

ASBESTOS SAFETY AND ERADICATION AGENCY

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Asbestos Safety and Eradication Agency (ASEA) was established by the *Asbestos Safety and Eradication Agency Act 2013* (the Act) to provide a national focus and national coordination of asbestos policy and regulation.

ASEA's key functions relate to administering the National Strategic Plan for Asbestos Awareness and Management (NSP), which aims to prevent exposure to asbestos fibres in order to eliminate asbestos-related diseases.

ASEA's other functions include liaising with Commonwealth, state, territory, local and other governments, agencies or bodies about asbestos safety, and commissioning, monitoring and promoting research about asbestos safety.

ASEA's strategic direction is driven by the NSP. Phase one of the NSP, released in June 2015, went from 2014-2018 (NSP 2014-2018) with phase two, launched in November 2019, going from 2019-2023 (NSP 2019-2023).

Key priorities of ASEA are:

- coordinating implementation of NSP 2019-2023;
- liaising with government and non-government to assist in the implementation of NSP 2019-2023;
- supporting the whole-of-government strategy to prevent imported goods containing asbestos entering Australia; and
- commissioning research on asbestos safety and undertaking work on emerging issues.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to ASEA for its operations and to deliver programs and services on behalf of the government.

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, refer to Budget Paper No. 4 – Agency Resourcing.

Information in this table is presented on a resourcing (appropriations/cash available) basis, while the budgeted expenses by outcome tables in section 2 and the financial statements in section 3 are presented on an accrual basis.

Table 1.1: Entity resource statement – budget estimates for 2020-21 as at October 2020 Budget

	2019-20 Estimated actual \$'000	2020-21 Estimate \$'000
DEPARTMENTAL		
Annual appropriations – ordinary annual services (a)		
Prior year appropriations available	3,962	3,835
Departmental appropriation (b)	3,313	3,319
s74 External Revenue (c)	173	-
Departmental capital budget (d)	59	58
Total departmental annual appropriations	7,507	7,212
Total resourcing for the Asbestos Safety and Eradication Agency	7,507	7,212
	2019-20	2020-21
Average staffing level (number)	12	12

All figures shown above are GST exclusive and may not match figures in the cash flow statement.

Prepared on a resourcing (appropriations available) basis.

(a) Appropriation Bill No. 1 2020-21

(b) Excludes departmental capital budget.

(c) Estimated External Revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013*.

(d) Departmental capital budgets are not separately identified in Appropriation Bill No.1 and form part of ordinary annual services items. Refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

1.3 BUDGET MEASURES

ASEA has no measures announced after the July 2020 Economic and Fiscal Update. For this reason, Table 1.2 is not presented.

Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*. It is anticipated the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in annual reports – to provide a complete picture of an entity's planned and actual performance.

Section 5A(2) of the *Asbestos Safety and Eradication Agency Act 2013* states that the National Strategic Plan for Asbestos Awareness and Management is taken as a corporate plan for the purposes of the *PGPA Act*.

The most recent National Strategic Plan for Asbestos Awareness and Management can be found at: www.asbestossafety.gov.au/what-we-do/national-strategic-plan

ASEA also is required to produce an annual Operational Plan, for approval by the Minister, outlining activities for the coming 12 months and performance indicators. The most recent annual Operational Plan for 2020-21 can be found at: www.asbestossafety.gov.au/what-we-do/corporate-plans-and-reports.

The most recent annual performance statement can be found in the 2018-19 Annual Report at: www.asbestossafety.gov.au/what-we-do/corporate-plans-and-reports.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Assist in the prevention of exposure to asbestos fibres and the elimination of asbestos-related disease in Australia through coordinating implementation of the National Strategic Plan for Asbestos Awareness and Management in Australia.

Budgeted expenses for Outcome 1

Table 2.1.1 shows how much ASEA intends to spend (on an accrual basis) on achieving the outcome, broken down by program and by administered and departmental funding sources.

Table 2.1.1: Budgeted expenses for Outcome 1

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
Program 1.1: Asbestos Safety and Eradication Agency					
DEPARTMENTAL EXPENSES					
Departmental appropriation	3,326	3,315	3,312	3,318	3,331
s74 External Revenue (a)	173	-	-	-	-
Expenses not requiring appropriation in the budget year (b)	107	185	165	175	136
Departmental total	3,606	3,500	3,477	3,493	3,467
Total expenses for program 1.1	3,606	3,500	3,477	3,493	3,467

	2019-20	2020-21
Average staffing level (number)	12	12

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the *Public Governance, Performance and Accountability Act 2013*.

(b) Expenses not requiring appropriation in the budget year are made up of depreciation expenses, amortisation expenses and audit fees.

