



Australian Government
Australian Law Reform Commission

BUDGET 2020–21

(Extract from the Attorney-General's
portfolio budget papers)



AUSTRALIAN LAW REFORM COMMISSION

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Australian Law Reform Commission (ALRC), established in 1975, undertakes research and provides recommendations to reform the law on topics selected by the Attorney-General of Australia.

The ALRC's outcome is: 'Informed government decisions about the development, reform and harmonisation of Australian laws and related processes through research, analysis, reports and community consultation and education.' The ALRC has one program to achieve its outcome: 'Conducting inquiries into aspects of Australian law and related processes for the purpose of law reform.'

Through the improvement of Australia's law and justice framework, the ALRC contributes to the Attorney-General Department's Outcome 1 – a just and secure society through the maintenance and improvement of Australia's law and justice frameworks.

There are no new measures affecting the ALRC or new functions.

The key challenge and risk to the ALRC delivering its program is that the ALRC is solely reliant on the government for its referrals. As a result, the extent to which the ALRC can deliver on its objective is influenced from year to year by the government's law reform agenda, the number of inquiries referred to the ALRC, the subject matter and scope of any particular inquiry, the prescribed timeframe and the resources made available to the ALRC to undertake the work.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the ALRC 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 departmental (for the ALRC's operations) classification.

All appropriation to the ALRC runs through a special account – the Law Reform Special Account – as required under section 45 of the *Australian Law Reform Commission Act 1996*. For more detailed information on special accounts, 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)		
Departmental appropriation (b)	2,607	2,621
s74 retained revenue receipts (c)	14	1
Departmental capital budget (d)	16	15
Total departmental annual appropriations	2,637	2,637
Special accounts (e)		
Opening balance	936	968
Appropriation receipts (f)	2,623	2,636
Appropriation receipts from other entities (g)	14	1
Total special accounts	3,573	3,605
Less departmental appropriations drawn from annual or special appropriations and credited to special accounts	(2,637)	(2,637)
Total net resourcing for entity	3,573	3,605
	2019-20	2020-21
Average staffing level (number)	11	11

Notes for Table 1.1

Prepared on a resourcing (appropriations and cash available) basis.

Note: All figures are GST exclusive and may not match figures in the cash flow statement.

- (a) Supply Act No.1 2020-21 and 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 Supply Act No.1 and 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'.
- (e) Excludes trust moneys held in Services for Other Entities and Trust Moneys and other special accounts. See Table 2.1 for further information on outcome and program expenses broken down by various funding sources, such as annual appropriations, special appropriations and special accounts.
- (f) Amounts credited to the special account from ALRC's annual appropriations.
- (g) Amounts credited to the special account from another entity's annual and special appropriations.

1.3 BUDGET MEASURES

The ALRC 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.

The ALRC's outcome is described below together with its related program.

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*. 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.

The most recent corporate plan for ALRC can be found at:
<https://www.alrc.gov.au/about/corporate-information/>

The most recent annual performance statement can be found at:
<https://www.alrc.gov.au/about/annual-reports/>

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Informed government decisions about the development, reform and harmonisation of Australian laws and related processes through research, analysis, reports and community consultation and education.

Budgeted expenses for Outcome 1

Table 2.1.1 shows how much the ALRC 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: Conducting inquiries into aspects of Australian law and related processes for the purpose of law reform					
Departmental expenses					
Special accounts					
Law Reform Special Account – <i>Public Governance, Performance and Accountability Act 2013 s80 (Australian Law Reform Commission Act 1996 s45)</i>	2,292	2,660	2,648	2,642	2,631
Expenses not requiring appropriation in the budget year (a)	48	57	57	57	57
Total expenses for program 1.1	2,340	2,717	2,705	2,699	2,688

