

AUSTRALIAN SPORTS COMMISSION

Entity Resources and Planned Performance

ASC

Australian Sports Commission

Health Portfolio Entity

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Section 1: Entity Overview and Resources

1.1 Strategic Direction Statement

The Australian Government provides leadership, coordination and support for Australian sport. The Australian Sports Commission (ASC) promotes and supports the development of a cohesive and effective national sport sector that creates opportunities for all Australians to participate and excel in sport. The ASC aims to increase participation in sport, improve the sustainability of sporting organisations, and deliver programmes which contribute to excellence in sports performance and continued international success.

The role and functions of the ASC are set out in the *Australian Sports Commission Act 1989*. The ASC is a Corporate Commonwealth Entity under the *Public Governance, Performance and Accountability Act 2013*.

1.2 Entity Resources

Table 1.1 shows the total resources from all sources. The table summarises how resources will be applied by outcome and departmental classifications.

Table 1.1: ASC Resource Statement – Budget Estimates for 2015-16 as at Budget May 2015

	Estimated available appropriation	Estimate of prior year amounts available in	Proposed at Budget	Total estimate
	2014-15 \$'000	2015-16 \$'000	2015-16 \$'000	2015-16 \$'000
Opening balance/reserves at bank ¹	72,991	70,702	-	70,702
FUNDS FROM GOVERNMENT				
Ordinary annual services²				
Outcome 1	88,337	-	83,319	83,319
Outcome 2	177,731	-	170,327	170,327
Total ordinary annual services	266,068	-	253,646	253,646
Other services³				
<i>Non-operating</i>	1,500	-	-	-
Total other services	1,500	-	-	-
Total annual appropriations	267,568	-	253,646	253,646
FUNDS FROM OTHER SOURCES				
Interest	3,509	-	3,029	3,029
Sale of goods and services	30,722	-	20,723	20,723
Total other sources	34,231	-	23,752	23,752
Total net resourcing for ASC	374,790	70,702	277,398	348,100

All figures are GST exclusive.

The ASC is not directly appropriated as it is a Corporate Commonwealth entity. Appropriations are made to the Department of Health, which are then paid to the ASC and are considered 'departmental' for all purposes.

- 1 Includes cash and investments.
- 2 Appropriation Bill (No. 1) 2015-16.
- 3 Appropriation Bill (No. 2) 2015-16.

1.3 Budget Measures

Section 1.3 is not applicable to the ASC.

Section 2: Outcomes and Planned Performance

2.1 Outcomes and Performance Information

Improved participation in structured physical activity, particularly organised sport, at the community level, including through leadership and targeted community-based sports activity

Excellence in sports performance and continued international sporting success, by talented athletes and coaches, including through leadership in high performance athlete development, and targeted science and research

Outcome Strategy

Through the ASC's two outcomes, the Commission aims to increase participation in structured physical activity (sport) and contribute to continued international sporting success.

In March 2015, the ASC launched its new participation blueprint *Play. Sport. Australia.* to grow participation in Australian sport. *Play. Sport. Australia.* articulates priority action areas to address the challenges of keeping sports relevant and viable and keeping Australians active and healthy through sport.

Grass roots sport is fundamental to the Australian way of life with tens of thousands of sporting organisations across Australia and thousands of private-sector providers. The ASC plays a national leadership role in influencing a large part of the sector.

The ASC aims to use its unique position of influence and leadership role to inform, support and create alignment through the sport sector to achieve the collective national goal of participation growth. It will work to develop and share research and data to better understand what is happening in sport, help drive demand for lifelong participation in sport and support the network that supplies sport – sporting organisations.

The Australian Institute of Sport (AIS), a division of the ASC, is Australia's strategic high performance sport agency, responsible for leading the delivery of Australia's international sporting success. The AIS works in partnership with national sporting organisations, state institutes and academies of sport, and peak bodies such as the Australian Olympic Committee, Australian Paralympic Committee and the Australian Commonwealth Games Association.

The blueprint for Australia's high performance success is *Australia's Winning Edge.* Launched in 2012, *Australia's Winning Edge* is a national high performance strategy which provides the high performance sports sector with clear performance targets and a framework for collaboration from 2012-2022.

ASC Budgeted Expenses and Resources

Table 2.1 provides an overview of the total expenses for the ASC by programme.

