FINANCIAL STATEMENTS
Financial Statements
FOR THE YEAR ENDED 30 JUNE 2016

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INDEPENDENT AUDITOR’S REPORT

To the Minister for Revenue and Financial Services

I have audited the accompanying annual financial statements of the Australian Securities and Investments Commission for the year ended 30 June 2016, which comprise:

• Statement by the Accountable Authority and Chief Financial Officer;
• Statement of Comprehensive Income;
• Statement of Financial Position;
• Statement of Changes in Equity;
• Cash Flow Statement;
• Administered Schedule of Comprehensive Income;
• Administered Schedule of Assets and Liabilities;
• Administered Reconciliation Schedule;
• Administered Cash Flow Statement; and
• Notes comprising a summary of significant accounting policies and other explanatory information.

Opinion

In my opinion, the financial statements of the Australian Securities and Investments Commission:

(a) comply with Australian Accounting Standards and the Public Governance, Performance and Accountability (Financial Reporting) Rule 2015; and
(b) present fairly the financial position of the Australian Securities and Investments Commission as at 30 June 2016 and its financial performance and cash flows for the year then ended.

Accountable Authority’s Responsibility for the Financial Statements

The Chairman of the Australian Securities and Investments Commission is responsible under the Public Governance, Performance and Accountability Act 2013 for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards and the rules made under that Act and is also responsible for such internal control as the Australian Securities and Investments Commission determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
Independent Auditor’s Report

**Auditor’s Responsibility**

My responsibility is to express an opinion on the financial statements based on my audit. I have conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Accountable Authority of the entity, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Independence**

In conducting my audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

Australian National Audit Office

[Signature]

Jocelyn Ashford
Senior Executive Director
Delegate of the Auditor-General

Canberra
2 September 2016
In our opinion, the attached financial statements for the year ended 30 June 2016 comply with subsection 42(2) of the Public Governance, Performance and Accountability Act 2013 (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Australian Securities and Investments Commission will be able to pay its debts as and when they fall due.

G. J. Medcraft
Chairman
02 September 2016

E. L. Hodgson
Chief Financial Officer
02 September 2016
Statement of Comprehensive Income
FOR THE YEAR ENDED 30 JUNE 2016

<table>
<thead>
<tr>
<th>Notes</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$’000</td>
<td>$’000</td>
</tr>
<tr>
<td>NET COST OF SERVICES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee benefits 1.1A</td>
<td>198,521</td>
<td>198,197</td>
</tr>
<tr>
<td>Suppliers 1.1B</td>
<td>128,065</td>
<td>115,115</td>
</tr>
<tr>
<td>Depreciation and amortisation 3.2A</td>
<td>44,373</td>
<td>41,373</td>
</tr>
<tr>
<td>Finance costs – unwinding of restoration provision</td>
<td>70</td>
<td>(568)</td>
</tr>
<tr>
<td>Write-down and impairment of assets 1.1C</td>
<td>194</td>
<td>176</td>
</tr>
<tr>
<td>Total expenses</td>
<td>371,223</td>
<td>354,293</td>
</tr>
<tr>
<td>LESS:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Own-source revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rendering of services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Royalties</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resources received free of charge – Auditors’ remuneration</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other revenue 1.2A</td>
<td>2,663</td>
<td>2,693</td>
</tr>
<tr>
<td>Total own-source revenue</td>
<td>5,200</td>
<td>4,844</td>
</tr>
<tr>
<td>Net Cost of Services</td>
<td>366,023</td>
<td>349,449</td>
</tr>
<tr>
<td>Total revenue from Government 1.2B</td>
<td>311,427</td>
<td>322,465</td>
</tr>
<tr>
<td>Deficit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(54,596)</td>
<td></td>
<td>(26,984)</td>
</tr>
<tr>
<td>OTHER COMPREHENSIVE INCOME</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Items not subject to subsequent reclassification to net cost of services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Changes in asset revaluation reserve</td>
<td>10,772</td>
<td>(1)</td>
</tr>
<tr>
<td>Total comprehensive loss</td>
<td>(43,824)</td>
<td>(26,985)</td>
</tr>
</tbody>
</table>

The above statement should be read in conjunction with the accompanying notes.
Statement of Financial Position
AS AT 30 JUNE 2016

<table>
<thead>
<tr>
<th>Notes</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>3.1A</td>
<td>1,506</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>3.1B</td>
<td>130,606</td>
</tr>
<tr>
<td>Total financial assets</td>
<td></td>
<td>132,112</td>
</tr>
<tr>
<td>Non-financial assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>3.2A</td>
<td>40,706</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>3.2A</td>
<td>18,795</td>
</tr>
<tr>
<td>Computer software</td>
<td>3.2A</td>
<td>81,683</td>
</tr>
<tr>
<td>Other non-financial assets</td>
<td>3.2B</td>
<td>9,392</td>
</tr>
<tr>
<td>Total non-financial assets</td>
<td></td>
<td>150,576</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td></td>
<td>282,688</td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Suppliers</td>
<td>3.3A</td>
<td>33,430</td>
</tr>
<tr>
<td>Other payables</td>
<td>3.3B</td>
<td>39,342</td>
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<tr>
<td>Total payables</td>
<td></td>
<td>72,772</td>
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<tr>
<td>Provisions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee provisions</td>
<td>6.1</td>
<td>59,602</td>
</tr>
<tr>
<td>Other provisions</td>
<td>3.4A</td>
<td>10,630</td>
</tr>
<tr>
<td>Total provisions</td>
<td></td>
<td>70,232</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td></td>
<td>143,004</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td></td>
<td>139,684</td>
</tr>
<tr>
<td><strong>EQUITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributed equity</td>
<td></td>
<td>314,305</td>
</tr>
<tr>
<td>Reserves</td>
<td></td>
<td>17,137</td>
</tr>
<tr>
<td>Accumulated deficit</td>
<td></td>
<td>(191,758)</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td></td>
<td>139,684</td>
</tr>
</tbody>
</table>

The above statement should be read in conjunction with the accompanying notes.
Statement of Changes in Equity
FOR THE YEAR ENDED 30 JUNE 2016

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td><strong>CONTRIBUTED EQUITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening balance</td>
<td>289,874</td>
<td>262,681</td>
</tr>
<tr>
<td>Transactions with owners</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions by owners</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity injections – Appropriations</td>
<td>5,300</td>
<td>11,978</td>
</tr>
<tr>
<td>Departmental capital budget</td>
<td>19,131</td>
<td>15,215</td>
</tr>
<tr>
<td>Total transactions with owners</td>
<td>24,431</td>
<td>27,193</td>
</tr>
<tr>
<td>Closing balance as at 30 June</td>
<td>314,305</td>
<td>289,874</td>
</tr>
<tr>
<td><strong>RETAINED EARNINGS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening balance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance carried forward from previous period</td>
<td>(137,152)</td>
<td>(154,638)</td>
</tr>
<tr>
<td>Prior period adjustment</td>
<td>–</td>
<td>44,470</td>
</tr>
<tr>
<td>Adjusted opening balance</td>
<td>(137,152)</td>
<td>(110,168)</td>
</tr>
<tr>
<td>Comprehensive income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deficit for the period</td>
<td>(54,596)</td>
<td>(26,984)</td>
</tr>
<tr>
<td>Total comprehensive loss</td>
<td>(54,596)</td>
<td>(26,984)</td>
</tr>
<tr>
<td>Closing balance as at 30 June</td>
<td>(191,748)</td>
<td>(137,152)</td>
</tr>
<tr>
<td><strong>ASSET REVALUATION RESERVE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening balance</td>
<td>6,365</td>
<td>6,366</td>
</tr>
<tr>
<td>Comprehensive income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>10,772</td>
<td>(1)</td>
</tr>
<tr>
<td>Total comprehensive income</td>
<td>10,772</td>
<td>(1)</td>
</tr>
<tr>
<td>Closing balance as at 30 June</td>
<td>17,137</td>
<td>6,365</td>
</tr>
<tr>
<td><strong>TOTAL EQUITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening balance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance carried forward from previous period</td>
<td>159,087</td>
<td>114,409</td>
</tr>
<tr>
<td>Prior period adjustment</td>
<td>–</td>
<td>44,470</td>
</tr>
<tr>
<td>Adjusted opening balance</td>
<td>159,087</td>
<td>158,879</td>
</tr>
<tr>
<td>Comprehensive income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>10,772</td>
<td>(1)</td>
</tr>
<tr>
<td>Deficit for the period</td>
<td>(54,596)</td>
<td>(26,984)</td>
</tr>
<tr>
<td>Total comprehensive loss</td>
<td>(43,824)</td>
<td>(26,985)</td>
</tr>
<tr>
<td>Transactions with owners</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions by owners</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity injections – Appropriations</td>
<td>5,300</td>
<td>11,978</td>
</tr>
<tr>
<td>Departmental capital budget</td>
<td>19,131</td>
<td>15,215</td>
</tr>
<tr>
<td>Total transactions with owners</td>
<td>24,431</td>
<td>27,193</td>
</tr>
<tr>
<td>Closing balance as at 30 June</td>
<td>139,694</td>
<td>159,087</td>
</tr>
</tbody>
</table>

The above statement should be read in conjunction with the accompanying notes.
# Cash Flow Statement

**FOR THE YEAR ENDED 30 JUNE 2016**

<table>
<thead>
<tr>
<th>OPERATING ACTIVITIES</th>
<th>2016 $'000</th>
<th>2015 $'000</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash received</strong></td>
<td></td>
<td></td>
<td>5.4A</td>
</tr>
<tr>
<td>Appropriations</td>
<td>337,277</td>
<td>324,215</td>
<td></td>
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<tr>
<td>Services</td>
<td>2,177</td>
<td>3,322</td>
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</tr>
<tr>
<td>Net GST received</td>
<td>12,754</td>
<td>13,062</td>
<td></td>
</tr>
<tr>
<td>Other cash received</td>
<td>3,034</td>
<td>2,787</td>
<td></td>
</tr>
<tr>
<td><strong>Total cash received</strong></td>
<td><strong>355,242</strong></td>
<td><strong>343,386</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Cash used</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees</td>
<td>204,558</td>
<td>215,403</td>
<td></td>
</tr>
<tr>
<td>Suppliers</td>
<td>151,282</td>
<td>117,030</td>
<td></td>
</tr>
<tr>
<td>Transfers to the Official Public Account</td>
<td>5,210</td>
<td>6,109</td>
<td></td>
</tr>
<tr>
<td><strong>Total cash used</strong></td>
<td>(361,050)</td>
<td>(338,542)</td>
<td></td>
</tr>
<tr>
<td><strong>Net cash from/(used by) operating activities</strong></td>
<td>(5,808)</td>
<td>4,844</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>INVESTING ACTIVITIES</th>
<th>2016 $'000</th>
<th>2015 $'000</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash used</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of leasehold improvements, plant and equipment and intangibles</td>
<td>24,051</td>
<td>36,435</td>
<td></td>
</tr>
<tr>
<td><strong>Net cash (used by) investing activities</strong></td>
<td>(24,051)</td>
<td>(36,435)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FINANCING ACTIVITIES</th>
<th>2016 $'000</th>
<th>2015 $'000</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash received</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Appropriations – contributed equity</td>
<td>22,133</td>
<td>25,694</td>
<td></td>
</tr>
<tr>
<td><strong>Net cash from financing activities</strong></td>
<td>22,133</td>
<td>25,694</td>
<td></td>
</tr>
<tr>
<td><strong>Net increase/(decrease) in cash held</strong></td>
<td>(7,726)</td>
<td>(5,897)</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents at the beginning of the reporting period</td>
<td>9,232</td>
<td>15,129</td>
<td></td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at the end of the reporting period</strong></td>
<td><strong>1,506</strong></td>
<td><strong>9,232</strong></td>
<td></td>
</tr>
</tbody>
</table>

The above statement should be read in conjunction with the accompanying notes.
Administered Schedule of Comprehensive Income  
**FOR THE YEAR ENDED 30 JUNE 2016**

<table>
<thead>
<tr>
<th>Notes</th>
<th>2016 $’000</th>
<th>2015 $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NET COST OF SERVICES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants</td>
<td>2.1A</td>
<td>3,192</td>
</tr>
<tr>
<td>Write-down and impairment of assets</td>
<td>2.1B</td>
<td>49,470</td>
</tr>
<tr>
<td>Other</td>
<td>2.1C</td>
<td>100,806</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>LESS:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Own-source revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxation revenue</td>
<td>2.2A</td>
<td>876,225</td>
</tr>
<tr>
<td><strong>Total taxation revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Non-taxation revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unclaimed monies</td>
<td>2.2B</td>
<td>45,942</td>
</tr>
<tr>
<td><strong>Total non-taxation revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net contribution by services</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Administered Schedule of Assets and Liabilities  
**AS AT 30 JUNE 2016**

<table>
<thead>
<tr>
<th>Notes</th>
<th>2016 $’000</th>
<th>2015 $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>4.1A</td>
<td>2,065</td>
</tr>
<tr>
<td>Taxation receivables</td>
<td>4.1B, 4.1C</td>
<td>130,857</td>
</tr>
<tr>
<td><strong>Total assets administered on behalf of Government</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Suppliers and other payables</td>
<td>4.2A</td>
<td>25,313</td>
</tr>
<tr>
<td>Other provisions</td>
<td>4.2B</td>
<td>391,734</td>
</tr>
<tr>
<td><strong>Total liabilities administered on behalf of Government</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net liabilities</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The above schedules should be read in conjunction with the accompanying notes.
## Administered Reconciliation Schedule
### AS AT 30 JUNE 2016