Performance criteria for Outcome 1

Table 2.1.2 details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2020-21 Budget measures have created new programs or materially changed existing programs.

Table 2.1.2: Performance criteria for Outcome 1

Outcome 1: Assist in the prevention of exposure to asbestos fibres and the elimination of asbestos-related disease in Australia through coordinating implementation of the National Strategic Plan for Asbestos Awareness and Management in Australia.		
Program 1.1: ASEA delivers Outcome 1 by encouraging, coordinating, monitoring and reporting on the implementation of NSP 2019-2023. It also collaborates with Commonwealth, state, territory and local government agencies about asbestos safety and commissions and promotes research about asbestos safety.		
Delivery	The deliverables for ASEA are developed with reference to the Act and consistent with its Operational Plan and include: <ul style="list-style-type: none"> • Assist governments to implement NSP 2019-2023. • Improve the collection of data to measure the targets in NSP 2019-2023. • Support local governments with their asbestos-related responsibilities • Develop and distribute consistent awareness messages, including consistency in public health messaging, with the core objective of encouraging behavioural change. • Conduct annual awareness survey. • Continue to assist South-East Asian and Pacific countries in moving towards implementing asbestos bans. 	
Performance information		
Year	Performance criteria (a)	2019-20 actual achievement/targets
2019-20	Coordinate, monitor and report on the implementation of NSP 2019-2023	ASEA effectively supports NSP 2019-2023 with research, reporting, evaluation and advice.
2020-21	Coordinate, monitor and report on the implementation of NSP 2019-2023	ASEA effectively supports NSP 2019-2023 with research, reporting, evaluation and advice.
2021-22 and beyond	<i>As per 2020-21</i>	<i>As per 2020-21</i>
Purposes	ASEA's purpose is to encourage, coordinate, monitor and report on the implementation of the National Strategic Plan for Asbestos Awareness and Management.	
Material changes to Program 1.1 resulting from the following measures: NIL		

(a) New or modified performance criteria that reflect new or materially changed programs are shown in italics.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2020-21 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

ASEA has nil difference to report.

3.1.2 Explanatory notes and analysis of budgeted financial statements

ASEA is budgeting for an operational loss equal to the unappropriated depreciation and amortisation expense of \$0.1 million for the 2020-21 year.

Total revenues are estimated to be \$3.4 million and total expenses \$3.5 million.

Total assets at the end of 2020-21 financial year are estimated to be \$4.1 million. The majority of the assets represent appropriations receivable.

3.2. BUDGETED FINANCIAL STATEMENTS TABLES

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
EXPENSES					
Employee benefits	1,892	1,845	1,882	1,880	1,877
Suppliers	1,387	1,406	1,498	1,506	1,522
Depreciation and amortisation (a)	321	249	97	107	68
Finance costs	3	-	-	-	-
Write-down and impairment of assets	3	-	-	-	-
Total expenses	3,606	3,500	3,477	3,493	3,467
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	173	-	-	-	-
Other	60	73	68	68	68
Total own-source revenue	233	73	68	68	68
Total own-source income	233	73	68	68	68
Net (cost of)/contribution by services	(3,373)	(3,427)	(3,409)	(3,425)	(3,399)
Revenue from government	3,313	3,319	3,312	3,318	3,331
Surplus/(deficit) attributable to the Australian Government	(60)	(108)	(97)	(107)	(68)
OTHER COMPREHENSIVE INCOME					
Total comprehensive income/(loss)	(60)	(108)	(97)	(107)	(68)
Total comprehensive income/(loss) attributable to the Australian Government	(60)	(108)	(97)	(107)	(68)
Note: Impact of net cash appropriation arrangements					
	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	(9)	-	-	-	-
Less: depreciation/amortisation expenses previously funded through revenue appropriations (a)	47	112	97	107	68
Less: depreciation/amortisation expenses for ROU assets (b)	274	137	-	-	-
Add: principal repayments on leased assets (b)	270	141	-	-	-
Total comprehensive income/(loss) as per the statement of comprehensive income	(60)	(108)	(97)	(107)	(68)

Notes for Table 3.1

Prepared on Australian Accounting Standards basis.

- (a) From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the departmental capital budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, refer to Table 3.5: Departmental capital budget statement.
- (b) Applies to leases under AASB 16 Leases.

