,040	-	-	12	-	-	-	-	-	1,052

2.2 2007-08 BUDGET MEASURES

Table 2.2 Corporations and Markets Advisory Committee measures

CAMAC does not have any 2007-08 Budget measures.

2.3 OTHER RESOURCES AVAILABLE TO BE USED

Table 2.3 provides details of resources obtained by CAMAC for provision of goods or services as well as resources received free of charge. These resources are approved for use by CAMAC and are also included in Table 2.1.

Table 2.3: Other resources available to be used

	Estimated actual 2006-07 \$'000	Budget estimate 2007-08 \$'000
Departmental other resources		
Resources received free of charge	-	12
Interest	18	-
Total departmental other resources available to be used	18	12

2.4 MOVEMENT OF ADMINISTERED FUNDS

Table 2.4: Movement of administered funds between years

CAMAC does not have any administered funds.

2.5 SPECIAL APPROPRIATIONS

Table 2.5: Estimates of expenses from special appropriations

CAMAC does not have any special appropriations.

2.6 MOVEMENTS IN SPECIAL ACCOUNTS

Table 2.6: Estimates of special account cash flows and balances

CAMAC does not have any special accounts.

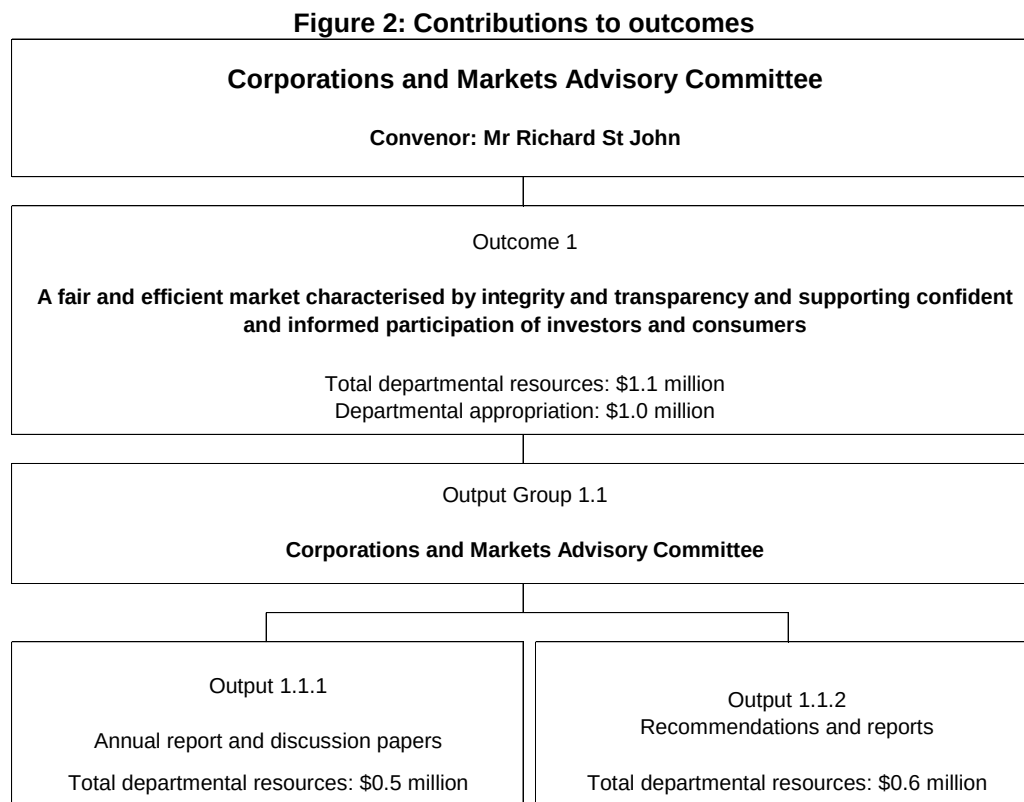
Section 3: Outcomes

General government sector (GGS) agencies are required to plan, budget and report under an outcomes structure. GGS agencies produce outputs (departmental items) and also administer items on behalf of the Government (administered items).

This section summarises how the resources identified in Section 2 will be used to contribute to the outcome for the Corporations and Markets Advisory Committee (CAMAC). Key performance measures and performance evaluation activities are specified for the outcome.

3.1 SUMMARY OF OUTCOMES AND CONTRIBUTION TO OUTCOMES

The relationship between activities of CAMAC and its outcome is summarised in the below figure.



There have been no changes to CAMAC's outcome or outputs from the *Portfolio Budget Statements 2006-07*.

