

# National Anti-Corruption Commission

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The National Anti-Corruption Commission (NACC) was established under the *National Anti-Corruption Commission Act 2022* (NACC Act) and its purpose is to prevent, detect, investigate and report on serious or systemic corruption in the Commonwealth public sector. It also provides education to the public service, and the public, about corruption risks and prevention.

The NACC will commence on 1 July 2023. The outcome statement and performance measures included in this portfolio budget statement were developed in anticipation of its establishment and will be further refined in the NACC's first corporate plan and subsequent portfolio budget statements.

Under the NACC Act, the NACC is able to investigate alleged corrupt conduct involving Commonwealth Government public officials. Public officials under the NACC Act include:

- Members and Senators of the Commonwealth Parliament, including ministers and their staff
- Employees and contractors of Commonwealth agencies, and
- Holders of Commonwealth statutory offices.

In 2023-24, the NACC will achieve its purpose through the delivery of five key activities:

- Providing corruption prevention education and information to enhance the effectiveness and maturity of approaches to corruption prevention
- Detecting corruption and enhancing the Commonwealth public sector's capabilities to detect corruption
- Receiving and assessing referrals of alleged corrupt conduct
- Conducting NACC investigations into corruption issues that could involve serious or systemic corrupt conduct, and
- Referring allegations of corrupt conduct back to Commonwealth agencies for investigation.

In 2023-24, the NACC will receive funding, totalling \$88.9 million to support its commencement and ongoing operations. Recognising the breadth of its jurisdiction, the NACC's Average Staffing Level (ASL) will expand to 239 this financial year, from an ASL of 122 subsumed from the Australian Commission for Law Enforcement Integrity upon commencement.

## **1.2 Entity resource statement**

Table 1.1 shows the total funding from all sources available to the entity 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.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst 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: National Anti-Corruption Commission resource statement — Budget estimates for 2023-24 as at Budget May 2023**

	2022-23 <i>Estimated actual</i> \$'000	2023-24 Estimate \$'000
<b>Departmental</b>		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	-	15,837
Departmental appropriation (c)	-	57,533
s74 External Revenue (d)	-	-
Annual appropriations - other services - non-operating (e)	-	-
Prior year appropriations available (b)	-	-
Equity injection (e)	-	31,465
<b>Total departmental resourcing</b>	<b>-</b>	<b>104,835</b>
	2022-23	2023-24
<b>Average staffing level (number)</b>	-	239

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

Prepared on a resourcing (i.e. appropriations available) basis.

(a) Appropriation Bill (No. 1) 2023-24.

(b) Includes prior year ACLEI appropriations estimated to be transferred from ACLEI to NACC upon commencement.

(c) Excludes departmental capital budget (DCB).

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

(e) Appropriation Bill (No. 2) 2023-24.

### 1.3 Budget measures

The NACC has received no measures since the October 2022-23 Budget.

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*. It is anticipated that the performance measure 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 first corporate plan for the NACC will be published after commencement.

As a newly established entity from July 2023, the first annual performance statements will be published in the NACC’s Annual Report in October 2024.

**Table 2: Changes to the outcome and program structures since the last portfolio statement**  
Outcome changes

New Outcome 1	<i>Independent assurance to the Australian community that corrupt conduct involving Commonwealth public officials is prevented, detected, investigated and responded to appropriately.</i>
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Description of change:

New outcome under new Entity, created for Budget 2023-24

## 2.1 Budgeted expenses and performance for Outcome 1

**Outcome 1: Independent assurance to the Australian community that corrupt conduct involving Commonwealth public officials is prevented, detected, investigated and responded to appropriately.**

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by Departmental funding sources.

**Table 2.1.1: Budgeted expenses for Outcome 1**

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
<b>Program 1.1 - Detect and investigate serious or systemic corrupt conduct involving Commonwealth public officials; assist Australian Government entities to manage corruption risks through corruption prevention education and information.</b>					
Departmental expenses					
Departmental appropriations	-	54,444	62,077	62,725	63,456
s74 External Revenue (a)	-	-	-	-	-
Expenses not requiring appropriation in the Budget year (b)	-	5,565	5,735	5,787	5,839
<b>Departmental total</b>	-	<b>60,009</b>	<b>67,812</b>	<b>68,512</b>	<b>69,295</b>
<b>Total expenses for program 1.1</b>	-	<b>60,009</b>	<b>67,812</b>	<b>68,512</b>	<b>69,295</b>

  

	2022-23	2023-24
<b>Average staffing level (number)</b>	-	239

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.