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$’000</td>
<td>$’000</td>
</tr>
<tr>
<td><strong>Opening assets less liabilities as at 1 July</strong></td>
<td>(311,537)</td>
<td>(339,940)</td>
</tr>
<tr>
<td><strong>Net contribution by services:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administered income</td>
<td>922,167</td>
<td>1,032,950</td>
</tr>
<tr>
<td>Administered expenses</td>
<td>(153,468)</td>
<td>(190,905)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>768,699</td>
<td>842,045</td>
</tr>
<tr>
<td><strong>Administered transfers (to)/from the Australian Government</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Appropriation transfers from Official Public Account:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special (unlimited) and ordinary appropriations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Appropriation Act No. 1</td>
<td>5,748</td>
<td>5,749</td>
</tr>
<tr>
<td>Banking Act unclaimed monies</td>
<td>82,159</td>
<td>116,816</td>
</tr>
<tr>
<td>Life Insurance Act unclaimed monies</td>
<td>9,992</td>
<td>10,367</td>
</tr>
<tr>
<td>Section 77 PGPA Act</td>
<td>37,559</td>
<td>39,575</td>
</tr>
<tr>
<td><strong>Total of Appropriation transfers from Official Public Account</strong></td>
<td>135,458</td>
<td>172,507</td>
</tr>
<tr>
<td>Administered transfers to Official Public Account</td>
<td>(876,745)</td>
<td>(986,149)</td>
</tr>
<tr>
<td><strong>Closing assets less liabilities as at 30 June</strong></td>
<td>(284,125)</td>
<td>(311,537)</td>
</tr>
</tbody>
</table>

The above schedule should be read in conjunction with the accompanying notes.
Administered Cash Flow Statement  
FOR THE YEAR ENDED 30 JUNE 2016

<table>
<thead>
<tr>
<th>OPERATING ACTIVITIES</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notes</td>
<td>2016</td>
<td>2015</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash received</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations Act, National Consumer Credit Protection Act, Business Names Registration (Fees) Act and Superannuation Industry (Supervision) Act</td>
<td>824,243</td>
<td>766,641</td>
</tr>
<tr>
<td>Corporation Act unclaimed monies</td>
<td>37,760</td>
<td>46,769</td>
</tr>
<tr>
<td>Banking Act unclaimed monies</td>
<td>6,164</td>
<td>145,442</td>
</tr>
<tr>
<td>Life Insurance Act unclaimed monies</td>
<td>2,018</td>
<td>17,159</td>
</tr>
<tr>
<td>Net GST received</td>
<td>–</td>
<td>589</td>
</tr>
<tr>
<td><strong>Total cash received</strong></td>
<td><strong>870,185</strong></td>
<td><strong>976,600</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash used</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refunds paid to:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Company shareholders</td>
<td>32,453</td>
<td>30,967</td>
</tr>
<tr>
<td>Deposit-taking institution account holders</td>
<td>81,776</td>
<td>117,093</td>
</tr>
<tr>
<td>Life insurance policy holders</td>
<td>10,024</td>
<td>10,342</td>
</tr>
<tr>
<td>Promotion expenses for MoneySmart Initiatives</td>
<td>1,876</td>
<td>3,374</td>
</tr>
<tr>
<td>Grants</td>
<td>2,623</td>
<td>2,902</td>
</tr>
<tr>
<td>Net GST paid</td>
<td>239</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total cash (used)</strong></td>
<td><strong>(128,991)</strong></td>
<td><strong>(164,678)</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net cash from operating activities</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net cash from operating activities</strong></td>
<td><strong>(128,991)</strong></td>
<td><strong>(164,678)</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash and cash equivalents at the beginning of the reporting period</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash and cash equivalents at the beginning of the reporting period</strong></td>
<td><strong>2,157</strong></td>
<td><strong>3,876</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash from Official Public Account for:</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriations</td>
<td>135,459</td>
<td>172,508</td>
</tr>
<tr>
<td><strong>Cash from Official Public Account for:</strong></td>
<td><strong>137,616</strong></td>
<td><strong>176,384</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations Act, National Consumer Credit Protection Act and Business Names Registration (Fees) Act fees and charges</td>
<td>830,803</td>
<td>776,779</td>
</tr>
<tr>
<td>Corporations Act unclaimed monies</td>
<td>37,759</td>
<td>46,769</td>
</tr>
<tr>
<td>Banking Act unclaimed monies</td>
<td>6,165</td>
<td>145,442</td>
</tr>
<tr>
<td>Life Insurance Act unclaimed monies</td>
<td>2,018</td>
<td>17,159</td>
</tr>
<tr>
<td><strong>Less: Cash to Official Public Account for:</strong></td>
<td><strong>(876,745)</strong></td>
<td><strong>(986,149)</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash and cash equivalents at the end of the reporting period</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash and cash equivalents at the end of the reporting period</strong></td>
<td><strong>2,065</strong></td>
<td><strong>2,157</strong></td>
</tr>
</tbody>
</table>

The above schedule should be read in conjunction with the accompanying notes.
Notes to and forming part of the financial statements
FOR THE YEAR ENDED 30 JUNE 2016

Overview

Objectives of the Australian Securities and Investments Commission (ASIC)

ASIC is an independent Commonwealth Government body operating under the Australian Securities and Investments Commission Act 2001 (ASIC Act) to administer the Corporations Act 2001, and other legislation, throughout Australia. ASIC is a not-for-profit entity and our objectives, outlined in s1(2) of the ASIC Act, include:

- the promotion of confident and informed participation of investors and consumers in the financial system;
- the maintenance, facilitation and improvement in the performance of the financial system and the entities within that system in the interests of commercial certainty, reducing business costs, and the efficiency and development of the economy; and
- to administer the laws that confer functions and powers on it effectively and with a minimum of procedural requirements.

ASIC collects and administers revenue under the Corporations Act 2001 and the National Consumer Credit Protection Act 2001 and prescribed fees set by the Corporations (Fees) Act 2001, the Corporations (Review Fees) Act 2003, the National Consumer Credit Protection Act 2009, the Business Names Registration (Fees) Regulations 2010 and Superannuation Industry (Supervision) Act 1993. This revenue is not available to ASIC and is remitted to the Official Public Account (OPA). Transactions and balances relating to these fees are reported as administered items. Administered items are distinguished by shading in these financial statements.

ASIC is structured to deliver a single outcome, and the result is in the Statement of Comprehensive Income and the Statement of Financial Position:

To allow markets to allocate capital efficiently to fund the real economy by promoting investor and financial consumer trust and confidence, facilitating fair, orderly and transparent markets and delivering efficient and accessible registration.

The continued existence of ASIC in its present form and with its present programmes is dependent on Government policy and on continuing funding by Parliament for ASIC’s administration and programmes.

Basis of preparation of the financial statements

The financial statements are general purpose financial statements and are required by s42 of the Public Governance, Performance and Accountability Act 2013 (PGPA Act).

The financial statements and notes have been prepared in accordance with the:

- Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (FRR) for reporting periods ending on or after 1 July 2015; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Administered revenues, expenses, assets, liabilities and cash flows are reported in the Administered Schedule of Comprehensive Income; Administered Schedule of Assets and Liabilities; Administered Cash Flow Statement; and Administered Reconciliation Schedule. These schedules and related notes are accounted for on the same basis and using the same policies as for ASIC items.
Prior period adjustment

ASIC receives departmental appropriation to support its enforcement activities through the Enforcement Special Account (ESA). In 2015–16 ASIC made a prior period adjustment relating to the recognition of revenue from Government for enforcement activities. In prior years, ASIC recognised revenue from Government when enforcement activity expenditure met the criteria set out in the Finance Minister’s ESA Determination. Revenue from Government is now recognised when the appropriation is legally available to ASIC, as is required by the Australian Accounting Standards and the FRR.

<table>
<thead>
<tr>
<th>Notes to and forming part of the financial statements</th>
</tr>
</thead>
<tbody>
<tr>
<td>FOR THE YEAR ENDED 30 JUNE 2016</td>
</tr>
</tbody>
</table>

Overview continued

Departmental schedule of comprehensive income

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>Adjustment</th>
<th>2015 (Restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue from Government</td>
<td>311,942</td>
<td>10,523</td>
<td>322,465</td>
</tr>
<tr>
<td>Total revenue from Government</td>
<td>311,942</td>
<td>10,523</td>
<td>322,465</td>
</tr>
<tr>
<td>(Deficit)</td>
<td>(37,507)</td>
<td>10,523</td>
<td>(26,984)</td>
</tr>
</tbody>
</table>

Statement of Financial Position

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>Adjusted</th>
<th>2015 (Restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>94,883</td>
<td>54,983</td>
<td>149,866</td>
</tr>
<tr>
<td>Total financial assets</td>
<td>104,115</td>
<td>54,983</td>
<td>159,098</td>
</tr>
<tr>
<td>Total assets</td>
<td>265,889</td>
<td>54,983</td>
<td>320,872</td>
</tr>
<tr>
<td>Net assets</td>
<td>104,094</td>
<td>54,983</td>
<td>159,077</td>
</tr>
</tbody>
</table>

Statement of Changes in Equity

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Retained earnings</td>
<td>(192,145)</td>
<td>54,983</td>
<td>(137,162)</td>
</tr>
</tbody>
</table>

New Australian Accounting Standards

Adoption of new Australian Accounting Standard requirements

No accounting standard has been adopted earlier than the application date as stated in the standard.

The following new accounting standards, amendments to standards and interpretations were issued prior to the signing of the Statement by the Accountable Authority and Chief Financial Officer, were applicable to the current reporting period, but have not had a material financial impact on ASIC:

- AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments;
- AASB 2014-8 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) — Application of AASB 9 (December 2009) and AASB 9 (December 2010);
- AASB 2015-3 Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality; and
- AASB 1048 Interpretation of Standards.

Future Australian Accounting Standard requirements

The following new, amending standards or interpretations were issued by the AASB prior to the signing of the Statement by the Accountable Authority and Chief Financial Officer. All other new/revised, amending standards or interpretations that were issued prior to the sign-off date and are applicable to current reporting period did not have a material effect, and are not expected to have a future material effect on the entity’s financial statements.1

1. ASIC’s expected initial application date is when the accounting standard becomes operative at the beginning of the reporting period.
Overview continued

<table>
<thead>
<tr>
<th>Standard/Interpretation</th>
<th>Application date for the entity</th>
<th>Nature of impending change/s in accounting policy and likely impact on initial application</th>
</tr>
</thead>
<tbody>
<tr>
<td>AASB 2014-1 Amendments to Australian Accounting Standards — Part D</td>
<td>1 July 2016</td>
<td>Part D amends AASB 1 First-time Adoption of Australian Accounting Standards, reflecting the issuing of AASB 14 Regulatory Deferral Accounts.</td>
</tr>
<tr>
<td>AASB 124 Related Parties</td>
<td>1 July 2016</td>
<td>ASIC will apply AASB 124 Related Party Disclosures in 2016–17. This Standard requires the disclosure of significant transactions with related parties. Related parties include key managers of the entity, relevant Ministers, and other Australian Government entities.</td>
</tr>
<tr>
<td>AASB 9 Financial Instruments</td>
<td>1 July 2018</td>
<td>ASIC expects to apply AASB 9 Financial Instruments in 2018–19. This Standard will require most financial assets to be measured at fair value, except for those that are held only for the collection of the principal and interest. Also, wherever there has been a significant increase in credit risk, the Standard will require an expense to be recognised for all expected losses over the life of financial assets. In other cases, an expense will be recognised for losses expected in the year after reporting date.</td>
</tr>
<tr>
<td>AASB 15 Revenue from Contracts with Customers</td>
<td>1 July 2019</td>
<td>ASIC expects to apply AASB 15 Revenue from Contracts with Customers in 2018–19. The Standard requires revenue from such contracts to be recognised as the entity transfers identifiable goods and services to the customer.</td>
</tr>
<tr>
<td>AASB 16 Leases</td>
<td>1 July 2019</td>
<td>ASIC expects to apply AASB 16 Leases from 2019–20. This Standard will require the net present value of payments under most operating leases to be recognised as assets and liabilities. Currently ASIC has $179m in operating lease commitments.</td>
</tr>
</tbody>
</table>

Taxation

ASIC is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Events after the reporting period

There were no events occurring after the balance date that had a material effect on the Departmental or Administered financial statements.

Reporting of administered activities

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the Administered Schedules and related notes.

Except where otherwise stated, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards.

1. ASIC’s expected initial application date is when the accounting standard becomes operative at the beginning of the reporting period.
### 1. Departmental financial performance

This section analyses the financial performance of ASIC for the year ended 30 June 2016

#### 1.1 Expenses

<table>
<thead>
<tr>
<th>1.1A: Employee benefits</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Wages and salaries</strong></td>
<td>149,419</td>
<td>149,953</td>
</tr>
<tr>
<td><strong>Superannuation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Defined-benefit schemes</td>
<td>12,615</td>
<td>11,498</td>
</tr>
<tr>
<td>Defined-contribution schemes</td>
<td>17,135</td>
<td>16,355</td>
</tr>
<tr>
<td><strong>Leave and other entitlements</strong></td>
<td>19,352</td>
<td>18,098</td>
</tr>
<tr>
<td><strong>Separation and redundancies</strong></td>
<td>–</td>
<td>2,293</td>
</tr>
<tr>
<td><strong>Total employee benefits</strong></td>
<td>198,521</td>
<td>198,197</td>
</tr>
</tbody>
</table>

1. Contributions to defined-benefit superannuation schemes are at rates calculated to cover existing and emerging obligations. The employer contribution rate for the Commonwealth Superannuation Scheme was 14.6% (2015: 14.6%), the Public Sector Superannuation Plan was 17% (2015: 16%), the PSS Accumulation Scheme was 15.4% (2015: 15.4%), and the superannuation productivity benefit was approximately 2.0% to 3.0% (2015: 2.0% to 3.0%). The contribution is calculated based on the relevant salary for super at the time the contributions are made.

2. Separation and redundancy costs are generally calculated on the basis of two weeks pay for every year of service for each employee with a minimum of four weeks and a maximum of 48 weeks.