	2019-20	2020-21
Average staffing level (number) (h)	11	11

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

(a) Expenses not requiring appropriation in the budget year are made up of depreciation and 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: Informed government decisions about the development, reform and harmonisation of Australian laws and related processes through research, analysis, reports and community consultation and education.		
Program 1.1: Conducting inquiries into aspects of Australian law and related processes for the purpose of law reform.		
This program contributes to Outcome 1 through conducting inquiries into aspects of Australian law and related processes for the purpose of law reform.		
Delivery	<p>The ALRC will:</p> <ul style="list-style-type: none">• conduct law reform inquiries as referred by the Attorney-General;• produce a final report containing recommendations for law reform for each inquiry; and• encourage public debate and discussion on the work of the ALRC and law reform generally. <p>The target group for the ALRC's program is the Australian Parliament and the Australian community.</p>	
Performance information		
Year	Performance criteria	2019-20 actual achievement/targets
2019-20	Number of reports Timeliness of reports Citations or references Submissions received Consultations held Presentations, articles and speaking engagements E-news subscribers Visitors to website Twitter followers	4 (4) 100% (100%) 50 (261) 160 (59) 45 (143) 25 (29) 1350 (2533) >260,000 (1,802,429) 14,000 (14,004)
2020-21	Number of reports Timeliness of reports Citations or references Submissions received per inquiry Consultations held per inquiry Presentations, articles and speaking engagements E-news subscribers Visitors to website Public attendance at ALRC seminars	4 100% 100 50 25 25 1350 500,000 250
2021-22 and beyond	As per 2020-21	As per 2020-21
Purposes	To contribute to informed government decisions about law reform that will lead to a fair, equitable and accessible system of federal justice that contributes to a just and secure society.	

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

There is no material difference between the entity resourcing and financial statements. The ALRC has no related party transactions.

3.1.2 Explanatory notes and analysis of budgeted financial statements

Total revenue in 2020-21 is estimated to be \$2.661 million, comprising \$2.621 million from government and \$0.040 million from other sources.

Expenses in 2020-21 are estimated to be \$2.717 million, comprising \$2.079 million in employee expenses, \$0.422 million in supplier expenses, \$0.189 million in depreciation and amortisation expenses, and \$0.027 million in finance expenses.

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	1,738	2,079	2,127	2,129	2,138
Suppliers	402	422	367	362	358
Depreciation and amortisation	171	189	187	187	175
Finance costs	29	27	24	21	17
Total expenses	2,340	2,717	2,705	2,699	2,688
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	14	1	1	1	1
Interest	1	-	-	-	-
Total own-source revenue	15	1	1	1	1
Gains					
Other – resources received free of charge	36	39	41	41	41
Total gains	36	39	41	41	41
Total own-source income	51	40	42	42	42
Net (cost of)/contribution by services	(2,289)	(2,677)	(2,663)	(2,657)	(2,646)
Revenue from government	2,607	2,621	2,617	2,619	2,628
Surplus/(deficit) attributable to the Australian Government	318	(56)	(46)	(38)	(18)
Total comprehensive income/(loss)	318	(56)	(46)	(38)	(18)
Total comprehensive income/(loss) attributable to the Australian Government	318	(56)	(46)	(38)	(18)
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, principle repayments on leased assets	370	-	-	-	-
Less depreciation/amortisation expenses previously funded through revenue appropriations (a)	12	18	16	16	16
Less: Depreciation/amortisation expenses for ROU assets (b)	159	171	171	171	159
Add: Principal repayments on leased assets (b)	119	133	141	149	157
Total comprehensive income/(loss) as per the statement of comprehensive income	318	(56)	(46)	(38)	(18)

Notes for Table 3.1

Prepared on Australian Accounting Standards basis.

- (a) From 2010-11, the government introduced net cash appropriation arrangements. Bill No. 1 revenue appropriations for the depreciation and 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 (No. 1) equity appropriations. For information regarding DCBs, see Table 3.5: Departmental capital budget statement.
- (b) Applies to leases under AASB 16 Leases on 1 July 2019.

