

Increased outputs to achieve the outcome approved by Parliament

Parliament appropriated funds for ASIC in order to achieve the outcome of 'a fair and efficient market characterised by integrity and transparency and supporting confident and informed participation of investors and consumers'.

To do this, we delivered four outputs (or services) set out below.

Output*	This year	Last year	Change
1. Policy and guidance about laws administered by ASIC, pages 20 and 24	\$10.9m	\$9.7 m	12.4%
2. Comprehensive and accurate information on companies and corporate activity, page 33	\$45.4m	\$46.1m	-1.5%
3. Compliance monitoring and licensing of participants in the financial system to protect consumer interests and ensure market integrity, pages 20, 24 and 28	\$56.0m	\$47.7m	17.4%
4. Enforcement activity to give effect to the laws administered by ASIC, page 14	\$83.9m	\$69.0m	21.6%
Total	\$196.2m	\$172.6m	13.7%

*Infrastructure costs are apportioned to these outputs

Our increased costs of \$23.6 million were largely to implement:

- the Financial Services Reform Act
- the dedicated taskforce on matters referred by the HIH Royal Commission
- activities targeting insolvent trading by companies and company officers
- corporate law reform.

Additional funding was also provided to the Superannuation Complaints Tribunal to cover greater demand for its services.

Some \$11.8 million of our appropriation was levied by the government on deposit taking, superannuation, retirement savings and insurance organisations. See page 59 for a breakdown on how the levy was used for activities relating to the products and services these organisations offer, and for the Superannuation Complaints Tribunal.

We incurred an operating deficit of \$4.8 million. Employee expenses, our largest outlay, increased 20% for more staff to meet our additional responsibilities.

Suppliers expenses, excluding property costs, increased to \$62.8 million. Property expenses of \$3.2 million increased by only by \$0.6 million, a cost kept under control by accommodating additional staff within existing premises.

We received \$8.1 million in revenue from sale of services, interest and other sources, including \$1.9 million in recoveries for court and investigation costs. We also raised \$456.6 million for the Commonwealth in fees and charges.

Outlook

In 2004–05 we will receive an additional appropriation of \$13.5 million: \$11.7 million to sustain ASIC's operations and \$1.8 million for auditor surveillance as part of CLERP 9. We will also receive an equity injection of \$11.3 million to place ASIC's balance sheet in a positive equity position.

Our Financial Statements begin on page 61.