#### Accounting policy

Accounting policies for employee-related expenses are detailed in the People and relationships section.
1. Departmental financial performance continued

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>1.1B: Suppliers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goods and services supplied or rendered</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal and forensic costs</td>
<td>25,923</td>
<td>10,275</td>
</tr>
<tr>
<td>Office computer and software expenses</td>
<td>23,228</td>
<td>24,429</td>
</tr>
<tr>
<td>Consultants and specialist services</td>
<td>20,338</td>
<td>19,486</td>
</tr>
<tr>
<td>Property-related outgoings</td>
<td>7,466</td>
<td>6,987</td>
</tr>
<tr>
<td>Information costs</td>
<td>6,476</td>
<td>6,047</td>
</tr>
<tr>
<td>Travel</td>
<td>4,644</td>
<td>4,337</td>
</tr>
<tr>
<td>Learning and development</td>
<td>2,671</td>
<td>3,488</td>
</tr>
<tr>
<td>Postage and freight</td>
<td>2,525</td>
<td>2,437</td>
</tr>
<tr>
<td>Security</td>
<td>2,329</td>
<td>2,515</td>
</tr>
<tr>
<td>Communications</td>
<td>2,207</td>
<td>2,251</td>
</tr>
<tr>
<td>Recruitment</td>
<td>1,283</td>
<td>1,242</td>
</tr>
<tr>
<td>Other goods and services</td>
<td>5,389</td>
<td>5,654</td>
</tr>
<tr>
<td><strong>Total goods and services supplied or rendered</strong></td>
<td><strong>104,479</strong></td>
<td><strong>89,148</strong></td>
</tr>
<tr>
<td>Goods supplied</td>
<td>2,833</td>
<td>2,851</td>
</tr>
<tr>
<td>Services rendered</td>
<td>101,646</td>
<td>86,297</td>
</tr>
<tr>
<td><strong>Total goods and services supplied or rendered</strong></td>
<td><strong>104,479</strong></td>
<td><strong>89,148</strong></td>
</tr>
<tr>
<td>Other suppliers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating lease rentals from external entities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minimum lease payments</td>
<td>22,256</td>
<td>23,623</td>
</tr>
<tr>
<td>Workers compensation premiums</td>
<td>1,101</td>
<td>2,145</td>
</tr>
<tr>
<td>Fringe benefits tax</td>
<td>229</td>
<td>199</td>
</tr>
<tr>
<td><strong>Total other suppliers</strong></td>
<td><strong>23,586</strong></td>
<td><strong>25,967</strong></td>
</tr>
<tr>
<td><strong>Total suppliers</strong></td>
<td><strong>128,065</strong></td>
<td><strong>115,115</strong></td>
</tr>
<tr>
<td>Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Within 1 year</td>
<td>31,602</td>
<td>29,580</td>
</tr>
<tr>
<td>Between 1 to 5 years</td>
<td>97,497</td>
<td>115,720</td>
</tr>
<tr>
<td>More than 5 years</td>
<td>50,317</td>
<td>54,316</td>
</tr>
<tr>
<td><strong>Total operating lease commitments (GST inclusive)</strong></td>
<td><strong>179,416</strong></td>
<td><strong>199,616</strong></td>
</tr>
</tbody>
</table>

Leasing commitments
ASIC, in its capacity as lessor, sublets premises in Brisbane, Sydney and Melbourne.

Accounting policy
Operating lease payments (net of lease incentives), are expensed on a straight line-basis which is representative of the pattern of benefits derived from the leased assets.

All borrowing costs are expensed as incurred.
1. Departmental financial performance continued

<table>
<thead>
<tr>
<th>Notes to and forming part of the financial statements</th>
<th>2016 $’000</th>
<th>2015 $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1C: Write-down and impairment of assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impairment of financial instruments</td>
<td>20</td>
<td>10</td>
</tr>
<tr>
<td>Write-off of leasehold improvements</td>
<td>23</td>
<td>35</td>
</tr>
<tr>
<td>Write-off of plant &amp; equipment</td>
<td>149</td>
<td>131</td>
</tr>
<tr>
<td>Write-off of software</td>
<td>2</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total write-down and impairment of assets</strong></td>
<td>194</td>
<td>176</td>
</tr>
</tbody>
</table>

1.2 Own-source revenue

1.2A: Other revenue

| Operating sublease rent and property recoveries | 1,167 | 1,016 |
| Cost recoveries1                               | 750   | 428   |
| Professional and witness fees                   | 39    | 24    |
| Other                                           | 707   | 1,225 |
| **Total other revenues**                        | 2,663 | 2,693 |

1. Amounts recovered by ASIC for court costs, investigations, professional fees, legal costs and prosecution disbursements.

Accounting policy

Operating lease revenue
Operating sublease revenue is recognised as revenue on commencement of the lease under the Memorandum of Understanding. The leases terms are on a 12 month rolling basis.

Resources received free of charge
Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of these resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

1.2B: Revenue from Government

<table>
<thead>
<tr>
<th>Appropriations</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Departmental appropriations</td>
<td>284,507</td>
<td>295,465</td>
</tr>
<tr>
<td>Departmental special appropriations</td>
<td>5.2 26,920</td>
<td>27,000</td>
</tr>
<tr>
<td><strong>Total revenue from Government</strong></td>
<td>311,427</td>
<td>322,465</td>
</tr>
</tbody>
</table>

Accounting policy

Revenue from Government
Amounts appropriated for departmental appropriations for the period (adjusted for any formal additions and reductions) are recognised as revenue from Government when ASIC gains control of the appropriation. Appropriations receivable are recognised at their nominal amounts.
2. Income and expenses administered on behalf of Government

This section analyses the activities that ASIC does not control but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

### 2.1 Administered – expenses

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2.1A: Grants</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rendering of services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insolvency practitioners(^1)</td>
<td>3,192</td>
<td>3,067</td>
</tr>
<tr>
<td><strong>Total grants</strong></td>
<td>3,192</td>
<td>3,067</td>
</tr>
<tr>
<td><strong>1. ASIC administers payments to registered insolvency practitioners to undertake preliminary investigations of suspected breaches of directors’ duties and fraudulent conduct and to report the outcome of their findings to ASIC for further action as appropriate.</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Accounting policy**

ASIC administers a number of grant and subsidy schemes on behalf of the Government. Grant and subsidy liabilities are recognised to the extent that (i) the services required to be performed by the grantee have been performed or (ii) the grant eligibility criteria have been satisfied, but payments due have not been made. When the Government enters into an agreement to make these grants and services but services have not been performed or criteria satisfied, this is considered a commitment.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2.1B: Write-down and impairment of assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impairment of receivables</td>
<td>46,702</td>
<td>42,935</td>
</tr>
<tr>
<td>Waiver of fees and charges owing</td>
<td>2,768</td>
<td>2,408</td>
</tr>
<tr>
<td><strong>Total write-down and impairment of assets</strong></td>
<td>49,470</td>
<td>45,343</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2.1C: Other expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Claims – Bank and deposit taking institution account holders</td>
<td>54,852</td>
<td>112,688</td>
</tr>
<tr>
<td>Claims – Life Insurance policy holders</td>
<td>7,840</td>
<td>8,461</td>
</tr>
<tr>
<td>Claims – Corporations Act 2001</td>
<td>35,604</td>
<td>19,096</td>
</tr>
<tr>
<td>Promotional costs for MoneySmart initiatives</td>
<td>2,510</td>
<td>2,250</td>
</tr>
<tr>
<td><strong>Total other expenses</strong></td>
<td>100,806</td>
<td>142,495</td>
</tr>
</tbody>
</table>

**Accounting policy**

Administered expenses for refunds of unclaimed monies under the Banking Act 1959, Life Insurance Act 1995 and Corporations Act 2001 are recognised by estimating the value of claims likely to be repaid in respect of unclaimed money collected by ASIC as at balance date. The methodology used to determine the value of probable claims is determined by an independent actuary. Successful claims are paid out of the provision account.
2. Income and expenses administered on behalf of Government
continued

2.2 Administered – income

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Taxation revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2.2A: Fees and fines</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fees</td>
<td>768,244</td>
<td>725,904</td>
</tr>
<tr>
<td>Fines</td>
<td>107,981</td>
<td>97,675</td>
</tr>
<tr>
<td><strong>Total fees and fines</strong></td>
<td>876,225</td>
<td>823,579</td>
</tr>
</tbody>
</table>

**Accounting policy**

All administered revenues are revenues relating to the course of ordinary activities performed by ASIC on behalf of the Government.

Administered taxation revenue is generated from fees and fines under the Corporations (Fees) Act 2001, Corporations (Review Fees) Act 2003, National Consumer Credit Protection (Fees) Regulation 2010, Business Names Registration (Fees) Regulation 2012 and Superannuation Industry (Supervision) Act 1993. Administered fee revenue is recognised on an accruals basis when:

- the client or the client group can be identified in a reliable manner;
- an amount of prescribed fee or other statutory charge is payable by the client or client group under legislative provisions; and
- the amount of the prescribed fee or other statutory charge payable by the client or the client group can be reliably measured.

Administered taxation revenue is recognised at its nominal amount due and an expense is recognised for impaired debts. Collectability of debts is reviewed at balance date. Impairment allowances are recognised when collection of the debt is no longer probable.

**Non-taxation revenue**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2.2B: Non-taxation revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporations Act 2001 unclaimed monies</td>
<td>37,759</td>
<td>46,769</td>
</tr>
<tr>
<td>Banking Act 1959 unclaimed monies</td>
<td>6,165</td>
<td>145,443</td>
</tr>
<tr>
<td>Life Insurance Act 1995 unclaimed monies</td>
<td>2,018</td>
<td>17,159</td>
</tr>
<tr>
<td><strong>Total non-taxation revenue</strong></td>
<td>45,942</td>
<td>209,371</td>
</tr>
</tbody>
</table>

**Accounting policy**

ASIC receives non-taxation revenue for unclaimed monies under the Banking Act 1959, Life Insurance Act 1995 and Corporations Act 2001. This revenue is not available to ASIC and is transferred to the OPA.
3. Departmental financial position

This section analyses ASIC’s assets used to conduct its operations and the operating liabilities incurred as a result. Employee related information is disclosed in the People and Relationships section.

3.1 Financial assets

3.1A: Cash and cash equivalents

<table>
<thead>
<tr>
<th></th>
<th>2016 $’000</th>
<th>2015 $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash on hand or on deposit</td>
<td>1,506</td>
<td>9,232</td>
</tr>
<tr>
<td>Total cash and cash equivalents</td>
<td>1,506</td>
<td>9,232</td>
</tr>
</tbody>
</table>

Accounting policy

Cash is recognised at its nominal amount. Cash and cash equivalents include:

- deposits on demand in bank accounts; and
- cash in special accounts.

3.1B: Trade and other receivables

<table>
<thead>
<tr>
<th></th>
<th>2016 $’000</th>
<th>2015 $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods and services receivables:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goods and services</td>
<td>677</td>
<td>837</td>
</tr>
<tr>
<td>Total goods and services receivables</td>
<td>677</td>
<td>837</td>
</tr>
<tr>
<td>Appropriations receivables:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Appropriations receivables</td>
<td>127,691</td>
<td>146,032</td>
</tr>
<tr>
<td>Total appropriations receivables</td>
<td>127,691</td>
<td>146,032</td>
</tr>
<tr>
<td>Other receivables:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GST receivable from the Australian Taxation Office</td>
<td>2,364</td>
<td>3,130</td>
</tr>
<tr>
<td>Total other receivables</td>
<td>2,364</td>
<td>3,130</td>
</tr>
<tr>
<td>Total trade and other receivables (gross)</td>
<td>130,732</td>
<td>149,999</td>
</tr>
<tr>
<td>Less impairment allowance</td>
<td>125</td>
<td>133</td>
</tr>
<tr>
<td>Total trade and other receivables (net)</td>
<td>130,607</td>
<td>149,866</td>
</tr>
</tbody>
</table>

Trade and other receivables are expected to be recovered:

<table>
<thead>
<tr>
<th></th>
<th>2016 $’000</th>
<th>2015 $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>No more than 12 months</td>
<td>130,607</td>
<td>149,866</td>
</tr>
<tr>
<td>Total trade and other receivables (net)</td>
<td>130,607</td>
<td>149,866</td>
</tr>
</tbody>
</table>
Notes to and forming part of the financial statements

FOR THE YEAR ENDED 30 JUNE 2016

3. Departmental financial position continued

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Trade and other receivables (gross) are aged as follows:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not overdue</td>
<td>130,672</td>
<td>149,597</td>
</tr>
<tr>
<td>Overdue by:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0 to 30 days</td>
<td>2</td>
<td>258</td>
</tr>
<tr>
<td>31 to 60 days</td>
<td>30</td>
<td>11</td>
</tr>
<tr>
<td>61 to 90 days</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>More than 90 days</td>
<td>28</td>
<td>133</td>
</tr>
<tr>
<td>Total trade and other receivables (gross)</td>
<td>130,732</td>
<td>149,999</td>
</tr>
</tbody>
</table>

Appropriations receivables includes $44.195m (2015: $62.127m) in ESA receivables. The ESA is a contingency fund subject to certain conditions, ASIC draws down on the ESA account from the OPA only if the conditions for accessing the ESA are satisfied.

The impairment allowance account is aged as follows:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overdue by:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>More than 90 days</td>
<td>125</td>
<td>133</td>
</tr>
<tr>
<td>Total impairment allowance account</td>
<td>125</td>
<td>133</td>
</tr>
</tbody>
</table>

Credit terms for goods and services were within 30 days (2015: 30 days).

Accounting policy

Receivables

Trade receivables and other receivables are classified as ‘loans and receivables’ and recorded at face value less any impairment. Trade receivables are recognised where ASIC becomes party to a contract and has a legal right to receive cash. Trade receivables are derecognised on payment.