Table 3.2: Budgeted departmental balance sheet (as at 30 June)

	2019-20 Estimate d actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	195	195	195	195	195
Trade and other receivables	3,746	3,630	3,630	3,630	3,630
Total financial assets	3,941	3,825	3,825	3,825	3,825
Non-financial assets					
Land and buildings	137	0	24	24	24
Property, plant and equipment	92	77	54	45	36
Intangibles	106	183	144	106	106
Other non-financial assets	11	11	11	11	11
Total non-financial assets	346	271	233	186	177
Total assets	4,287	4,096	4,058	4,011	4,002
LIABILITIES					
Payables					
Suppliers	67	67	67	67	67
Personal benefits	29	29	29	29	29
Total payables	96	96	96	96	96
Interest bearing liabilities					
Leases	141	0	0	0	0
Total interest bearing liabilities	141	-	-	-	-
Provisions					
Employee provisions	385	385	385	385	385
Total provisions	385	385	385	385	385
Total liabilities	622	481	481	481	481
Net assets	3,665	3,615	3,577	3,530	3,521
EQUITY (a)					
Parent entity interest					
Contributed equity	396	454	513	573	632
Retained surplus (accumulated deficit)	3,269	3,161	3,064	2,957	2,889
Total parent entity interest	3,665	3,615	3,577	3,530	3,521
Total equity	3,665	3,615	3,577	3,530	3,521

Prepared on Australian Accounting Standards basis.

- (a) 'Equity' is the residual interest in assets after deduction of liabilities.

Table 3.3: Departmental statement of changes in equity – summary of movement (2020-21 budget year)

	Retained earnings \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2020			
Balance carried forward from previous period	3,269	396	3,665
Adjusted opening balance	3,269	396	3,665
Comprehensive income			
Surplus/(deficit) for the period	(108)	-	(108)
Total comprehensive income	(108)	-	(108)
Of which:			
Attributable to the Australian Government	(108)	-	(108)
Transactions with owners			
Departmental capital budget	-	58	58
Sub-total transactions with owners	-	58	58
Estimated closing balance as at 30 June 2021	3,161	454	3,615
Closing balance attributable to the Australian Government	3,161	454	3,615

Prepared on Australian Accounting Standards basis

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	3,550	3,435	3,312	3,318	3,331
Sale of goods and rendering of services	191	-	-	-	-
Net GST received	105	-	-	-	-
Other	44	-	-	-	-
Total cash received	3,890	3,435	3,312	3,318	3,331
Cash used					
Employees	1,834	1,845	1,882	1,880	1,877
Suppliers	1,584	1,333	1,430	1,438	1,454
Total cash used	3,418	3,178	3,312	3,318	3,331
Net cash from/(used by) operating activities	472	257	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	151	174	59	60	59
Total cash used	(151)	(174)	(59)	(60)	(59)
Net cash from/(used by) investing activities	(151)	(174)	(59)	(60)	(59)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	59	58	59	60	59
Total cash received	59	58	59	60	59
Cash used					
Principal payments on lease liability	270	141	-	-	-
Total cash used	270	141	-	-	-
Net cash from/(used by) financing activities	(211)	(83)	59	60	59
Net increase/(decrease) in cash held	110	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	85	195	195	195	195
Cash and cash equivalents at the end of the reporting period	195	195	195	195	195

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for the period ended 30 June)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget – Bill 1 (DCB)	59	58	59	60	59
Total new capital appropriations	59	58	59	60	59
Provided for:					
Purchase of non-financial assets	59	58	59	60	59
Total items	151	58	59	60	59
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation – DCB (a)	151	174	59	60	59
Total	151	174	59	60	59
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	151	174	59	60	59
Total cash used to acquire assets	151	174	59	60	59

Prepared on Australian Accounting Standards basis.

(a) Does not include annual finance lease costs. Includes purchases from current and previous years' departmental capital budgets.

Table 3.6: Statement of asset movements (2020-21 budget year)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2020				
Gross book value	-	241	106	347
Gross book value – ROU assets	411	-	-	411
Accumulated depreciation/amortisation and impairment	-	(149)	-	(149)
Accumulated depreciation/amortisation and impairment – ROU assets	(274)	-	-	(274)
Opening net book balance	137	92	106	335
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase – appropriation ordinary annual services (a)	-	58	116	174
Total additions	-	58	116	174
OTHER MOVEMENTS				
Depreciation/amortisation expense	-	(73)	(39)	(112)
Depreciation/amortisation on ROU assets	(137)	-	-	(137)
Total other movements	(137)	(73)	(39)	(249)
As at 30 June 2021				
Gross book value	-	299	222	521
Gross book value – ROU assets	411	-	-	411
Accumulated depreciation/amortisation and impairment	-	(222)	(39)	(261)
Accumulated depreciation/amortisation and impairment – ROU assets	(411)	-	-	(411)
Closing net book balance	-	77	183	260

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill No. 1 2020-21 for depreciation/amortisation expenses, departmental capital budgets or other operational expenses.