Table 2.1: Budgeted Expenses and Resources for ASC

Outcome 1: Improved participation in structured physical activity, particularly organised sport, at the community level, including through leadership and targeted community-based sports activity	2014-15 Estimated actual expenses \$'000	2015-16 Estimated expenses \$'000
Programme 1.1		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	88,337	83,319
Revenues from other independent sources	14,054	6,723
Expenses not requiring appropriation in the Budget year ¹	6,800	1,813
Total expenses for Outcome 1	109,191	91,855
Outcome 2: Excellence in sports performance and continued international sporting success, by talented athletes and coaches, including through leadership in high performance athlete development, and targeted science and research	2014-15 Estimated actual expenses \$'000	2015-16 Estimated expenses \$'000
Programme 2.1		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	177,731	170,327
Revenues from other independent sources	20,214	17,056
Expenses not requiring appropriation in the Budget year ¹	6,871	4,231
Total expenses for Outcome 2	204,816	191,614
	2014-15	2015-16
Average Staffing Level (number)	610	584

¹ Expenses not requiring appropriation in the Budget year is made up of depreciation expense, amortisation expense, makegood expense and audit fees.

Table 2.2: Programme Expenses

	Estimated actual 2014-15 \$'000	Budget estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
Annual departmental expenses:					
Ordinary annual services	109,191	91,855	91,154	52,090	50,591
Total Programme 1.1 expenses	109,191	91,855	91,154	52,090	50,591
	Estimated actual 2014-15 \$'000	Budget estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
Annual departmental expenses:					
Ordinary annual services	204,816	191,614	189,765	190,997	188,481
Total Programme 2.1 expenses	204,816	191,614	189,765	190,997	188,481

Programme 1.1: Australian Sports Commission

Programme Objective

Growth in sport participation

As identified in *Play. Sport. Australia*, the ASC is committed to achieving three results for growth in participation:

- more Australians, particularly young Australians, participating in sport more often;
- sports achieving year-on-year membership and participation growth; and
- sporting organisations being effective – well governed, strategic, commercially astute and delivering sports opportunities that are relevant to the changing environment.

To achieve this, the ASC will concentrate on three key areas: a better understanding of what is happening in sport; helping drive demand for lifelong participation in sport (including through the delivery of the Sporting Schools programme); and supporting the network that supplies sport – sporting organisations.

The ASC will also continue its work to inform, support and create alignment through the sport sector. This includes maintaining a focus on building the capability and sustainability of Australian sport through improved organisational governance.

Programme 1.1 is linked as follows:

- The Department of the Prime Minister and Cabinet (Office for Women – Programme 1.1) to increase female representation in sport leadership roles.

Programme 1.1: Deliverables

Qualitative Deliverables for Programme 1.1

Growth in sport participation

Qualitative Deliverables	2015-16 Reference Point or Target
Establishment of benchmark participation data to measure the percentage of the Australian population participating in organised sport (traditional or social) with a national sporting organisation or affiliate.	Initial phase of data collection and analysis to establish benchmark participation data and enable development of key performance indicators.
Establishment of benchmark data through the Annual Sports Performance Review and related data collection to measure and track improvements in the organisational capability of national sporting organisations.	Initial data collection to establish benchmark organisational capability measures.

Quantitative Deliverables for Programme 1.1

Growth in sport participation

Quantitative Deliverables	2014-15 Revised Budget	2015-16 Budget Target	2016-17 Forward Year 1	2017-18 Forward Year 2	2018-19 Forward Year 3
Number of schools funded to deliver practical physical activity in a school setting through the Sporting Schools programme.	N/A ¹	4,030	5,760	N/A ²	N/A
Number of governance, commercialisation and workforce capability projects with national sporting organisations completed. ³	N/A ⁴	20	20	20	20

Programme 1.1: Key Performance Indicators

Quantitative Key Performance Indicators for Programme 1.1

Growth in sport participation

Quantitative Indicators	2014-15 Revised Budget	2015-16 Budget Target	2016-17 Forward Year 1	2017-18 Forward Year 2	2018-19 Forward Year 3
Percentage of priority participation national sporting organisations growing their participation base.	80%	80%	80%	80%	80%
Number of children participating in the Sporting Schools programme.	N/A ⁵	600,000	860,000	N/A ⁶	N/A

¹ This is a new deliverable for 2015-16, therefore there is no target for 2014-15.

² The Sporting Schools programme is funded until the end of 2016-17.

³ This deliverable refers to the number of new projects completed during each year.

⁴ This is a new deliverable for 2015-16, therefore there is no target for 2014-15.

⁵ This is a new Key Performance Indicator for 2015-16, therefore there is no target for 2014-15.

⁶ The Sporting Schools programme is funded until the end of 2016-17.