Reconciliation of the movement in the impairment allowance account

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>133</td>
<td>171</td>
</tr>
<tr>
<td>Amounts recovered and reversed</td>
<td>14</td>
<td>(31)</td>
</tr>
<tr>
<td>Increase recognised in net surplus/(deficit)</td>
<td>(22)</td>
<td>(7)</td>
</tr>
<tr>
<td>Closing balance</td>
<td>125</td>
<td>133</td>
</tr>
</tbody>
</table>

Accounting policy

Financial assets are assessed for impairment at the end of each reporting period. Allowances are made when collectability of the debt is no longer probable.
### 3. Departmental financial position continued

#### 3.2 Non-financial assets

##### 3.2A: Reconciliation of the opening and closing balances of leasehold improvements, plant & equipment and intangibles

<table>
<thead>
<tr>
<th></th>
<th>Leasehold improvements $’000</th>
<th>Plant &amp; equipment $’000</th>
<th>Computer software internally developed $’000</th>
<th>Computer software purchased $’000</th>
<th>Total $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at 30 June 2016</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross book value</td>
<td>73,214</td>
<td>58,037</td>
<td>212,547</td>
<td>57,581</td>
<td>401,379</td>
</tr>
<tr>
<td>Accumulated depreciation/amortisation and impairment (37,006) (35,183) (152,168) (25,179) (249,536)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total as at 1 July 2015</strong></td>
<td><strong>36,208</strong></td>
<td><strong>22,854</strong></td>
<td><strong>60,379</strong></td>
<td><strong>32,402</strong></td>
<td><strong>151,843</strong></td>
</tr>
<tr>
<td><strong>Additions:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>by purchase</td>
<td>1,146</td>
<td>2,621</td>
<td>-</td>
<td>178</td>
<td>3,945</td>
</tr>
<tr>
<td>internally developed</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total additions</strong></td>
<td><strong>1,146</strong></td>
<td><strong>2,621</strong></td>
<td><strong>19,171</strong></td>
<td><strong>178</strong></td>
<td><strong>23,116</strong></td>
</tr>
<tr>
<td>Revaluations and impairments recognised in operating result</td>
<td>10,316</td>
<td>456</td>
<td>-</td>
<td>-</td>
<td>10,772</td>
</tr>
<tr>
<td>Depreciation/amortisation expense</td>
<td>(6,941)</td>
<td>(6,987)</td>
<td>(27,727)</td>
<td>(2,718)</td>
<td>(44,373)</td>
</tr>
<tr>
<td>Write-offs recognised in the operating result</td>
<td>(23)</td>
<td>(149)</td>
<td>-</td>
<td>(2)</td>
<td>(174)</td>
</tr>
<tr>
<td><strong>Total as at 30 June 2016</strong></td>
<td><strong>40,706</strong></td>
<td><strong>18,795</strong></td>
<td><strong>51,823</strong></td>
<td><strong>29,860</strong></td>
<td><strong>141,184</strong></td>
</tr>
</tbody>
</table>

The carrying value of leasehold improvements, plant & equipment and computer software were reviewed at 30 June 2016. No indicators of impairment were found.
### 3. Departmental financial position continued

<table>
<thead>
<tr>
<th></th>
<th>Leasehold improvements</th>
<th>Plant &amp; equipment</th>
<th>Computer software internally developed</th>
<th>Computer software purchased</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at 30 June 2015</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at 1 July 2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross book value</td>
<td>80,384</td>
<td>58,793</td>
<td>190,495</td>
<td>57,053</td>
<td>386,725</td>
</tr>
<tr>
<td>Accumulated depreciation/amortisation and impairment</td>
<td>(38,962)</td>
<td>(35,524)</td>
<td>(126,458)</td>
<td>(22,919)</td>
<td>(223,863)</td>
</tr>
<tr>
<td>Total as at 1 July 2014</td>
<td>41,422</td>
<td>23,269</td>
<td>64,037</td>
<td>34,134</td>
<td>162,862</td>
</tr>
<tr>
<td>Additions:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>by purchase</td>
<td>1,902</td>
<td>5,754</td>
<td></td>
<td>535</td>
<td>8,191</td>
</tr>
<tr>
<td>internally developed</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total additions</td>
<td>1,902</td>
<td>5,754</td>
<td>22,329</td>
<td>535</td>
<td>30,520</td>
</tr>
<tr>
<td>Revaluations and impairments recognised in operating result</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation/amortisation expense</td>
<td></td>
<td></td>
<td>(7,081)</td>
<td>(6,038)</td>
<td>(11,119)</td>
</tr>
<tr>
<td>Write-offs recognised in the operating result</td>
<td></td>
<td></td>
<td>(35)</td>
<td>(130)</td>
<td>(165)</td>
</tr>
<tr>
<td>Total as at 30 June 2015</td>
<td>36,208</td>
<td>22,854</td>
<td>60,379</td>
<td>32,402</td>
<td>151,843</td>
</tr>
</tbody>
</table>

Total as at 30 June 2015 represented by:

<table>
<thead>
<tr>
<th></th>
<th>Leasehold improvements</th>
<th>Plant &amp; equipment</th>
<th>Computer software internally developed</th>
<th>Computer software purchased</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross book value</td>
<td>73,214</td>
<td>58,037</td>
<td>212,547</td>
<td>57,581</td>
<td>401,379</td>
</tr>
<tr>
<td>Accumulated depreciation/amortisation</td>
<td>(37,006)</td>
<td>(35,183)</td>
<td>(152,168)</td>
<td>(25,179)</td>
<td>(249,536)</td>
</tr>
<tr>
<td>Total as at 30 June 2015</td>
<td>36,208</td>
<td>22,854</td>
<td>60,379</td>
<td>32,402</td>
<td>151,843</td>
</tr>
</tbody>
</table>

The carrying value of leasehold improvements, plant & equipment and computer software were reviewed at 30 June 2015. No indicators of impairment were found.
Accounting policy
Assets are recorded at cost of acquisition, except where stated below.

The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Asset recognition threshold
Purchases of leasehold improvements, plant and equipment are initially recognised at cost in the Statement of Financial Position, except for purchases costing less than $2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to ‘make good’ provisions taken up by ASIC where there exists an obligation to restore the premises to their original condition at the conclusion of the lease. These costs are included in the value of ASIC’s property expenses with a corresponding provision for the ‘make good’ recognised.

Revaluations
Following initial recognition at cost, leasehold improvements and plant and equipment were carried at latest revaluation less accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets did not differ materially from the assets’ fair values as at the reporting date. The regularity of independent valuations depended on the volatility of movements in market values for the relevant assets. An independent valuation of ASIC’s assets was undertaken as at 30 June 2016.

Revaluation adjustments are made on a class basis. Any revaluation increment was credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reversed a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date was eliminated against the gross carrying amount of the asset and the asset was restated to the revalued amount.

Depreciation
All depreciable leasehold improvements, plant and equipment assets are written down to their estimated residual values over their estimated useful lives to ASIC, using the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leasehold improvements</td>
<td>Residual lease term</td>
<td>Residual lease term</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>2 to 80 years</td>
<td>2 to 80 years</td>
</tr>
</tbody>
</table>
Accounting policy

Impairment
All assets were assessed for impairment at 30 June 2016. Where indications of impairment exist, the asset’s recoverable amount is estimated and an impairment adjustment made if the asset’s recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset’s ability to generate future cash flows, and the asset would be replaced if the entity were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Derecognition
An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Intangibles
ASIC’s intangibles comprise software either purchased or internally developed for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life. The useful life of ASIC’s software is 2 to 10 years (2015: 2 to 10 years).

All software assets were assessed for indications of impairment as at 30 June 2016.

Significant accounting judgements and estimates
In the process of applying the accounting policies listed in this note, ASIC has made assumptions or estimates in the following areas that have the most significant impact on the amounts recorded in the financial statements:

* The fair value of leasehold improvements and property, plant and equipment is assessed at market value or depreciated replacement cost as determined by an independent valuer and is subject to management assessment between formal valuations.

<table>
<thead>
<tr>
<th>3.2B: Other non-financial assets</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepayments</td>
<td>9,357</td>
<td>9,415</td>
</tr>
<tr>
<td>Rent-free asset</td>
<td>35</td>
<td>516</td>
</tr>
<tr>
<td><strong>Total other non-financial assets</strong></td>
<td><strong>9,392</strong></td>
<td><strong>9,931</strong></td>
</tr>
</tbody>
</table>

Other non-financial assets are expected to be recovered in:

- No more than 12 months
- More than 12 months

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>No more than 12 months</td>
<td>9,392</td>
<td>9,931</td>
</tr>
<tr>
<td>More than 12 months</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total other non-financial assets</strong></td>
<td><strong>9,392</strong></td>
<td><strong>9,931</strong></td>
</tr>
</tbody>
</table>

No indicators of impairment were found for other non-financial assets.
3. Departmental financial position continued

3.3 Payables

### 3.3A: Suppliers

<table>
<thead>
<tr>
<th>Note</th>
<th>2016 $’000</th>
<th>2015 $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade creditors and accruals</td>
<td>20,657</td>
<td>24,867</td>
</tr>
<tr>
<td>Operating lease rent payable</td>
<td>12,773</td>
<td>12,292</td>
</tr>
<tr>
<td><strong>Total suppliers</strong></td>
<td><strong>33,430</strong></td>
<td><strong>37,159</strong></td>
</tr>
</tbody>
</table>

Supplier payables expected to be settled within 12 months:
- No more than 12 months: 33,430
- More than 12 months: –

**Total supplier payables:** 33,430

### 3.3B: Other payables

<table>
<thead>
<tr>
<th>Description</th>
<th>2016 $’000</th>
<th>2015 $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other unearned revenue</td>
<td>180</td>
<td>144</td>
</tr>
<tr>
<td>Property lease incentives(^1)</td>
<td>27,999</td>
<td>30,946</td>
</tr>
<tr>
<td>Salaries and bonuses</td>
<td>10,108</td>
<td>16,191</td>
</tr>
<tr>
<td>Separations and redundancies</td>
<td>1,050</td>
<td>1,466</td>
</tr>
<tr>
<td>Parental leave</td>
<td>5</td>
<td>34</td>
</tr>
<tr>
<td><strong>Total other payables</strong></td>
<td><strong>39,342</strong></td>
<td><strong>48,781</strong></td>
</tr>
</tbody>
</table>

Total other payables are expected to be settled in:
- No more than 12 months: 11,343
- More than 12 months: 27,999

**Total other payables:** 39,342

\(^1\) Total property lease incentives are disclosed as deferred rental expenditure at 30 June 2016. Lease incentives are amortised over the lease term.

### Accounting policy

**Separation and redundancy**

Provision is made for separation and redundancy benefit payments. ASIC recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

### 3.4 Other provisions

#### 3.4A: Other provisions

<table>
<thead>
<tr>
<th>Description</th>
<th>2016 $’000</th>
<th>2015 $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for restoration obligations – leased premises</td>
<td>8,695</td>
<td>8,418</td>
</tr>
<tr>
<td>Provision for adverse cost orders</td>
<td>1,935</td>
<td>7,437</td>
</tr>
<tr>
<td><strong>Total other provisions</strong></td>
<td><strong>10,630</strong></td>
<td><strong>15,855</strong></td>
</tr>
</tbody>
</table>

Other provisions are expected to be settled in:
- No more than 12 months: 4,566
- More than 12 months: 6,064

**Total other provisions:** 10,630

ASIC currently has nine lease agreements (2015: nine) for the leasing of premises which have provisions requiring ASIC to restore the premises to their original condition at the conclusion of the lease. ASIC has made a provision to reflect the present value of these obligations.
4. Assets and liabilities administered on behalf of the Government

This section analyses assets used to conduct operations and the operating liabilities incurred as a result of activities that ASIC does not control but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

4.1 Administered – financial assets

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td><strong>Note 4.1A: Cash and cash equivalents</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total cash and cash equivalents</td>
<td>2,065</td>
<td>2,157</td>
</tr>
</tbody>
</table>

4.1B: Taxation receivables

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Fees and fines receivable</td>
<td>189,306</td>
<td>173,118</td>
</tr>
<tr>
<td>Information brokers’ fees</td>
<td>6,929</td>
<td>8,624</td>
</tr>
<tr>
<td><strong>Total taxation receivables (gross)</strong></td>
<td>196,235</td>
<td>181,742</td>
</tr>
</tbody>
</table>

Less: impairment allowance account:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Fees and fines</td>
<td>65,693</td>
<td>58,028</td>
</tr>
<tr>
<td><strong>Total taxation receivables (net)</strong></td>
<td>130,542</td>
<td>123,714</td>
</tr>
</tbody>
</table>

Receivables were aged as follows:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not overdue</td>
<td>92,874</td>
<td>86,812</td>
</tr>
<tr>
<td>Overdue by:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than 30 days</td>
<td>18,760</td>
<td>20,478</td>
</tr>
<tr>
<td>30 to 60 days</td>
<td>9,405</td>
<td>8,702</td>
</tr>
<tr>
<td>61 to 90 days</td>
<td>6,054</td>
<td>5,932</td>
</tr>
<tr>
<td>More than 90 days</td>
<td>69,142</td>
<td>59,818</td>
</tr>
<tr>
<td><strong>Total taxation receivables (gross)</strong></td>
<td>196,235</td>
<td>181,742</td>
</tr>
</tbody>
</table>

The impairment allowance account is aged as follows:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not overdue</td>
<td>468</td>
<td>431</td>
</tr>
<tr>
<td>Overdue by:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than 30 days</td>
<td>1,273</td>
<td>1,003</td>
</tr>
<tr>
<td>30 to 60 days</td>
<td>1,644</td>
<td>1,453</td>
</tr>
<tr>
<td>61 to 90 days</td>
<td>1,188</td>
<td>1,454</td>
</tr>
<tr>
<td>More than 90 days</td>
<td>61,120</td>
<td>53,687</td>
</tr>
<tr>
<td><strong>Total impairment allowance account</strong></td>
<td>65,693</td>
<td>58,028</td>
</tr>
</tbody>
</table>

Taxation receivables are due from entities that are not part of the Australian Government.

Credit terms for goods and services were within 30 days (2015: 30 days).
4. Assets and liabilities administered on behalf of the Government continued

<table>
<thead>
<tr>
<th>Reconciliation of the movement in the impairment allowance account</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>58,028</td>
<td>55,134</td>
</tr>
<tr>
<td>Amounts written off</td>
<td>(39,037)</td>
<td>(40,040)</td>
</tr>
<tr>
<td>Amounts waived</td>
<td>(2,768)</td>
<td>(2,409)</td>
</tr>
<tr>
<td>Increase in impairment allowance recognised as an expense</td>
<td>49,470</td>
<td>45,343</td>
</tr>
<tr>
<td>Closing balance</td>
<td>65,693</td>
<td>58,028</td>
</tr>
</tbody>
</table>

**4.1C: Other receivables**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>GST receivable</td>
<td>315</td>
<td>203</td>
</tr>
<tr>
<td>Total receivables (gross)</td>
<td>315</td>
<td>203</td>
</tr>
</tbody>
</table>

**Accounting policy**

**Receivables**

Administered receivables are recognised at their nominal value less an impairment allowance. The Finance Minister has determined that statutory receivables are not financial instruments and accordingly ASIC has assessed administered receivables for impairment under AASB 136 Impairment of Assets (FRR 26.3).

The impairment allowance is raised against receivables for any doubtful debts and any probable credit amendments, and is based on a review of outstanding debts at balance date. This includes an examination of individual large debts and disputed amounts with reference to historic collection patterns.

The impairment allowance expense is calculated using estimation techniques to determine an estimate of current receivables which are unlikely to be collected in the future.