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

**Table 2.1.2: Performance measure for Outcome 1**

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of the 2023-24 Budget measures that have created new programs or materially changed existing programs are provided.

<b>Outcome 1 – Independent assurance to the Australian community that corrupt conduct involving Commonwealth public officials is prevented, detected, investigated and responded to appropriately.</b>		
<b>Program 1.1 - Detect and investigate serious or systemic corrupt conduct involving Commonwealth public officials; assist Australian Government entities to manage corruption risks through corruption prevention education and information.</b>		
<p>The NACC will provide corruption prevention education and information to enhance the effectiveness and maturity of approaches to corruption prevention within the Commonwealth public sector; detect corruption and enhance Commonwealth public sector entities' capabilities to detect corruption; receive and assess referrals of alleged corrupt conduct; conduct corruption investigations into corruption issues that could involve conduct that is serious or systemic; and refer allegations of corrupt conduct back to Commonwealth agencies for investigation. These key activities are supported by professional and multi-disciplinary corporate and governance services.</p>		
<b>Key Activities (a)</b>	Key activities that relate to this program. 1. Assessment 2. Investigations	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Current Year	Nil	Nil
2022-23		
<b>Year</b>	<b>Performance measures</b>	<b>Planned Performance Results</b>
Budget Year 2023-24 (b)	1.1 Average time for assessment of referrals	Annual count (2023-24 to set baseline for comparison purposes)
	1.2 Average duration for finalised investigations	Annual count (2023-24 to set baseline for comparison purposes)
Forward Estimates 2024-27	As per 2023-24	As per 2023-24
Material changes to Program 1.1 resulting from 2023-24 Budget Measures: Nil		

- (a) 2023-24 is the first year of operation for the NACC. The key activities outlined will be those reflected in the 2023-24 National Anti-Corruption Commission Corporate Plan to be published after commencement.
- (b) Further information on KPIs will be provided in the NACC's first Corporate Plan, published in 2023-24.

## **Section 3: Budgeted financial statements**

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2023-24 budget year, including the impact of budget measures and resourcing on financial statements.

### **3.1 Budgeted financial statements**

#### **3.1.1 Explanatory notes and analysis of budgeted financial statements**

The NACC is budgeting for a break-even result in 2023-24 after accounting for principal repayments on leased assets and excluding unfunded depreciation and amortisation expenses.

The NACC's revenue from government for 2023-24 is \$57.533 million where \$34.443 million will be used for employee expenses and \$19.916 million for supplier expenses.

The NACC will receive \$31.465 million equity funding in 2023-24 that will continue the work to establish a secure and independent Information and Communications Technology environment and the expansion of appropriate premises nationally.

When the NACC is established on 1 July 2023, resources for the Australian Commission for Law Enforcement Integrity (ACLEI) including unspent operating and capital appropriations, staff, assets, liabilities and equity will be subsumed and form the basis of the NACC from 2023-24. The transferred resources are reflected throughout the budgeted financial tables in this section.

### 3.2. Budgeted financial statements tables

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
<b>EXPENSES</b>					
Employee benefits	-	34,443	38,310	38,731	39,149
Suppliers	-	19,916	23,682	23,909	24,231
Depreciation and amortisation (a)	-	5,500	5,670	5,722	5,774
Finance costs	-	150	150	150	150
<b>Total expenses</b>	<b>-</b>	<b>60,009</b>	<b>67,812</b>	<b>68,512</b>	<b>69,304</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Other	-	65	65	65	65
<b>Total own-source revenue</b>	<b>-</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>65</b>
<b>Total own-source income</b>	<b>-</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>65</b>
<b>Net (cost of)/contribution by services</b>	<b>-</b>	<b>(59,944)</b>	<b>(67,747)</b>	<b>(68,447)</b>	<b>(69,239)</b>
Revenue from Government	-	57,533	65,551	66,241	67,022
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>-</b>	<b>(2,411)</b>	<b>(2,196)</b>	<b>(2,206)</b>	<b>(2,217)</b>
<b>Total comprehensive income/(loss)</b>	<b>-</b>	<b>(2,411)</b>	<b>(2,196)</b>	<b>(2,206)</b>	<b>(2,217)</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>-</b>	<b>(2,411)</b>	<b>(2,196)</b>	<b>(2,206)</b>	<b>(2,217)</b>