Table 3.2: Budgeted departmental balance sheet (as at 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
ASSETS					
Financial assets					
Cash and cash equivalents	968	968	968	968	968
Trade and other receivables	21	21	21	21	21
Total financial assets	989	989	989	989	989
Non-financial assets					
Land and buildings	1,313	1,327	1,347	1,372	1,213
Property, plant and equipment	49	46	45	44	43
Intangibles	18	18	18	18	18
Total non-financial assets	1,380	1,391	1,410	1,434	1,274
Total assets	2,369	2,380	2,399	2,423	2,263
LIABILITIES					
Payables					
Suppliers	45	45	45	45	45
Other payables	188	188	188	188	188
Total payables	233	233	233	233	233
Interest bearing liabilities					
Leases	1,346	1,398	1,448	1,495	1,338
Total interest bearing liabilities	1,346	1,398	1,448	1,495	1,338
Provisions					
Employee provisions	279	279	279	279	279
Total provisions	279	279	279	279	279
Total liabilities	1,858	1,910	1,960	2,007	1,850
Net assets	511	470	439	416	413
EQUITY (a)					
Parent entity interest					
Contributed equity	319	334	349	364	379
Reserves	135	135	135	135	135
Retained surplus/(accumulated deficit)	57	1	(45)	(83)	(101)
Total parent entity interest	511	470	439	416	413
Total equity	511	470	439	416	413

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	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2020				
Balance carried forward from previous period	57	135	319	511
Adjusted opening balance	57	135	319	511
Comprehensive income				
Surplus/(deficit) for the period	(56)	-	-	(56)
Total comprehensive income	(56)	-	-	(56)
Transactions with owners				
Contributions by owners				
Departmental capital budget	-	-	15	15
Sub-total transactions with owners	-	-	15	15
Estimated closing balance as at 30 June 2021	1	135	334	470
Closing balance attributable to the Australian Government	1	135	334	470

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					
Sale of goods and rendering of services	16	1	1	1	1
Interest	1	-	-	-	-
Appropriations	2,607	2,621	2,617	2,619	2,628
Other	46	-	-	-	-
Total cash received	2,670	2,622	2,618	2,620	2,629
Cash used					
Employees	1,641	2,079	2,127	2,129	2,138
Suppliers	831	383	326	321	317
Interest payments on lease liability	29	27	24	21	17
Total cash used	2,501	2,489	2,477	2,471	2,472
Net cash from/(used by) operating activities	169	133	141	149	157
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	34	15	15	15	15
Total cash used	34	15	15	15	15
Net cash from/(used by) investing activities	(34)	(15)	(15)	(15)	(15)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	16	15	15	15	15
Total cash received	16	15	15	15	15
Cash used					
Principle payments on lease liability	119	133	141	149	157
Total cash used	119	133	141	149	157
Net cash from/(used by) financing activities	(103)	(118)	(126)	(134)	(142)
Net increase/(decrease) in cash held	32	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	936	968	968	968	968
Cash and cash equivalents at the end of the reporting period	968	968	968	968	968

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)	16	15	15	15	15
Total new capital appropriations	16	15	15	15	15
Provided for:					
Purchase of non-financial assets	16	15	15	15	15
Total items	16	15	15	15	15
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation – DCB (a)	16	15	15	15	15
Total purchases of non-financial assets	16	15	15	15	15
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	16	15	15	15	15
Total cash used to acquire assets	16	15	15	15	15

Prepared on Australian Accounting Standards basis.

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

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

	Buildings \$'000	Other property, plant & equipment \$'000	Computer software & intangibles \$'000	Total \$'000
As at 1 July 2020				
Gross book value	-	130	22	152
Gross book value – ROU assets	1,472	-	-	1,472
Accumulated depreciation/amortisation and impairment	-	(81)	(4)	(85)
Accumulated depreciation/amortisation and impairment – ROU assets	(159)	-	-	(159)
Opening net book balance	1,313	49	18	1,380
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase – appropriation ordinary annual services (a)	-	15	-	15
By purchase – appropriation ordinary annual services – ROU assets	185	-	-	185
Total additions	185	15	-	200
Other movements				
Depreciation/amortisation expense	-	(18)	-	(18)
Depreciation/amortisation on ROU assets	(171)	-	-	(171)
Total other movements	(171)	(18)	-	(189)
As at 30 June 2021				
Gross book value	-	145	22	167
Gross book value – ROU assets	1,657	-	-	
Accumulated depreciation/amortisation and impairment	-	(99)	(4)	(103)
Accumulated depreciation/amortisation and impairment – ROU assets	(330)	-	-	(330)
Closing net book balance	1,327	46	18	1,391

Prepared on Australian Accounting Standards basis.

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