Administered receivables that are irrecoverable at law or are uneconomic to pursue are written off under s63 of the PGPA Act.

**4.2 Administered – payables**

<table>
<thead>
<tr>
<th>4.2A: Suppliers</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Suppliers payables</td>
<td>1,167</td>
<td>450</td>
</tr>
<tr>
<td>Total suppliers</td>
<td>1,167</td>
<td>450</td>
</tr>
</tbody>
</table>

**Other payables**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refund of fees payable</td>
<td>16,170</td>
<td>12,044</td>
</tr>
<tr>
<td>Unallocated monies1</td>
<td>6,093</td>
<td>6,140</td>
</tr>
<tr>
<td>Grants payable2</td>
<td>1,883</td>
<td>1,286</td>
</tr>
<tr>
<td>Total other payables</td>
<td>24,146</td>
<td>19,470</td>
</tr>
</tbody>
</table>

All other payables are for entities that are not part of the Australian Government.

1. All payables are expected to be settled within 12 months. Settlement is usually made within 30 days.
2. Settlement is made according to the terms and conditions of each grant. This is usually within 30 days of performance and eligibility.
4.2B: Non-taxation provisions

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations Act 2001 claims</td>
<td>171,865</td>
<td>168,715</td>
</tr>
<tr>
<td>Banking Act 1959 claims</td>
<td>197,410</td>
<td>224,333</td>
</tr>
<tr>
<td>Life Insurance Act 1995 claims</td>
<td>22,459</td>
<td>24,643</td>
</tr>
<tr>
<td>Total other provisions</td>
<td>391,734</td>
<td>417,691</td>
</tr>
</tbody>
</table>

Reconciliation of the opening and closing balance of other provisions

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>417,691</td>
<td>435,848</td>
</tr>
<tr>
<td>Amounts recognised</td>
<td>140,245</td>
<td>140,245</td>
</tr>
<tr>
<td>Amounts used</td>
<td>(166,202)</td>
<td>(158,402)</td>
</tr>
<tr>
<td>Closing balance</td>
<td>391,734</td>
<td>417,691</td>
</tr>
</tbody>
</table>

Accounting policy

Provisions
The provisions recognised in the Administered Schedule of Assets and Liabilities are for estimated claims payable from collections of unclaimed monies administered by ASIC as at balance date. ASIC adopted a provision for future claims based on an independent valuation calculated by a registered actuary, under AASB 137 Provisions, Contingent Liabilities and Contingent Assets.

Significant accounting judgements and estimates
The provision has been estimated based on the historic claims pattern experienced since 2002 and the outstanding lodgements. The estimate reflects the volatility of unclaimed monies lodgements and claims from year to year, which is impacted by factors including economic events, legislative change, media exposure and the behaviour of claimants, each of which has differed significantly from year to year and over time. The estimated future flow of refunds over time has been discounted to present value at a risk-free rate of interest based on government bond rates with similar terms to the expected refunds. Allowance has been made for payment of compounding interest for all claims from 1 July 2013 on unclaimed balances in accordance with actual legislated interest rates and estimated future interest rates based on economist expectations for inflation in the medium to longer term, noting legislated interest rates are linked to movements in the CPI.
5. Funding

This section identifies ASIC’s funding structure.

### 5.1 Appropriations

#### 5.1A: Annual appropriations (‘recoverable GST exclusive’)

<table>
<thead>
<tr>
<th>Annual appropriations for 2016</th>
<th>Appropriation Act(^1) $’000</th>
<th>Section 74 receipts $’000</th>
<th>Section 75 receipts $’000</th>
<th>Total appropriation $’000</th>
<th>Appropriation applied in 2016 (current and prior years) $’000</th>
<th>Variance $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Departmental</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ordinary annual services</td>
<td>311,480</td>
<td>5,210</td>
<td>–</td>
<td>316,690</td>
<td>339,793</td>
<td>(23,103)</td>
</tr>
<tr>
<td>Capital Budget</td>
<td>19,131</td>
<td></td>
<td></td>
<td>19,131</td>
<td>16,805</td>
<td>2,326</td>
</tr>
<tr>
<td>Other Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity Injections</td>
<td>5,301</td>
<td></td>
<td></td>
<td>5,301</td>
<td>5,328</td>
<td>(27)</td>
</tr>
<tr>
<td><strong>Total Departmental</strong></td>
<td>335,912</td>
<td>5,210</td>
<td>–</td>
<td>341,122</td>
<td>361,926</td>
<td>(20,804)</td>
</tr>
<tr>
<td><strong>Administered</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ordinary annual services</td>
<td>7,427</td>
<td></td>
<td></td>
<td>7,427</td>
<td>5,777</td>
<td>1,650</td>
</tr>
<tr>
<td>Appropriations reduced</td>
<td>–</td>
<td></td>
<td></td>
<td>–</td>
<td>–</td>
<td></td>
</tr>
<tr>
<td><strong>Total Administered</strong></td>
<td>7,427</td>
<td></td>
<td></td>
<td>7,427</td>
<td>5,777</td>
<td>1,650</td>
</tr>
</tbody>
</table>

1. Determination under s51 of the PGPA Act (determination made on 17 June 2016)

### Appropriation Act (No. 1) 2015–2016

<table>
<thead>
<tr>
<th>Appropriation Act (No. 1) 2015–2016</th>
<th>$’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>150</td>
<td></td>
</tr>
</tbody>
</table>

### Appropriation Act (No. 2) 2012–2013

<table>
<thead>
<tr>
<th>Appropriation Act (No. 2) 2012–2013</th>
<th>$’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,679</td>
<td></td>
</tr>
</tbody>
</table>

### Appropriation Act (No. 2) 2013–2014

<table>
<thead>
<tr>
<th>Appropriation Act (No. 2) 2013–2014</th>
<th>$’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,200</td>
<td></td>
</tr>
</tbody>
</table>
### 5. Funding continued

<table>
<thead>
<tr>
<th>Annual appropriations for 2015</th>
<th>Appropriation Act</th>
<th>PGPA Act</th>
<th>Appropriation applied in 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Annual appropriation(^1)</td>
<td>Section 74 receipts</td>
<td>Section 75 receipts</td>
</tr>
<tr>
<td>Departmental Ordinary annual services</td>
<td>$324,843</td>
<td>$6,109</td>
<td>$3,247</td>
</tr>
<tr>
<td>Capital Budget</td>
<td>$15,215</td>
<td>$15,215</td>
<td>$27,030</td>
</tr>
<tr>
<td>Other Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity Injections</td>
<td>$9,365</td>
<td>$9,365</td>
<td>$7,070</td>
</tr>
<tr>
<td>Total Departmental</td>
<td>$349,423</td>
<td>$6,109</td>
<td>$3,247</td>
</tr>
<tr>
<td>Administered Ordinary annual services</td>
<td>$7,891</td>
<td>$7,891</td>
<td>$5,738</td>
</tr>
<tr>
<td>Appropriations reduced(^1,3)</td>
<td>$(1,248)</td>
<td>$(1,248)</td>
<td>$(1,248)</td>
</tr>
<tr>
<td>Total Administered</td>
<td>$6,643</td>
<td>$6,643</td>
<td>$5,738</td>
</tr>
</tbody>
</table>

1. In 2015, this includes $0.634m in Appropriation Bill (No.1) 2015 and $2.613m in equity injection for the reallocation of funding from the Department of Treasury for the North Queensland Insurance Comparison Website.
2. In 2015, there were no material variances.
3. In 2015, the Direction to Permanently Withhold Access to Annual Appropriations enabled the specific amount to be withheld in accordance with the approved Government decisions and movement of funds.
5. Funding continued

5.1B: Unspent annual appropriations (‘recoverable GST exclusive’)

<table>
<thead>
<tr>
<th>Departmental</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriation Act (No. 2) 2012–2013</td>
<td>2,064</td>
<td>2,044</td>
</tr>
<tr>
<td>Appropriation Act (No. 2) 2013–2014</td>
<td>1,507</td>
<td>1,507</td>
</tr>
<tr>
<td>Appropriation Act (No. 1) DCB 2014–2015</td>
<td>–</td>
<td>320</td>
</tr>
<tr>
<td>Appropriation Act (No. 1) 2014–2015</td>
<td>–</td>
<td>86,687</td>
</tr>
<tr>
<td>Appropriation Act (No. 2) 2014–2015</td>
<td>720</td>
<td>2,311</td>
</tr>
<tr>
<td>Appropriation Act (No. 1) DCB 2015–2016</td>
<td>2,647</td>
<td>–</td>
</tr>
<tr>
<td>Appropriation Act (No. 1) 2015–2016</td>
<td>76,306</td>
<td>–</td>
</tr>
<tr>
<td>Appropriation Act (No. 2) 2015–2016</td>
<td>1,793</td>
<td>–</td>
</tr>
<tr>
<td>Appropriation Act (No. 4) 2015–2016</td>
<td>18</td>
<td>–</td>
</tr>
<tr>
<td>Enforcement Special Account</td>
<td>44,195</td>
<td>62,127</td>
</tr>
<tr>
<td><strong>Total departmental</strong></td>
<td>129,250</td>
<td>155,264</td>
</tr>
</tbody>
</table>

Unspent departmental appropriations includes cash balances of $1.506m (2015: $9.232m).

<table>
<thead>
<tr>
<th>Administered</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriation Act (No. 1) 2014–2015</td>
<td>–</td>
<td>2,142</td>
</tr>
<tr>
<td>Appropriation Act (No. 1) 2015–2016</td>
<td>1,692</td>
<td>–</td>
</tr>
<tr>
<td>Appropriation Act (No. 3) 2015–2016</td>
<td>349</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total administered</strong></td>
<td>2,041</td>
<td>2,142</td>
</tr>
</tbody>
</table>

Unspent administered appropriations represents cash balances.
### 5.1C: Special appropriations (‘recoverable GST exclusive’)

<table>
<thead>
<tr>
<th>Authority</th>
<th>Type</th>
<th>Purpose</th>
<th>Appropriation applied</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>2016 $'000</td>
</tr>
<tr>
<td>s69 Banking Act 1959, Administered</td>
<td>Unlimited</td>
<td>ASIC has responsibility for the administration of unclaimed monies from banking and deposit taking institutions. ASIC receives special appropriations from the OPA (s69 Banking Act 1959) to refund amounts to banking and deposit taking institution account holders.</td>
<td>81,776</td>
</tr>
<tr>
<td>s216 Life Insurance Act 1995, Administered</td>
<td>Unlimited</td>
<td>ASIC has responsibility for the administration of unclaimed monies from life insurance institutions and friendly societies. ASIC receives special appropriations from the OPA (s216 Life Insurance Act 1995) to refund amounts to life insurance policy holders.</td>
<td>10,024</td>
</tr>
<tr>
<td>s77 PGPA Act, Corporations Act 2001 (refunds of overpaid Corporations Act fees and charges), Administered</td>
<td>Unlimited</td>
<td>ASIC has responsibility for the administration and collection of Corporations Act fees and charges. All fees and charges are deposited into the OPA as received. Refunds of overpayments are appropriated under s77 of the PGPA Act 2013.</td>
<td>6,799</td>
</tr>
<tr>
<td>s77 PGPA Act, Corporations Act 2001 (refunds of unclaimed money held under s1341 Corporations Act 2001), Administered</td>
<td>Unlimited</td>
<td>ASIC has responsibility for the administration of unclaimed monies under s1341 of the Corporations Act 2001.</td>
<td>31,175</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>129,774</strong></td>
</tr>
</tbody>
</table>
5. Funding continued

5.2 Special Accounts

<table>
<thead>
<tr>
<th>Enforcement Special Account¹</th>
<th>Deregistered Companies Trust Moneys Special Account²</th>
<th>Security Deposits Special Accounts³</th>
<th>Investigations, Legal Proceedings, Settlements and Court Orders Special Account⁴</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>2015</td>
<td>2016</td>
<td>2015</td>
</tr>
<tr>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
</tr>
<tr>
<td>Balance carried forward from previous year</td>
<td>62,127</td>
<td>51,900</td>
<td>1,902</td>
</tr>
<tr>
<td>Appropriation for the reporting period</td>
<td>26,920</td>
<td>27,000</td>
<td>493</td>
</tr>
<tr>
<td>Costs recovered</td>
<td>32</td>
<td>428</td>
<td>40</td>
</tr>
<tr>
<td>Available for payments</td>
<td>89,079</td>
<td>79,328</td>
<td>2,435</td>
</tr>
<tr>
<td>Cash payments from the Special Account</td>
<td>(44,884)</td>
<td>(17,201)</td>
<td>(146)</td>
</tr>
<tr>
<td>Balance carried forward to the next period</td>
<td>44,195</td>
<td>62,127</td>
<td>2,289</td>
</tr>
</tbody>
</table>

1. Appropriation: s78 Public Governance, Performance and Accountability Act 2013. Establishing Instrument: s78 Public Governance, Performance and Accountability Act 2013. Purpose: the Enforcement Special Account (ESA) is a departmental special account which was established by a determination of the Finance Minister on 13 September 2006 to fund the costs of ASIC arising from the investigation and litigation of matters of significant public interest.


4. Appropriation: s78 Public Governance, Performance and Accountability Act 2013. Establishing Instrument: s78 Public Governance, Performance and Accountability Act 2013. Purpose – the ASIC Investigations, Legal Proceedings, Settlements and Court Orders Special Account was established by a determination of the Finance Minister on 18 February 2008 to manage money or other property temporarily held by ASIC for the benefit of a person other than the Commonwealth as a result of investigations conducted by ASIC, legal proceedings to which ASIC is a party, deeds of settlement to which ASIC is a party, enforceable undertakings accepted by ASIC and court orders referring to ASIC.

