

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
BUDGET ESTIMATES 2012-2013

Finance and Deregulation Portfolio

Department/Agency: ASC Pty Ltd

Outcome/Program:

Topic: Financial Target Dividends

Senator: Johnston

Question reference number: F69

Type of question: Written

Date set by the committee for the return of answer: Friday, 6 July 2012

Number of pages: 2

Question:

GBE Governance and Oversight Guidelines state that, *'Each GBE is to work towards a principal financial target and a dividend policy, agreed in advance with the Shareholder Ministers, with the principal financial target to be set on the basis that each GBE should be required to earn commercial returns at least sufficient to justify the long-term retention of assets in the business, and to pay commercial dividends from those returns.'*

- a) Please provide the agreed financial target and dividend policy for the past 4 financial years (including FY 11/12).
- b) Please provide financial results (i.e. matching financial targets in 1) and dividend for the past 4 financial years (including anticipated or actual for FY/12).
- c) Please provide a copy of any directions/instructions given to ASC for years in which financial targets or dividend expectations have not been met.

Answer:

- a) As required by the *Commonwealth Government Business Enterprise Governance and Oversight Guidelines*, ASC provides a Statement of Corporate Intent (SCI) each year. ASC's forecast and actual net profit after tax for the past three financial years are shown in the table below.

ASC Profit after Tax	2008/09 \$m	2009/10 \$m	2010/11 \$m
Actual*	18.4	4.3	10.6
SCI Forecast	17.5	7.2	13.4

ASC Dividends	2008/09 \$m	2009/10 \$m	2010/11 \$m
Total*	15.3	10.0	2.1

* 2011/12 financials not yet available.

- b) Please see the answer to a) above.
- c) As required by the *Commonwealth Government Business Enterprise Governance and Oversight Guidelines*, ASC regularly provides updates to the Shareholder Minister on progress against financial forecasts.