Programme 2.1: Australian Sports Commission

Programme Objective

Excellence in sports performance

The AIS, as Australia’s strategic high performance sports agency, is focused on delivery of excellence in sports performance and continued international success, measured particularly through Australia’s results at Olympic and Paralympic Games, Commonwealth Games and world championships.

To achieve this, the AIS focuses on:

- providing targeted investment to national sporting organisations and athletes to deliver on *Australia’s Winning Edge* performance targets;
- providing high performance advice and guidance that assists national sporting organisations with strategy, high performance planning and programme delivery;
- implementing innovative programmes to optimise athlete, coach and leader talent;
- planning, coordinating and delivering sport science and sports medicine expertise to Australia’s best high performing athletes;
- supporting innovative projects that promote the growth of knowledge and expertise for high performance sport; and
- facilitating a more aligned and streamlined performance network that supports *Australia’s Winning Edge*-identified athletes and teams across jurisdictions.

Programme 2.1: Deliverables

Quantitative Deliverables for Programme 2.1

Excellence in sports performance

Quantitative Deliverables	2014-15 Revised Budget	2015-16 Budget Target	2016-17 Forward Year 1	2017-18 Forward Year 2	2018-19 Forward Year 3
Number of national sporting organisations that receive high performance investment to implement their high performance plans.	N/A ⁷	33	33	33	33
Number of athletes that receive direct financial support to achieve their high performance outcomes.	N/A ⁸	750	750	750	750

⁷ This is a new deliverable for 2015-16, therefore there is no target for 2014-15.

⁸ This is a new deliverable for 2015-16, therefore there is no target for 2014-15.

Quantitative Deliverables	2014-15 Revised Budget	2015-16 Budget Target	2016-17 Forward Year 1	2017-18 Forward Year 2	2018-19 Forward Year 3
Number of high performance innovation projects focused on improving sport performance. ⁹	N/A ¹⁰	20	20	20	20

Programme 2.1: Key Performance Indicators

Quantitative Key Performance Indicators for Programme 2.1

Excellence in sports performance

Quantitative Indicators	2014-15 Revised Budget	2015-16 Budget Target	2016-17 Forward Year 1	2017-18 Forward Year 2	2018-19 Forward Year 3
Percentage of <i>Australia's Winning Edge</i> funded sports rated by the AIS as achieving their performance targets.	80%	80%	90%	90%	90%
Number of <i>Australia's Winning Edge</i> athletes whose performance is being tracked through the national athlete management system.	N/A ¹¹	1,500	1,500	1,500	1,500
Percentage of projects completed in accordance with the agreed National Institute Network Review Recommendation Implementation Schedule.	N/A ¹²	90%	90%	N/A ¹³	N/A

⁹ This deliverable refers to the number of new projects completed during each year.

¹⁰ This is a new deliverable for 2015-16, therefore there is no target for 2014-15.

¹¹ This is a new Key Performance Indicator for 2015-16, therefore there is no target for 2014-15.

¹² This is a new Key Performance Indicator for 2015-16, therefore there is no target for 2014-15.

¹³ All projects are scheduled to be completed by the end of 2016-17.

Section 3: Explanatory Tables and Budgeted Financial Statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2015-16 Budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and programme expenses, movements in administered funds, special accounts and Australian Government Indigenous expenditure.

3.1 Explanatory Tables

3.1.1 Movement of Administered Funds Between Years

Section 3.1.1 is not applicable to the ASC.

3.1.2 Special Accounts

Section 3.1.2 is not applicable to the ASC.

3.1.3 Australian Government Indigenous Expenditure (AGIE)

Table 3.1.1: Australian Government Indigenous expenditure

Outcome	Appropriations			Total approp \$'000	Other \$'000	Total \$'000
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special approp \$'000			
Australian Sports Commission						
Outcome 1						
Departmental 2015-16	-	-	-	-	-	-
<i>Departmental 2014-15</i>	<i>2,028</i>	-	-	<i>2,028</i>	-	<i>2,028</i>
Total Outcome 1 2015-16	-	-	-	-	-	-
<i>Total Outcome 1 2014-15</i>	<i>2,028</i>	-	-	<i>2,028</i>	-	<i>2,028</i>
Outcome 2						
Departmental 2015-16	-	-	-	-	-	-
<i>Departmental 2014-15</i>	-	-	-	-	<i>600</i>	<i>600</i>
Total Outcome 1 2015-16	-	-	-	-	-	-
<i>Total Outcome 1 2014-15</i>	-	-	-	-	<i>600</i>	<i>600</i>
Total Departmental 2015-16	-	-	-	-	-	-
<i>Total Departmental 2014-15</i>	<i>2,028</i>	-	-	<i>2,028</i>	<i>600</i>	<i>2,628</i>
Total AGIE 2015-16	-	-	-	-	-	-
<i>Total AGIE 2014-15</i>	<i>2,028</i>	-	-	<i>2,028</i>	<i>600</i>	<i>2,628</i>