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**Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)****Note: Impact of net cash appropriation arrangements**

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
<b>Total comprehensive income/(loss) - as per statement of Comprehensive Income</b>	-	(2,411)	(2,196)	(2,206)	(2,217)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	-	2,429	2,600	2,651	2,703
plus: depreciation/amortisation expenses for ROU assets (b)	-	3,071	3,071	3,071	3,071
less: lease principal repayments (b)	-	(3,089)	(3,475)	(3,516)	(3,557)
<b>Net Cash Operating Surplus/ (Deficit)</b>	-	-	-	-	-

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, please 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)**

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Trade and other receivables	-	10,108	13,582	17,098	20,664
<b>Total financial assets</b>	-	<b>10,108</b>	<b>13,582</b>	<b>17,098</b>	<b>20,664</b>
<b>Non-financial assets</b>					
Land and buildings	-	56,120	53,049	53,604	50,533
Property, plant and equipment	-	6,130	6,161	2,514	2,441
Intangibles	-	17,903	16,965	14,853	12,741
Other non-financial assets	-	312	312	312	312
<b>Total non-financial assets</b>	-	<b>80,465</b>	<b>76,487</b>	<b>71,283</b>	<b>66,027</b>
<b>Total assets</b>	-	<b>90,573</b>	<b>90,069</b>	<b>88,381</b>	<b>86,691</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	-	1,064	1,064	1,064	1,073
Other payables	-	1,628	1,811	1,831	1,851
<b>Total payables</b>	-	<b>2,692</b>	<b>2,875</b>	<b>2,895</b>	<b>2,924</b>
<b>Interest bearing liabilities</b>					
Leases	-	22,094	18,619	15,103	11,546
<b>Total interest bearing liabilities</b>	-	<b>22,094</b>	<b>18,619</b>	<b>15,103</b>	<b>11,546</b>
<b>Provisions</b>					
Employee provisions	-	8,465	9,415	9,519	9,624
Other provisions	-	624	624	624	624
<b>Total provisions</b>	-	<b>9,089</b>	<b>10,039</b>	<b>10,143</b>	<b>10,248</b>
<b>Total liabilities</b>	-	<b>33,875</b>	<b>31,533</b>	<b>28,141</b>	<b>24,718</b>
<b>Net assets</b>	-	<b>56,698</b>	<b>58,536</b>	<b>60,240</b>	<b>61,973</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	-	43,118	44,810	45,328	45,846
Reserves	-	833	833	833	833
Retained surplus (accumulated deficit)	-	12,747	12,893	14,079	15,294
<b>Total parent entity interest</b>	-	<b>56,698</b>	<b>58,536</b>	<b>60,240</b>	<b>61,973</b>
<b>Total equity</b>	-	<b>56,698</b>	<b>58,536</b>	<b>60,240</b>	<b>61,973</b>

Prepared on Australian Accounting Standards basis.

\*'Equity' is the residual interest in assets after deduction of liabilities.

**Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2023-24)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2023</b>				
Balance carried forward from previous period	-	-	-	-
Adjustment for changes in accounting policies	-	-	-	-
<b>Adjusted opening balance</b>	-	-	-	-
<b>Comprehensive income</b>				
Other comprehensive income	-	-	-	-
Surplus/(deficit) for the period	(2,411)	-	-	(2,411)
<b>Total comprehensive income</b>	<b>(2,411)</b>	<b>-</b>	<b>-</b>	<b>(2,411)</b>
<b>Transactions with owners</b>				
<b>Distributions to owners</b>				
Restructuring	-	-	-	-
Other	-	-	-	-
<b>Contributions by owners</b>				
Equity injection	-	-	31,465	31,465
Other	(8,380)	-	-	(8,380)
Restructuring	23,538	833	11,653	36,024
<b>Sub-total transactions with owners</b>	<b>15,158</b>	<b>833</b>	<b>43,118</b>	<b>59,109</b>
<b>Estimated closing balance as at 30 June 2024</b>	<b>12,747</b>	<b>833</b>	<b>43,118</b>	<b>56,698</b>
<b>Closing balance attributable to the Australian Government</b>	<b>12,747</b>	<b>833</b>	<b>43,118</b>	<b>56,698</b>