ASIC has a Services for Other Entities and Trust Monies Special Account – Australian Securities and Investments Commission (SOETM). This account was established under s78 Public Governance, Performance and Accountability Act 2013. The SOETM combines the purposes of the Other Trust Monies and the Services for other Government and Non-agency Bodies special accounts into a single standard-purpose Special Account. The SOETM enables ASIC to continue to hold and expend amounts on behalf of persons or entities other than the Commonwealth. The SOETM will typically be used to accommodate small amounts of miscellaneous monies, for example, amounts received in connection with services performed for or on behalf of any persons or entities that are not agencies as prescribed under the PGFA Act, such as other governments. For the year ended 30 June 2016 the account had a nil balance and there were no transactions debited or credited to it during the current or prior reporting period.
5.3 Regulatory charging summary

<table>
<thead>
<tr>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>$’000</td>
<td>$’000</td>
</tr>
</tbody>
</table>

### 5.3: Receipts pursuant to cost recovery provisions

#### Significant regulatory charging arrangements

| Supervision of Australia’s financial markets and competition for market services | 21,200 | 21,286 |

#### Total receipts subject to regulatory charging arrangements

| 21,200 | 21,286 |

<table>
<thead>
<tr>
<th>Receipts</th>
<th>5,464</th>
<th>6,215</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Receivables are aged as follows:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not overdue</td>
</tr>
<tr>
<td>Overdue by:</td>
</tr>
<tr>
<td>Less than 30 days</td>
</tr>
<tr>
<td>30 to 60 days</td>
</tr>
<tr>
<td>61 to 90 days</td>
</tr>
<tr>
<td>More than 90 days</td>
</tr>
</tbody>
</table>

#### Total receivables (gross)

| 5,464 | 6,215 |

ASIC is recovering its costs to enhance its supervision of Australia’s financial markets and competition for market services.
5. Funding continued

5.4 Cash flow reconciliation

5.4A: Departmental cash flow reconciliation

Reconciliation of cash and cash equivalents as per the Statement of Financial Position and Cash Flow Statement

<table>
<thead>
<tr>
<th>Cash and cash equivalents as per:</th>
<th>2016 '000</th>
<th>2015 '000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Flow Statement</td>
<td>1,506</td>
<td>9,232</td>
</tr>
<tr>
<td>Statement of Financial Position</td>
<td>1,506</td>
<td>9,232</td>
</tr>
<tr>
<td>Discrepancy</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

Reconciliation of net cost of services to net cash from operating activities:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cost of services</td>
<td>(366,023)</td>
<td>(349,449)</td>
</tr>
<tr>
<td>Add revenue from Government</td>
<td>325,643</td>
<td>311,942</td>
</tr>
<tr>
<td>(Deficit) attributable to the Australian Government</td>
<td>(40,380)</td>
<td>(37,507)</td>
</tr>
</tbody>
</table>

Adjustments for non-cash items

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation/amortisation</td>
<td>44,373</td>
<td>41,373</td>
</tr>
<tr>
<td>Net write-down of non-financial assets</td>
<td>174</td>
<td>165</td>
</tr>
</tbody>
</table>

Movement in assets and liabilities

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decrease in net receivables</td>
<td>5,044</td>
<td>7,559</td>
</tr>
<tr>
<td>(Increase)/decrease in other non-financial assets</td>
<td>539</td>
<td>7,619</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase/(decrease) in employee provisions</td>
<td>(398)</td>
<td>3,118</td>
</tr>
<tr>
<td>Increase/(decrease) in supplier payables</td>
<td>9,235</td>
<td>(14,158)</td>
</tr>
<tr>
<td>Increase/(decrease) in other provisions and payables</td>
<td>(24,395)</td>
<td>(3,326)</td>
</tr>
<tr>
<td>Net cash from operating activities</td>
<td>(5,808)</td>
<td>4,844</td>
</tr>
</tbody>
</table>
5.4B: Administered cash flow reconciliation

Reconciliation of cash and cash equivalents as per Administered Schedule of Assets and Liabilities to the Administered Cash Flow Statement

Cash and cash equivalents as per:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administered Cash Flow Statement</td>
<td>2,065</td>
<td>2,157</td>
</tr>
<tr>
<td>Schedule of Administered Assets and Liabilities</td>
<td>2,065</td>
<td>2,157</td>
</tr>
<tr>
<td><strong>Discrepancy</strong></td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

Reconciliation of net cost of services to net cash from operating activities:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net contribution by services</td>
<td>768,699</td>
<td>842,045</td>
</tr>
</tbody>
</table>

Movement in assets and liabilities

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Decrease) in other provisions</td>
<td>(25,957)</td>
<td>(2,895)</td>
</tr>
<tr>
<td>Increase/(Decrease) in Suppliers and other payables</td>
<td>5,392</td>
<td>–</td>
</tr>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase) in receivables</td>
<td>(6,940)</td>
<td>2,894</td>
</tr>
<tr>
<td><strong>Net cash from operating activities</strong></td>
<td>741,194</td>
<td>842,044</td>
</tr>
</tbody>
</table>

6. People and relationships

This section describes a range of employment and post-employment benefits provided to our people and our relationships with other key people.

6.1 Employee provisions

6.1A: Employee provisions

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual leave entitlement</td>
<td>19,507</td>
<td>18,880</td>
</tr>
<tr>
<td>Long service leave entitlement</td>
<td>40,095</td>
<td>36,970</td>
</tr>
<tr>
<td>Restructuring provision</td>
<td>–</td>
<td>4,150</td>
</tr>
<tr>
<td><strong>Total employee provisions</strong></td>
<td>59,602</td>
<td>60,000</td>
</tr>
</tbody>
</table>

Employee provisions are expected to be settled in:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>No more than 12 months</td>
<td>15,233</td>
<td>20,365</td>
</tr>
<tr>
<td>More than 12 months</td>
<td>44,369</td>
<td>39,635</td>
</tr>
<tr>
<td><strong>Total employee provisions</strong></td>
<td>59,602</td>
<td>60,000</td>
</tr>
</tbody>
</table>
Accounting policy
Liabilities for ‘short-term employee benefits’ (as defined in AASB 119 Employee Benefits) and termination benefits expected within 12 months of the end of the reporting period are measured at their nominal amounts.

Other long-term employee benefits are measured as net total of the present value of the defined benefit obligations at the end of the reporting period minus the fair value at the reporting period of plan assets (if any of which the obligations are to be settled directly).

Leave
The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of ASIC is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees’ remuneration at the estimated salary rates that will be applied at the time leave is taken, including ASIC’s employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been determined by reference to the work of an independent actuary as at 30 June 2016. Actuarial reviews of long service leave are undertaken at least every five years. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Superannuation
ASIC employees are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS Accumulation Plan (PSSap) or other superannuation funds held outside the Australian Government.

The CSS and PSS are defined-benefit schemes of the Australian Government. The PSSap is a defined-contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance’s administered schedule and notes.

ASIC makes employer contributions to its employees’ defined-benefit superannuation schemes at rates determined by an actuary to be sufficient to meet the current cost to the Government, and ASIC accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions.

Significant accounting judgement and estimates
In the process of applying the accounting policies listed in this note, ASIC has made assumptions or estimates in the following areas that have the most significant impact on the amounts recorded in the financial statements:

* Leave provisions involve assumptions based on the expected tenure of existing staff, patterns of leave claims and payouts, future salary movements and future discount rate.
6. People and relationships continued

6.2 Senior management personnel remuneration

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>6.2A: Total remuneration expense recognised in relation to Commissioners</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Short-term employee benefits:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary</td>
<td>2,469,977</td>
<td>2,389,413</td>
</tr>
<tr>
<td>Car parking fringe benefits</td>
<td>–</td>
<td>35,904</td>
</tr>
<tr>
<td><strong>Total short-term employee benefits</strong></td>
<td>2,469,977</td>
<td>2,425,317</td>
</tr>
<tr>
<td><strong>Post-employment benefits:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Superannuation</td>
<td>286,231</td>
<td>274,417</td>
</tr>
<tr>
<td><strong>Total remuneration expense for Commissioners</strong></td>
<td>3,030,887</td>
<td>2,961,695</td>
</tr>
</tbody>
</table>

The total number of Commissioners who are included in the above table is five (2015: five).

**6.2B: Remuneration of senior management personnel**

Senior management personnel are those who perform functions controlling operational activities that directly impact the economic function and viability of ASIC and whose employment conditions are equivalent to SES employment conditions of service.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Short-term employee benefits:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary and performance bonuses</td>
<td>7,848,385</td>
<td>8,049,754</td>
</tr>
<tr>
<td>Motor vehicle allowances and other short-term benefits</td>
<td>1,058,929</td>
<td>1,036,737</td>
</tr>
<tr>
<td><strong>Total short-term employee benefits</strong></td>
<td>8,907,314</td>
<td>9,086,491</td>
</tr>
<tr>
<td><strong>Post-employment benefits:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Superannuation</td>
<td>1,196,599</td>
<td>1,121,652</td>
</tr>
<tr>
<td><strong>Total remuneration expense for senior management personnel</strong></td>
<td>11,097,337</td>
<td>11,108,952</td>
</tr>
</tbody>
</table>

The total number of senior management personnel who are included in the above table is 36 (2015: 37).
7. Managing uncertainties

This section describes how ASIC manages financial risks within its operating environment.

7.1 Contingent assets and liabilities

<table>
<thead>
<tr>
<th>7.1A: Departmental contingent liabilities and assets</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contingent assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Claims for costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance from previous period</td>
<td>924</td>
<td>806</td>
</tr>
<tr>
<td>Adjustments to prior period contingent receivables:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assets relinquished</td>
<td>–</td>
<td>(126)</td>
</tr>
<tr>
<td>Revisions to estimates</td>
<td>(236)</td>
<td>244</td>
</tr>
<tr>
<td>New contingent receivables</td>
<td>505</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total contingent assets</strong></td>
<td>1,193</td>
<td>924</td>
</tr>
<tr>
<td>Net contingent assets</td>
<td>1,193</td>
<td>924</td>
</tr>
</tbody>
</table>

**Quantifiable contingencies (ASIC departmental)**

The above contains 13 matters (2015: seven matters) of contingent assets disclosed in respect to matters which ASIC has received an award of costs in its favour, however agreement with respect to the quantum payable to ASIC has not been reached. ASIC has estimated these matters represent a combined receivable of $1.193m (2015: $0.924m), which is disclosed as a contingent asset because realisation of this debt is not virtually certain.

**Unquantifiable contingencies (ASIC departmental)**

ASIC is party to many civil litigation matters arising out of its statutory duty to administer and enforce laws for which it is responsible.

Like any corporate body, ASIC may from time to time be the subject of legal proceedings for damages brought against it, or may receive notice indicating that such proceedings may be brought. In either case ASIC, like any other party to civil litigation, may be required to pay the other party’s costs if ASIC is unsuccessful. In accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets, ASIC has not disclosed the value of these matters on the grounds that it may seriously prejudice the outcome of these cases.

As at the date of this report, there are civil matters that may result in an award of costs in favour or against ASIC.

**Civil litigation brought, or threatened to be brought, against ASIC as a defendant**

There is, at the date of this report, two matters of this type where proceedings are current. In these matters, ASIC denies liability and is of the view that, save for having to pay legal fees and other out-of-pocket expenses, it is likely that ASIC will:

a) successfully defend the actions instituted; and

b) not be required to pay any damages.
7. Managing uncertainties continued
Conversely, ASIC, like any other party to civil litigation, may be entitled to recover costs arising out of such litigation if it is successful. In addition to the matters specifically referred to in this note, ASIC has legal action pending in a number of other matters, however, due to the uncertainty over the outcome of outstanding and pending court cases, duration of court cases and the legal costs of the opposing party, ASIC is unable to reliably estimate either its potential payments to, or potential cost recoveries from, opposing litigants. There may also be other matters where ASIC has received an award of costs in its favour, however no contingent asset has been disclosed as recovery of the debt is not probable. There may also be other matters where no contingency has been quantified because the costs awarded for or against ASIC are estimated to be less than $20,000 each.

Accounting policy
Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in this note. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

Significant accounting judgements and estimates
No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next reporting period.

7.1B: Administered contingent liabilities

Quantifiable administered contingencies
Quantifiable administered contingencies that are not remote are disclosed in the Schedule of Administered Items.

Banking Act, Life Insurance Act and Corporations Act administration
An actuarial assessment of the amount of claims that are likely to be lodged with ASIC in respect to unclaimed monies was conducted by a registered actuary. ASIC adopted the registered actuary’s calculation for the likely claims payable, excluding interest and reported in Note 4.2B.

The contingent liability represents an estimate of the principal unclaimed monies that have been lodged with ASIC but where the likelihood of a successful claim is regarded as remote. No allowance has been made for the compounding interest, which is payable for a successful claim lodged from 1 July 2013 in accordance with legislated interest rates. The contingent liability has been calculated by deducting from the total principal balance, excluding interest, of unclaimed monies lodged but not yet claimed, the undiscounted amount of the provision for future refunds excluding any interest:

<table>
<thead>
<tr>
<th>Act</th>
<th>Amount</th>
<th>(2015: Amount)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banking Act 1959</td>
<td>$448.984m</td>
<td>($474.926m)</td>
</tr>
<tr>
<td>Life Insurance Act 1995</td>
<td>$ 62.771m</td>
<td>($ 66.313m)</td>
</tr>
<tr>
<td>Corporations Act 2001</td>
<td>$274.447m</td>
<td>($251.005m)</td>
</tr>
</tbody>
</table>

Unquantifiable administered contingencies
There are no unquantifiable administered contingent liabilities.

Accounting policy
Administered contingent liabilities represent an estimate of unclaimed monies that are likely to be refunded, but not considered remote. There are no administered contingent assets as at 30 June 2016 (2015: nil).
7. Managing uncertainties continued

7.2 Financial instruments

<table>
<thead>
<tr>
<th>Financial instruments</th>
<th>Notes</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>7.2A: Categories of financial instruments</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans and receivables</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1,506</td>
<td>9,232</td>
<td></td>
</tr>
<tr>
<td>Receivables for goods and services (net of impairment allowance)</td>
<td>552</td>
<td>704</td>
<td></td>
</tr>
<tr>
<td><strong>Total financial assets</strong></td>
<td>3.1</td>
<td>2,058</td>
<td>9,936</td>
</tr>
<tr>
<td>Financial liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At amortised cost:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade creditors</td>
<td></td>
<td>20,657</td>
<td>24,867</td>
</tr>
<tr>
<td><strong>Total financial liabilities</strong></td>
<td>3.3</td>
<td>20,657</td>
<td>24,867</td>
</tr>
</tbody>
</table>

**Accounting policy**

**Financial assets**
ASIC classifies its financial assets as receivables. See Note 3.1B for further details.

**Financial liabilities**
Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

**7.2B: Net gains or losses on financial assets**

<table>
<thead>
<tr>
<th>Loans and receivables</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Impairment</td>
<td></td>
<td>(20)</td>
<td>(10)</td>
</tr>
<tr>
<td><strong>Net gain/(expense) from financial assets</strong></td>
<td>1.1C</td>
<td>(20)</td>
<td>(10)</td>
</tr>
</tbody>
</table>

**7.2C: Fair value of financial instruments**

ASIC does not have any assets pledged or held as collateral in the financial instruments disclosures.