3.2 Budgeted Financial Statements

3.2.1 Differences in agency resourcing and financial statements

The entity resource statement (Table 1.2.1) provides a consolidated view of all the resources available in 2015-16. This includes operating appropriation, funds from other sources and cash and investments to cover payables and provisions on the balance sheet. Operating appropriation is shown as Revenue from Government in the comprehensive income statement (Table 3.2.1).

3.2.2 Analysis of budgeted financial statements

An analysis of the ASC's budgeted financial statements for 2015-16 is provided below.

Departmental Resources

Comprehensive income statement

The ASC is budgeting for an operating loss of \$13.671 million in 2014-15 mainly arising from: (i) additional and unfunded depreciation expense reflecting revaluations of assets; and (ii) timing differences across financial years as to when revenue is received and when expenditure for certain activities and externally funded programmes occurs.

The ASC is budgeting for an operating loss for the 2015-16 Budget year and two forward estimates periods arising from additional and unfunded depreciation expense reflecting revaluations of assets. The impact of the additional depreciation expense from revaluations has not been factored into 2018-19 while the ASC undertakes a review of its options for depreciation and capital funding.

Budgeted departmental balance sheet

Total assets at 30 June 2016 are anticipated to be \$319.288 million, \$226.648 million (71 per cent) of which represents investment in non-financial assets. Liabilities are expected to remain stable over the budget and forward estimates period and comprise mainly of supplier payables and employee entitlements.

Total equity is estimated at \$299.071 million at 30 June 2016. The reduction in equity over the forward estimates periods reflects the impact of the budgeted technical accounting loss for increased depreciation expense arising from revaluations of assets.

3.2.3 Budgeted Financial Statements Tables

Table 3.2.1: Comprehensive Income Statement (showing net cost of services) for the period ended 30 June

	Estimated actual 2014-15 \$'000	Budget estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
EXPENSES					
Employee benefits	68,406	63,626	65,311	57,779	59,591
Suppliers	47,459	34,945	33,394	30,819	29,627
Grants	175,336	161,962	159,274	132,031	133,342
Depreciation and amortisation	22,806	22,936	22,940	22,458	16,512
Total expenses	314,007	283,469	280,919	243,087	239,072
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	30,722	20,723	20,542	20,378	20,657
Interest	3,546	3,056	2,549	2,535	2,518
Total revenue	34,268	23,779	23,091	22,913	23,175
Total own-source income	34,268	23,779	23,091	22,913	23,175
Net cost of (contribution by) services	279,739	259,690	257,828	220,174	215,897
Revenue from Government	266,068	253,646	251,780	214,126	215,897
Surplus (Deficit) attributable to the Australian Government	(13,671)	(6,044)	(6,048)	(6,048)	-
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	6,955	-	-	-	-
Total other comprehensive income	6,955	-	-	-	-
Total comprehensive income (loss) attributable to the Australian Government	(6,716)	(6,044)	(6,048)	(6,048)	-

Table 3.2.2: Budgeted Departmental Balance Sheet (as at 30 June)

	Estimated actual 2014-15 \$'000	Budget estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	10,702	24,262	17,592	19,746	8,139
Trade and other receivables	6,829	6,828	6,837	6,829	6,821
Loans	1,522	1,550	1,397	964	532
Investments	60,000	60,000	60,000	60,000	60,000
Total financial assets	79,053	92,640	85,826	87,539	75,492
Non-financial assets					
Land and buildings	227,270	212,661	213,014	204,108	215,382
Property, plant and equipment	12,121	8,699	8,416	9,014	10,468
Intangibles	3,560	2,192	2,192	3,125	2,842
Inventories	486	486	486	486	486
Other	2,610	2,610	2,610	2,610	2,610
Total non-financial assets	246,047	226,648	226,718	219,343	231,788
Total assets	325,100	319,288	312,544	306,882	307,280
LIABILITIES					
Payables					
Suppliers	2,113	2,113	2,113	2,113	2,113
Grants	1,608	1,608	1,608	1,608	1,608
Other payables	2,787	2,787	2,787	2,787	2,787
Total payables	6,508	6,508	6,508	6,508	6,508
Provisions					
Employees	13,332	13,564	12,868	13,254	13,652
Other provisions	145	145	145	145	145
Total provisions	13,477	13,709	13,013	13,399	13,797
Total liabilities	19,985	20,217	19,521	19,907	20,305
Net assets	305,115	299,071	293,023	286,975	286,975
EQUITY					
Contributed equity	150,210	150,210	150,210	150,210	150,210
Reserves	183,904	183,904	183,904	183,904	183,904
Retained surpluses (accumulated deficits)	(28,999)	(35,043)	(41,091)	(47,139)	(47,139)
Total equity	305,115	299,071	293,023	286,975	286,975