3.2 OUTCOME RESOURCES AND PERFORMANCE INFORMATION

3.2.1 Outcome 1 resourcing

Table 3.1 shows how the 2007-08 Budget appropriations translate to total resourcing for Outcome 1, including departmental appropriation and revenue from other sources.

Table 3.1: Total resources for Outcome 1

	Estimated actual 2006-07 \$'000	Budget estimate 2007-08 \$'000
Departmental appropriation		
Output Group 1.1 - Corporations and Markets Advisory Committee		
Output 1.1.1 - Annual Report and discussion papers	497	489
Output 1.1.2 - Recommendations and reports	561	551
Total departmental appropriation	1,058	1,040
Departmental revenue from other sources		
Interest	18	-
Resources received free of charge	-	12
Total departmental revenue from other sources	18	12
Total resources	1,076	1,052
	2006-07	2007-08
Average staffing level (number)	4	4

3.2.2 Measures affecting Outcome 1

CAMAC does not have any 2007-08 Budget measures.

3.2.3 Contributions to achievement of Outcome 1

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.

Administered activities

CAMAC does not administer any activities on behalf of the Australian Government.

Departmental outputs

Output 1.1.1 Annual Report and discussion papers

The Advisory Committee publishes discussion papers that seek to inform, stimulate and lead public debate on the enhancement of standards for corporations and participants in financial markets. For this purpose, the papers propose regulatory reform where necessary. This public consultation process is designed to ensure that the commercial community has the opportunity to participate fully in the law reform process.

The Committee's annual report consolidates this public consultation process by summarising in a publicly available document the work of the Committee over the previous financial year.

Output 1.1.2 Recommendations and reports

The Committee 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 Advisory Committee reports, containing detailed law reform recommendations, where appropriate.

3.2.4 Performance information for Outcome 1

Performance information for individual outputs and output groups relating to CAMAC are summarised in Table 3.2.

Table 3.2: Performance information for Outcome 1

Performance indicators for agency outputs	
Output group 1.1: Corporations and Markets Advisory Committee	
Output 1.1.1 - Annual Report and discussion papers	The Advisory Committee 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. Price: \$0.5 million
Output 1.1.2 - Recommendations and reports	To achieve these performance goals, the Advisory Committee seeks the expert advice of its Legal Committee, encourages public comment on its discussion papers and thoroughly reviews all submissions received by them. This well-established process of public review is designed to ensure that the commercial community has the opportunity to fully participate in the law reform process. Through this consultation and review process, and the provision of timely advice to the Treasurer in the form of Advisory Committee Reports and other papers, the Committee seeks to ensure that Australian financial markets and corporations continue to operate in a commercial environment of the highest standards supported by appropriate legislation. Price: \$0.6 million

3.2.5 Evaluations for Outcome 1

There are no planned evaluation activities in the 2007-08 financial year.

Section 4: Other reporting requirements

4.1 PURCHASER-PROVIDER ARRANGEMENTS

The Corporations and Markets Advisory Committee (CAMAC) does not have any purchaser-provider arrangements with any other Government agencies.

4.2 COST RECOVERY ARRANGEMENTS

CAMAC does not have any cost recovery arrangements.

4.3 AUSTRALIAN GOVERNMENT INDIGENOUS EXPENDITURE

Table 4.1: Australian Government Indigenous Expenditure

CAMAC does not have any specific indigenous expenditure.

Section 5: Budgeted financial statements

5.1 ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

Budgeted departmental income statement

The Corporations and Markets Advisory Committee (CAMAC) is budgeting for a break-even operating result for 2007-08.

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 statement of cash flows

This statement identifies expected cash flows from operating activities, investing activities and financing activities.

Departmental capital budget statement

This statement shows all proposed capital expenditure funded through the Budget as appropriation or from internal sources.

Departmental property, plant, equipment and intangibles — summary of movement

This statement shows the movement in CAMAC's non-financial assets during the budget year.