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	-	54,345	64,476	65,318	66,090
<b>Total cash received</b>	-	<b>54,345</b>	<b>64,476</b>	<b>65,318</b>	<b>66,090</b>
<b>Cash used</b>					
Employees	-	32,111	37,338	37,912	38,330
Suppliers	-	19,099	23,617	23,844	24,157
<b>Total cash used</b>	-	<b>51,210</b>	<b>60,955</b>	<b>61,756</b>	<b>62,487</b>
<b>Net cash from/(used by) operating activities</b>	-	<b>3,135</b>	<b>3,521</b>	<b>3,562</b>	<b>3,603</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	-	31,465	1,692	518	518
<b>Total cash used</b>	-	<b>31,465</b>	<b>1,692</b>	<b>518</b>	<b>518</b>
<b>Net cash from/(used by) investing activities</b>	-	<b>(31,465)</b>	<b>(1,692)</b>	<b>(518)</b>	<b>(518)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	-	31,465	1,692	518	518
<b>Total cash received</b>	-	<b>31,465</b>	<b>1,692</b>	<b>518</b>	<b>518</b>
<b>Cash used</b>					
Repayments of borrowings	-	46	46	46	46
Principal payments on lease liability	-	3,089	3,475	3,516	3,557
<b>Total cash used</b>	-	<b>3,135</b>	<b>3,521</b>	<b>3,562</b>	<b>3,603</b>
<b>Net cash from/(used by) financing activities</b>	-	<b>28,330</b>	<b>(1,829)</b>	<b>(3,044)</b>	<b>(3,085)</b>
<b>Net increase/(decrease) in cash held</b>	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	-	-	-	-	-
<b>Cash and cash equivalents at the end of the reporting period</b>	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Capital budget - Bill 1 (DCB)	-	-	-	-	-
Equity injections - Bill 2	-	31,465	1,692	518	518
<b>Total new capital appropriations</b>	-	<b>31,465</b>	<b>1,692</b>	<b>518</b>	<b>518</b>
<i>Provided for:</i>					
Purchase of non-financial assets	-	31,465	1,692	518	518
<b>Total items</b>		<b>31,465</b>	<b>1,692</b>	<b>518</b>	<b>518</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations (a)	-	31,465	1,692	518	518
<b>TOTAL</b>	-	<b>31,465</b>	<b>1,692</b>	<b>518</b>	<b>518</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	-	31,465	1,692	518	518
<b>Total cash used to acquire assets</b>	-	<b>31,465</b>	<b>1,692</b>	<b>518</b>	<b>518</b>

Prepared on Australian Accounting Standards basis.

(a) Includes both current Bill 2 and prior Act 2/4/6 appropriations.

**Table 3.6: Statement of departmental asset movements (Budget year 2023-24)**

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
<b>As at 1 July 2023</b>				
Gross book value	20,155	2,964	5,083	28,202
Gross book value - ROU assets	9,944	-	-	
Accumulated depreciation/ amortisation and impairment	(2,472)	(797)	(548)	(3,817)
Accumulated depreciation/amortisation and impairment - ROU assets	(5,324)	-	-	(5,324)
<b>Opening net book balance</b>	<b>22,303</b>	<b>2,167</b>	<b>4,535</b>	<b>19,061</b>
<b>Capital asset additions</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase - appropriation equity (a)	11,705	4,398	15,362	31,465
By purchase - appropriation equity - ROU assets	25,183	-	-	
<b>Total additions</b>	<b>36,888</b>	<b>4,398</b>	<b>15,362</b>	<b>31,465</b>
<b>Other movements</b>				
Depreciation/amortisation expense	(1,333)	(435)	(1,994)	(3,762)
Depreciation/amortisation on ROU assets	(1,738)	-	-	(1,738)
<b>Total other movements</b>	<b>(3,071)</b>	<b>(435)</b>	<b>(1,994)</b>	<b>(5,500)</b>
<b>As at 30 June 2024</b>				
Gross book value	31,860	7,362	20,445	59,667
Gross book value - ROU assets	35,127	-	-	35,127
Accumulated depreciation/ amortisation and impairment	(3,805)	(1,232)	(2,542)	(7,579)
Accumulated depreciation/amortisation and impairment - ROU assets	(7,062)	-	-	(7,062)
<b>Closing net book balance</b>	<b>56,120</b>	<b>6,130</b>	<b>17,903</b>	<b>80,153</b>

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2023-24,

**Office of the Australian  
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**Entity resources and planned  
performance**

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## Glossary