**7.2D: Credit risk**

ASIC is exposed to minimal credit risk as loans and receivables are cash and trade receivables.

The maximum exposure to credit risk is the risk that arises from potential default of a debtor. This amount is equal to the total amount of trade receivables (2016: $677,125, 2015: $ 839,227). ASIC has assessed the risk of the default on payment for each receivable and has allocated $125,376 in 2016 (2015: $132,848) to the impairment allowance account.

ASIC has policies and procedures that guide debt recovery techniques that are to be applied by ASIC employees where debts are past due.

ASIC holds no collateral to mitigate against credit risk.

The following two tables illustrate ASIC’s gross exposure to credit risk, excluding any collateral or credit enhancements.

AASB 7 Financial Instruments: Disclosures requires that the classification of financial instruments at fair value be determined by reference to the source of inputs used to derive the fair value.
7. Managing uncertainties continued
Credit quality of financial instruments not past due or individually determined as impaired.

<table>
<thead>
<tr>
<th></th>
<th>Not past due nor impaired</th>
<th>Not past due nor impaired</th>
<th>Past due or impaired</th>
<th>Past due or impaired</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016 $’000</td>
<td>2015 $’000</td>
<td>2016 $’000</td>
<td>2015 $’000</td>
</tr>
<tr>
<td>Loans and receivables</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1,506</td>
<td>9,232</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Receivables for goods and services (gross)</td>
<td>617</td>
<td>240</td>
<td>60</td>
<td>402</td>
</tr>
<tr>
<td>Total</td>
<td>2,123</td>
<td>9,472</td>
<td>60</td>
<td>402</td>
</tr>
</tbody>
</table>

Ageing of financial assets that are past due but not impaired for 2016:

<table>
<thead>
<tr>
<th></th>
<th>0 to 30 days</th>
<th>31 to 60 days</th>
<th>61 to 90 days</th>
<th>More than 90 days</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
</tr>
<tr>
<td>Loans and receivables</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivables for goods and services</td>
<td>2</td>
<td>30</td>
<td>–</td>
<td>28</td>
<td>60</td>
</tr>
<tr>
<td>Total</td>
<td>2</td>
<td>30</td>
<td>–</td>
<td>28</td>
<td>60</td>
</tr>
</tbody>
</table>

Ageing of financial assets that are past due but not impaired for 2015:

<table>
<thead>
<tr>
<th></th>
<th>0 to 30 days</th>
<th>31 to 60 days</th>
<th>61 to 90 days</th>
<th>More than 90 days</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
</tr>
<tr>
<td>Loans and receivables</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivables for goods and services</td>
<td>258</td>
<td>11</td>
<td>–</td>
<td>133</td>
<td>402</td>
</tr>
<tr>
<td>Total</td>
<td>258</td>
<td>11</td>
<td>–</td>
<td>133</td>
<td>402</td>
</tr>
</tbody>
</table>

7.2E: Liquidity risk
ASIC’s financial liabilities are trade creditors. The exposure to liquidity risk was based on the notion that ASIC will encounter difficulty in meeting its obligations associated with financial liabilities. This is highly unlikely as ASIC is appropriated funding from the Australian Government and ASIC manages its budgeted funds to ensure it has adequate funds to meet payments as they fall due. In addition, ASIC has policies in place to ensure timely payments are made when due and has no past experience of default.

All ASIC’s financial liabilities as at 30 June 2016 and 30 June 2015 were payable within one year. As at 30 June 2016, ASIC has no financial liabilities payable on demand (2015: nil).

7.2F: Market risk
ASIC’s exposure to ‘Currency risk’ is minimal as only a small number of contracts are in currencies other than Australian dollars. ASIC’s financial instruments are not exposed to interest rate risk.
7. Managing uncertainties continued

7.3 Administered – financial instruments

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
</tbody>
</table>

**7.3A: Categories of financial instruments**

Financial assets
Cash and cash equivalents                   | 2,065 | 2,157 |

Financial liabilities
At amortised cost:
Grants payable                                | 1,883 | 1,286 |
Suppliers payables                            | 1,166 | 450  |
**Total financial liabilities held at amortised cost** | 3,049 | 1,736 |

**7.3B: Fair values of financial instruments**
The fair values of financial liabilities at amortised cost approximate their fair value.

**7.3C: Credit risk**
ASIC’s administered receivables arise as a result of a statutory obligation not a contractual obligation and are therefore not classified as financial instruments.
ASIC has no significant exposures to any concentrations of credit risk.

**7.3D: Liquidity risk**
ASIC’s administered financial liabilities are trade creditors. ASIC is able to meet its financial liabilities as and when they become due and payable.
All administered financial liabilities as at 30 June 2016 and 30 June 2015 are payable within one year.

**7.4 Fair value measurement**
The following tables provide an analysis of assets and liabilities that are measured at fair value. The different levels of the fair value hierarchy are defined below.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.
The remaining assets and liabilities in the Statement of Financial Position do not apply the fair value hierarchy.

**Accounting policy**
ASIC deems transfers between levels of the fair value hierarchy to have occurred at the end of the reporting period. See note 3.2A for further details on ASIC’s valuation policy and procedures.
### 7. Managing uncertainties continued

#### 7.4A: Fair value measurement

<table>
<thead>
<tr>
<th>Non-financial assets:</th>
<th>Category (Level 1, 2, 3)</th>
<th>Valuation techniques</th>
<th>Inputs used</th>
<th>Range (weighted average)</th>
<th>Sensitivity of the fair value measurement to changes in unobservable inputs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leasehold improvements</td>
<td>3</td>
<td>Depreciated replacement cost (DRC)</td>
<td>Replacement cost, useful life</td>
<td>N/A</td>
<td>The significant unobservable inputs used in the fair value measurement of leasehold improvements relates to the consumed economic benefits.</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>2</td>
<td>Market approach</td>
<td>Adjusted market transactions</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>3</td>
<td>Depreciated replacement cost (DRC)</td>
<td>Replacement cost, useful life</td>
<td>N/A</td>
<td>The significant unobservable inputs used in the fair value measurement of plant and equipment relate to asset obsolescence.</td>
</tr>
</tbody>
</table>

| Total non-financial assets | 59,501 | 59,062 |

2. No change in valuation technique occurred during the period.
3. Significant unobservable inputs only. Not applicable for assets or liabilities in the Level 2 Category.

ASIC did not measure any non-financial assets at fair value on a non-recurring basis as at 30 June 2016.
8. Other information

8.1 Expenditure relating to statutory boards and tribunal

The following direct expenditure incurred on behalf of these boards and tribunal is included in the Statement of Comprehensive Income of ASIC:

<table>
<thead>
<tr>
<th></th>
<th>2016 $’000</th>
<th>2015 $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Companies Auditors and Liquidators Disciplinary Board</td>
<td>640</td>
<td>671</td>
</tr>
<tr>
<td>Superannuation Complaints Tribunal</td>
<td>5,238</td>
<td>5,919</td>
</tr>
</tbody>
</table>

The Superannuation Complaints Tribunal is an independent body with distinct responsibilities as set out under the Superannuation (Resolution of Complaints) Act 1993 and has operated under the budgetary umbrella of ASIC since 1 July 1998.

Accounting policy

Pursuant to Parts 11 and 12 of the ASIC Act and the Superannuation (Resolution of Complaints) Act 1993, ASIC is required to support the Companies Auditors and Liquidators Disciplinary Board and the Superannuation Complaints Tribunal. Employee and administrative expenditure incurred on behalf of this board and the tribunals are included in the Statement of Comprehensive Income of ASIC.

8.2 Assets of deregistered companies vesting in ASIC

Section 601AD of the Corporations Act 2001 provides that, on deregistration of a company, all of the company’s property vests in ASIC. In 2011–12, ASIC began taking a proactive approach to administering vested property and accounts for any proceeds on realisation of those assets in accordance with its statutory duties.

Vested assets are not available to ASIC and are not recognised in the financial statements.

<table>
<thead>
<tr>
<th>Class of asset</th>
<th>2016 Quantity</th>
<th>2015 Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>468</td>
<td>568</td>
</tr>
<tr>
<td>Shares</td>
<td>57</td>
<td>211</td>
</tr>
<tr>
<td>Other</td>
<td>74</td>
<td>125</td>
</tr>
<tr>
<td><strong>Closing balance</strong></td>
<td><strong>599</strong></td>
<td><strong>904</strong></td>
</tr>
</tbody>
</table>

Land is comprised of real property as described on the relevant Land Titles Registry. Shares are comprised of parcels of shares in both private and publicly listed companies and include those parcels held by the company as trustee. Other assets include such property as intellectual property (e.g. trademarks) and mortgages.
8. Other information continued

8.3 Security deposits from dealers, investment advisers and liquidators

The Corporations Act 2001 and the Corporations Regulations 2001 require applicants for a dealer’s or investment adviser’s licence, and applicants for registration as a liquidator, to lodge a security deposit with ASIC. These monies, deposits, stock, bonds or guarantees are not available to ASIC and are not recognised in the financial statements.

<table>
<thead>
<tr>
<th>Security deposits under Corporations Regulations 2001 reg 7.6.02AA (dealers and investment advisers)</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash (at bank)</td>
<td>323</td>
<td>323</td>
</tr>
<tr>
<td>Inscribed stock</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Bank guarantees</td>
<td>9,630</td>
<td>9,670</td>
</tr>
<tr>
<td><strong>Closing balance</strong></td>
<td>9,973</td>
<td>10,013</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Security deposits under the Corporations Act 2001 s1284(1)(liquidators)</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insurance bond</td>
<td>1,800</td>
<td>1,800</td>
</tr>
<tr>
<td><strong>Closing balance</strong></td>
<td>1,800</td>
<td>1,800</td>
</tr>
</tbody>
</table>
8. Other information continued

8.4 Budgetary reports and explanations of major variances

8.4A: Departmental budgetary reports
The following tables provide a comparison of the original budget as presented in the 2015–16 Portfolio Budget Statements (PBS) to the 2015–16 final outcome as presented in accordance with Australian Accounting Standards for the entity. The budget is not audited. Explanations for variances greater than 10% are provided.

Statement of Comprehensive Income

<table>
<thead>
<tr>
<th></th>
<th>Actual 2016</th>
<th>Original budget 2016</th>
<th>Variance 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>NET COST OF SERVICES</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee benefits</td>
<td>198,521</td>
<td>212,187</td>
<td>(13,666)</td>
</tr>
<tr>
<td>Suppliers</td>
<td>128,065</td>
<td>97,836</td>
<td>30,229</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>44,373</td>
<td>39,071</td>
<td>5,302</td>
</tr>
<tr>
<td>Finance costs– unwinding of restoration provision</td>
<td>70</td>
<td>500</td>
<td>(430)</td>
</tr>
<tr>
<td>Write-down and impairment of assets</td>
<td>194</td>
<td>–</td>
<td>194</td>
</tr>
<tr>
<td>Total expenses</td>
<td>371,223</td>
<td>349,594</td>
<td>21,629</td>
</tr>
<tr>
<td>LESS:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Own-source revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rendering of services</td>
<td>1,992</td>
<td>1,282</td>
<td>(710)</td>
</tr>
<tr>
<td>Resources received free of charge– Auditors’ remuneration</td>
<td>360</td>
<td>172</td>
<td>(188)</td>
</tr>
<tr>
<td>Other revenue</td>
<td>2,848</td>
<td>865</td>
<td>(1,983)</td>
</tr>
<tr>
<td>Total own-source revenue</td>
<td>5,200</td>
<td>2,319</td>
<td>(2,881)</td>
</tr>
<tr>
<td>Net Cost of Services</td>
<td>366,023</td>
<td>347,275</td>
<td>24,510</td>
</tr>
<tr>
<td>Total revenue from Government</td>
<td>311,427</td>
<td>311,630</td>
<td>203</td>
</tr>
<tr>
<td>Deficit</td>
<td>(54,596)</td>
<td>(35,645)</td>
<td>18,951</td>
</tr>
<tr>
<td>OTHER COMPREHENSIVE INCOME</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Items not subject to reclassification to net cost of services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Changes in asset revaluation reserve</td>
<td>10,772</td>
<td>–</td>
<td>(10,772)</td>
</tr>
<tr>
<td></td>
<td>(43,824)</td>
<td>(35,645)</td>
<td>8,179</td>
</tr>
</tbody>
</table>
### 8. Other information continued

**Explanations of variances greater than 10%**

<table>
<thead>
<tr>
<th>Expense</th>
<th>Affected line items (and schedule)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The variance in suppliers cost is predominantly driven by an additional $13m of expenditure related to Enforcement Special Account matters.</td>
<td>Suppliers (Statement of Comprehensive Income)</td>
</tr>
<tr>
<td>Depreciation and amortisation is higher than budget predominantly due to the deployment of computer software assets relating to Market Supervision and ASIC’s enterprise content and records management systems.</td>
<td>Depreciation and amortisation (Statement of Comprehensive Income)</td>
</tr>
<tr>
<td>The finance cost variance relates to a year end valuation adjustment supported by an independent valuation.</td>
<td>Finance Cost (Statement of Comprehensive Income)</td>
</tr>
</tbody>
</table>

**Own-source income**

<table>
<thead>
<tr>
<th>Own-source income</th>
<th>Affected line items (and schedule)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The rendering of services variance relates to higher than budgeted receipts for ASIC’s Annual Forum and revenue from other government agencies.</td>
<td>Rendering of services (Statement of Comprehensive Income)</td>
</tr>
<tr>
<td>The other revenue variance related to higher than budgeted awards of costs from litigation ($0.7m) as well as rental income from subleasing surplus space ($1.2m).</td>
<td>Other Revenue (Statement of Comprehensive Income)</td>
</tr>
</tbody>
</table>
## 8. Other information continued