**Table 3.2.3: Departmental Statement of Changes in Equity — summary of movement
(Budget year 2015-16)**

	Retained earnings/ (accumulated deficit) \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2015				
Balance carried forward from previous period	(28,999)	183,904	150,210	305,115
Surplus (deficit) for the period	(6,044)	-	-	(6,044)
Appropriation (equity injection)	-	-	-	-
Estimated closing balance as at 30 June 2016				
	(35,043)	183,904	150,210	299,071

**Table 3.2.4: Budgeted Departmental Statement of Cash Flows
(for the period ended 30 June)**

	Estimated actual 2014-15 \$'000	Budget estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	30,722	20,723	20,542	20,378	20,657
Appropriations	266,068	253,646	251,780	214,126	215,897
Interest	3,500	3,000	2,500	2,500	2,500
Total cash received	300,290	277,369	274,822	237,004	239,054
Cash used					
Employees	69,413	63,394	66,007	57,393	59,193
Suppliers	47,536	34,945	33,394	30,819	29,627
Grants	175,336	161,962	159,274	132,031	133,342
Total cash used	292,285	260,301	258,675	220,243	222,162
Net cash from (or used by) operating activities	8,005	17,068	16,147	16,761	16,892
INVESTING ACTIVITIES					
Cash Received					
Repayment of loans and interest	9	29	193	476	458
Total cash received	9	29	193	476	458
Cash used					
Purchase of property, plant and equipment	10,303	3,537	23,010	15,083	28,957
Loan Issuance	1,500	-	-	-	-
Total cash used	11,803	3,537	23,010	15,083	28,957
Net cash from (or used by) investing activities	(11,794)	(3,508)	(22,817)	(14,607)	(28,499)
FINANCING ACTIVITIES					
Cash received					
Appropriations - contributed equity	1,500	-	-	-	-
Total cash received	1,500	-	-	-	-
Net cash from (or used by) financing activities	1,500	-	-	-	-
Net increase (or decrease) in cash held	(2,289)	13,560	(6,670)	2,154	(11,607)
Cash and cash equivalents at the beginning of the reporting period	72,991	70,702	84,262	77,592	79,746
Cash and cash equivalents at the end of the reporting period	70,702	84,262	77,592	79,746	68,139

Table 3.2.5: Departmental Capital Budget Statement (for the period ended 30 June)

	Estimated actual 2014-15 \$'000	Budget estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	1,500	-	-	-	-
Total capital appropriations	1,500	-	-	-	-
Total new capital appropriations represented by:					
Purchase of non-financial assets	1,500	-	-	-	-
Total items	1,500	-	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations - equity injection	1,500	-	-	-	-
Funded internally from departmental resources	8,803	3,537	23,010	15,083	28,957
Total acquisitions of non-financial assets	10,303	3,537	23,010	15,083	28,957
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	10,303	3,537	23,010	15,083	28,957
Total cash used to acquire assets	10,303	3,537	23,010	15,083	28,957

Table 3.2.6: Statement of Asset Movements (Budget year 2015-16)

	Land	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2015					
Gross book value	10,000	516,651	32,999	9,558	569,208
Accumulated depreciation/amortisation and impairment	-	(299,381)	(20,878)	(5,998)	(326,257)
Opening net book balance	10,000	217,270	12,121	3,560	242,951
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
By purchase - internal resources	-	2,350	1,187	-	3,537
Total additions	-	2,350	1,187	-	3,537
Other movements					
Depreciation/amortisation expense	-	(16,959)	(4,609)	(1,368)	(22,936)
Total other movements	-	(16,959)	(4,609)	(1,368)	(22,936)
As at 30 June 2016					
Gross book value	10,000	519,001	34,186	9,558	572,745
Accumulated depreciation/amortisation and impairment	-	(316,340)	(25,487)	(7,366)	(349,193)
Closing net book balance	10,000	202,661	8,699	2,192	223,552