5.2 BUDGETED FINANCIAL STATEMENTS TABLES

**Table 5.1: Budgeted departmental income statement
(for the period ended 30 June)**

	Estimated actual 2006-07 \$'000	Budget estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000
INCOME					
Revenue					
Revenues from Government	1,058	1,040	1,052	1,064	1,074
Interest	18	-	-	-	-
Other	-	12	12	12	12
Total revenue	1,076	1,052	1,064	1,076	1,086
EXPENSE					
Employees	602	582	590	597	603
Suppliers	459	455	459	464	468
Depreciation and amortisation	15	15	15	15	15
Total expenses	1,076	1,052	1,064	1,076	1,086
Surplus (or deficit) attributable to the Australian Government	-	-	-	-	-

Table 5.2: Budgeted departmental balance sheet (as at 30 June)

	Estimated actual 2006-07 \$'000	Budget estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000
ASSETS					
Financial assets					
Cash	115	110	105	100	95
Receivables	14	14	14	14	14
Total financial assets	129	124	119	114	109
Non-financial assets					
Land and buildings	13	12	11	10	9
Infrastructure, plant and equipment	93	99	105	111	117
Other	9	9	9	9	9
Total non-financial assets	115	120	125	130	135
Total assets	244	244	244	244	244
LIABILITIES					
Provisions					
Employees	171	171	171	171	171
Other	32	32	32	32	32
Total provisions	203	203	203	203	203
Total liabilities	203	203	203	203	203
Net assets	41	41	41	41	41
EQUITY					
Reserves	10	10	10	10	10
Retained surpluses	31	31	31	31	31
Total equity	41	41	41	41	41
Current assets	138	133	128	123	118
Non-current assets	106	111	116	121	126
Current liabilities	182	182	182	182	182
Non-current liabilities	21	21	21	21	21

**Table 5.3: Budgeted departmental statement of cash flows
(for the period ended 30 June)**

	Estimated actual 2006-07 \$'000	Budget estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	1,058	1,040	1,053	1,064	1,074
Interest	18	-	-	-	-
GST Recovered	39	39	39	39	45
Total cash received	1,115	1,079	1,092	1,103	1,119
Cash used					
Employees	602	582	590	597	603
Suppliers	498	482	487	491	501
Total cash used	1,100	1,064	1,077	1,088	1,104
Net cash from (or used by) operating activities	15	15	15	15	15
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	(5)	(5)	(5)	(5)	(5)
Cash at the beginning of the reporting period	120	115	110	105	100
Cash at the end of the reporting period	115	110	105	100	95

Table 5.4: 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
Estimated opening balance as at 1 July 2007					
Balance carried forward from previous period	31	10	-	-	41
Estimated opening balance	31	10	-	-	41
Income and expense					
Surplus (deficit) for the period	-	-	-	-	-
Total income and expenses recognised directly in equity	-	-	-	-	-
Estimated closing balance as at 30 June 2008	31	10	-	-	41

Table 5.5: Departmental capital budget statement

	Estimated actual 2006-07 \$'000	Budget estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections	-	-	-	-	-
Total loans	-	-	-	-	-
Total capital appropriations	-	-	-	-	-
Represented by:					
Purchase of non-financial assets	-	-	-	-	-
Other	-	-	-	-	-
Total represented by	-	-	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation	-	-	-	-	-
Funded internally by departmental resources	20	20	20	20	20
Total	20	20	20	20	20

Table 5.6: Departmental property, plant, equipment and intangibles — summary of movement (Budget year 2007-08)

	Land	Investment property	Buildings	Specialist military equipment	Other infrastructure plant and equipment	Heritage and cultural assets	Computer software purchased	Other intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2007									
Gross book value	-	-	21	-	288	-	1	-	310
Accumulated depreciation	-	-	(8)	-	(195)	-	(1)	-	(204)
Opening net book value	-	-	13	-	93	-	-	-	106
Additions:									
by purchase	-	-	-	-	20	-	-	-	20
Depreciation/amortisation expense	-	-	(1)	-	(14)	-	-	-	(15)
As at 30 June 2008									
Gross book value	-	-	21	-	308	-	1	-	330
Accumulated depreciation	-	-	(9)	-	(209)	-	(1)	-	(219)
Estimated closing net book value	-	-	12	-	99	-	-	-	111

Table 5.7: Schedule of budgeted income and expenses administered on behalf of government (for the period ended 30 June)

CAMAC does not have any administered items.

Table 5.8: Schedule of budgeted assets and liabilities administered on behalf of government (as at 30 June)

CAMAC does not have any administered items.

Table 5.9: Schedule of budgeted administered cash flows (for the period ended 30 June)

CAMAC does not have any administered items.

Table 5.10: Schedule of administered capital budget

CAMAC does not have any administered items.

Table 5.11: Schedule of administered property, plant, equipment and intangibles — summary of movement (Budget year 2007-08)

CAMAC does not have any administered items.

5.3 NOTES TO THE FINANCIAL STATEMENTS

Basis of accounting

The budgeted financial statements have been prepared on an accrual basis in accordance with the historical cost convention.