### Statement of Financial Position

<table>
<thead>
<tr>
<th></th>
<th>Actual 2016</th>
<th>Original budget 2016</th>
<th>Variance 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1,506</td>
<td>15,129</td>
<td>13,623</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>130,606</td>
<td>102,753</td>
<td>(27,853)</td>
</tr>
<tr>
<td><strong>Total financial assets</strong></td>
<td>132,112</td>
<td>117,882</td>
<td>(14,230)</td>
</tr>
<tr>
<td>Non-financial assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>40,706</td>
<td>27,920</td>
<td>(12,786)</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>18,795</td>
<td>24,734</td>
<td>5,939</td>
</tr>
<tr>
<td>Computer software</td>
<td>81,683</td>
<td>77,602</td>
<td>(4,081)</td>
</tr>
<tr>
<td>Other non-financial assets</td>
<td>9,392</td>
<td>17,750</td>
<td>8,358</td>
</tr>
<tr>
<td><strong>Total non-financial assets</strong></td>
<td>150,576</td>
<td>148,006</td>
<td>(2,570)</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>282,688</td>
<td>265,888</td>
<td>(16,800)</td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Suppliers</td>
<td>33,430</td>
<td>52,647</td>
<td>19,217</td>
</tr>
<tr>
<td>Other payables</td>
<td>39,342</td>
<td>48,797</td>
<td>9,455</td>
</tr>
<tr>
<td><strong>Total payables</strong></td>
<td>72,772</td>
<td>101,444</td>
<td>28,673</td>
</tr>
<tr>
<td>Provisions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee provisions</td>
<td>59,602</td>
<td>60,391</td>
<td>789</td>
</tr>
<tr>
<td>Other provisions</td>
<td>10,630</td>
<td>18,342</td>
<td>7,712</td>
</tr>
<tr>
<td><strong>Total provisions</strong></td>
<td>70,232</td>
<td>78,733</td>
<td>8,501</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>143,004</td>
<td>180,177</td>
<td>37,173</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td>139,684</td>
<td>85,711</td>
<td>(53,973)</td>
</tr>
<tr>
<td><strong>EQUITY</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributed equity</td>
<td>314,305</td>
<td>310,798</td>
<td>(3,507)</td>
</tr>
<tr>
<td>Reserves</td>
<td>17,137</td>
<td>6,366</td>
<td>(10,771)</td>
</tr>
<tr>
<td>Accumulated deficits</td>
<td>(191,758)</td>
<td>(231,453)</td>
<td>(39,695)</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>139,684</td>
<td>85,711</td>
<td>(53,973)</td>
</tr>
</tbody>
</table>
### 8. Other information continued

**Explanations of variances greater than 10%**

<table>
<thead>
<tr>
<th>Financial asset</th>
<th>Affected line items (and schedule)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The variance in cash relates to the timing of the final pay of the financial year (30 June).</td>
<td>Cash (Statement of Financial Position)</td>
</tr>
<tr>
<td>The variance in trade and other receivables is due to the budget recognising revenue from Government when enforcement activity expenditure met the criteria set out in the ESA Determination.</td>
<td>Trade and other receivables (Statement of Financial Position)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Non-financial assets / Equity</th>
<th>Affected line items (and schedule)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The variance in leasehold improvements is driven by the revaluation adjustment for leasehold improvements and plant and equipment, offset by depreciation.</td>
<td>Leasehold improvements / Reserves (Statement of Financial Position)</td>
</tr>
<tr>
<td>The variance in accumulated deficits relates to the prior period adjustment in 2016 related to the timing of recognising revenue from Government.</td>
<td>Accumulated deficits (Statement of Financial Position)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>Affected line items (and schedule)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The variance relates to the timing of supplier payment at the end of the financial year.</td>
<td>Suppliers / Other Payables (Statement of Financial Position)</td>
</tr>
<tr>
<td>The actual provision held is lower than budget due to payment/settlement during the year relating to a significant ESA matter, which comprised over 80% of the budgeted provision.</td>
<td>Other provisions (Statement of Financial Position)</td>
</tr>
</tbody>
</table>
8. Other information continued

Statement of Changes in Equity

<table>
<thead>
<tr>
<th></th>
<th>Actual $'000</th>
<th>Original budget $'000</th>
<th>Variance $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CONTRIBUTED EQUITY</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening balance</td>
<td>289,874</td>
<td>289,874</td>
<td>–</td>
</tr>
<tr>
<td>Transactions with owners</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions by owners</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity injections – Appropriations</td>
<td>5,300</td>
<td>1,793</td>
<td>3,507</td>
</tr>
<tr>
<td>Departmental capital budget</td>
<td>19,131</td>
<td>19,131</td>
<td>–</td>
</tr>
<tr>
<td>Total transactions with owners</td>
<td>24,431</td>
<td>20,924</td>
<td>3,507</td>
</tr>
<tr>
<td>Closing balance as at 30 June</td>
<td>314,305</td>
<td>310,798</td>
<td>3,507</td>
</tr>
<tr>
<td><strong>RETAINED EARNINGS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening balance</td>
<td>(137,162)</td>
<td>(195,808)</td>
<td>58,646</td>
</tr>
<tr>
<td>Comprehensive income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deficit for the period</td>
<td>(54,596)</td>
<td>(35,645)</td>
<td>(18,951)</td>
</tr>
<tr>
<td>Total comprehensive loss</td>
<td>(54,596)</td>
<td>(35,645)</td>
<td>(18,951)</td>
</tr>
<tr>
<td>Closing balance as at 30 June</td>
<td>(191,758)</td>
<td>(231,453)</td>
<td>39,695</td>
</tr>
<tr>
<td><strong>ASSET REVALUATION RESERVE</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening balance</td>
<td>6,365</td>
<td>6,366</td>
<td>(1)</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>10,772</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Total comprehensive income</td>
<td>10,772</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Closing balance as at 30 June</td>
<td>17,137</td>
<td>6,366</td>
<td>10,771</td>
</tr>
<tr>
<td><strong>TOTAL EQUITY</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening balance</td>
<td>159,077</td>
<td>100,432</td>
<td>58,645</td>
</tr>
<tr>
<td>Comprehensive income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>10,772</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Deficit for the period</td>
<td>(54,596)</td>
<td>(35,645)</td>
<td>(18,951)</td>
</tr>
<tr>
<td>Total comprehensive loss</td>
<td>(43,824)</td>
<td>(35,645)</td>
<td>(18,951)</td>
</tr>
<tr>
<td>Transactions with owners</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions by owners</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity injections – Appropriations</td>
<td>5,300</td>
<td>1,793</td>
<td>3,507</td>
</tr>
<tr>
<td>Departmental capital budget</td>
<td>19,131</td>
<td>19,131</td>
<td>–</td>
</tr>
<tr>
<td>Total transactions with owners</td>
<td>24,431</td>
<td>20,924</td>
<td>3,507</td>
</tr>
<tr>
<td>Closing balance as at 30 June</td>
<td>139,684</td>
<td>85,711</td>
<td>43,201</td>
</tr>
</tbody>
</table>

Explanations of variances greater than 10%

<table>
<thead>
<tr>
<th>Affected line items (and schedule)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsequent to the PBS, ASIC received additional funding to undertake work on the Financial Advisers Register ($1.5m) and the Streamlining Business Registration measure ($2.0m).</td>
</tr>
</tbody>
</table>

Equity Injection – Appropriation
8. Other information continued

Cash Flow Statement

<table>
<thead>
<tr>
<th></th>
<th>Actual 2016</th>
<th>Original budget 2016</th>
<th>Variance 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
</tr>
<tr>
<td>OPERATING ACTIVITIES</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash received</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Appropriations</td>
<td>337,277</td>
<td>311,532</td>
<td>(25,745)</td>
</tr>
<tr>
<td>Goods and services</td>
<td>2,177</td>
<td>1,282</td>
<td>(895)</td>
</tr>
<tr>
<td>GST received</td>
<td>12,754</td>
<td>12,501</td>
<td>(253)</td>
</tr>
<tr>
<td>Other</td>
<td>3,034</td>
<td>865</td>
<td>(2,169)</td>
</tr>
<tr>
<td>Total cash received</td>
<td>355,242</td>
<td>326,180</td>
<td>(29,063)</td>
</tr>
<tr>
<td>Cash used</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees</td>
<td>204,558</td>
<td>209,508</td>
<td>4,950</td>
</tr>
<tr>
<td>Suppliers</td>
<td>139,762</td>
<td>101,296</td>
<td>(38,466)</td>
</tr>
<tr>
<td>GST Paid</td>
<td>11,520</td>
<td>12,500</td>
<td>980</td>
</tr>
<tr>
<td>Cash used other</td>
<td>5,210</td>
<td>670</td>
<td>(4,540)</td>
</tr>
<tr>
<td>Total cash used</td>
<td>361,050</td>
<td>323,974</td>
<td>(37,076)</td>
</tr>
<tr>
<td>Net cash from or (used by) operating activities</td>
<td>(5,808)</td>
<td>2,206</td>
<td>8,013</td>
</tr>
<tr>
<td>INVESTING ACTIVITIES</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash used</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of property, plant and equipment</td>
<td>24,051</td>
<td>23,130</td>
<td>(921)</td>
</tr>
<tr>
<td>Total cash used</td>
<td>(24,051)</td>
<td>23,130</td>
<td>(921)</td>
</tr>
<tr>
<td>Net cash from or (used by) investing activities</td>
<td>(24,051)</td>
<td>23,130</td>
<td>(921)</td>
</tr>
<tr>
<td>FINANCING ACTIVITIES</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash received</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Appropriations– contributed equity</td>
<td>22,133</td>
<td>20,924</td>
<td>(1,209)</td>
</tr>
<tr>
<td>Total cash received</td>
<td>22,133</td>
<td>20,924</td>
<td>(1,209)</td>
</tr>
<tr>
<td>Net cash from or (used by) financing activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net increase or (decrease) in cash held</td>
<td>(7,726)</td>
<td>–</td>
<td>7,726</td>
</tr>
<tr>
<td>Cash at the beginning of the reporting period</td>
<td>9,232</td>
<td>15,129</td>
<td>5,897</td>
</tr>
<tr>
<td>Cash at the end of the reporting period</td>
<td>1,506</td>
<td>15,129</td>
<td>13,623</td>
</tr>
</tbody>
</table>

Explanations of variances greater than 10% Affected line items (and schedule)

Cash received / Cash used

Appropriations received and supplier payments were higher due to Enforcement Special Account spending in 2016. Appropriations / Suppliers (Cashflow Statement)
8. Other information  

**8.4B: Administered budgetary reports**

The following tables provide a comparison of the original budget as presented in the 2015–16 Portfolio Budget Statements (PBS) to the 2015–16 final outcome as presented in accordance with Australian Accounting Standards for the entity. The budget is not audited. Explanations of variances greater than 10% are provided.

Administered Schedule of Comprehensive Income

<table>
<thead>
<tr>
<th></th>
<th>Actual 2016</th>
<th>Original budget 2016</th>
<th>Variance 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants</td>
<td>3,192</td>
<td>3,580</td>
<td>(388)</td>
</tr>
<tr>
<td>Write-down and impairment of assets</td>
<td>49,470</td>
<td>45,542</td>
<td>3,928</td>
</tr>
<tr>
<td>Other</td>
<td>100,806</td>
<td>40,572</td>
<td>60,234</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>153,468</td>
<td>89,694</td>
<td>63,774</td>
</tr>
<tr>
<td><strong>LESS:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Own-source revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxation revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fees and fines</td>
<td>876,225</td>
<td>834,230</td>
<td>41,995</td>
</tr>
<tr>
<td><strong>Total taxation revenue</strong></td>
<td>876,225</td>
<td>834,230</td>
<td>41,995</td>
</tr>
<tr>
<td>Non-taxation revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unclaimed monies</td>
<td>45,942</td>
<td>41,966</td>
<td>3,976</td>
</tr>
<tr>
<td><strong>Total non-taxation revenue</strong></td>
<td>45,942</td>
<td>41,966</td>
<td>3,976</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>922,167</td>
<td>876,196</td>
<td>45,971</td>
</tr>
<tr>
<td><strong>Net contribution by services</strong></td>
<td>768,699</td>
<td>786,502</td>
<td>(17,803)</td>
</tr>
</tbody>
</table>

**Explanation of variances greater than 10%**

- **Actuarial valuation of the unclaimed monies provision to reflect change in the claims profile on lodgements that were impacted by legislative change and economic factors that has resulted in lower than expected discount rates.**
- **Other expenses (Administered Expenses)**
8. Other information continued

<table>
<thead>
<tr>
<th>Administered Schedule of Assets and Liabilities</th>
<th>Actual 2016 $’000</th>
<th>Original budget 2016 $’000</th>
<th>Variance 2016 $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASSETS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>2,065</td>
<td>3,876</td>
<td>(1,811)</td>
</tr>
<tr>
<td>Receivables</td>
<td>130,857</td>
<td>121,772</td>
<td>9,085</td>
</tr>
<tr>
<td><strong>Total assets administered on behalf of Government</strong></td>
<td>132,922</td>
<td>125,648</td>
<td>7,274</td>
</tr>
<tr>
<td>LIABILITIES</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Suppliers</td>
<td>25,313</td>
<td>20,837</td>
<td>4,476</td>
</tr>
<tr>
<td>Other payables</td>
<td>391,734</td>
<td>335,228</td>
<td>56,506</td>
</tr>
<tr>
<td><strong>Total liabilities administered on behalf of Government</strong></td>
<td>417,047</td>
<td>356,065</td>
<td>60,982</td>
</tr>
<tr>
<td>Net liabilities</td>
<td>(284,125)</td>
<td>(230,417)</td>
<td>(53,708)</td>
</tr>
</tbody>
</table>

**Explanations of variances greater than 10%**

<table>
<thead>
<tr>
<th>Affected line items (and schedule)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Suppliers</td>
</tr>
<tr>
<td>(Administered Schedule of Assets and Liabilities)</td>
</tr>
<tr>
<td>Payables</td>
</tr>
<tr>
<td>(Administered Schedule of Assets and Liabilities)</td>
</tr>
</tbody>
</table>

The Corporations Act fee overpayments to be refunded are higher than estimated as total Corporations Law revenue has increased.

Movements in the unclaimed monies provision reflect a change in the claims profile on lodgements that were the result of a legislative increase in period monies are designated and the impact of emerging refund experience on anticipated future claim projections and a lower discount rate to value future cash flows.

End of financial statements