

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
BUDGET ESTIMATES 2017-18

Finance Portfolio
24-25 May 2017

Department/Agency: Finance
Outcome/Program: 2/2.1
Topic: ANI Assets and Liabilities

Senator: Gallacher

Question reference number: F2

Type of question: Hansard Proof, 24 May 2017, F&PA Committee, Pages 9, 10, 18

Date set by the committee for the return of answer: Friday, 7 July 2017

Number of pages: 2

Question:

Senator GALLACHER: What would be the current value of assets and liabilities held by Australian Naval Infrastructure Pty Ltd?

Senator Cormann: I suspect that might be commercial-in-confidence—this is consistent with what Senator Wong used to say when I asked questions about market values and the like. We will take it on notice and see to what extent we can assist you. There are clearly some commercial sensitivities here. We are also in the process of—

Senator GALLACHER: This is why we have estimates: to get the stuff that you do not put in your press releases or that we cannot read in the paper.

Senator Cormann: It is written up as not for publication—for example, the volume and the value of the specific additional infrastructure investment—because there are some commercial negotiations that will have to happen in order to give effect to this. We do not want to weaken the position of the Commonwealth and we do not want to weaken the position for taxpayers in those negotiations.

Senator GALLACHER: So your answer is that you do not want to weaken it or that you want to take it on notice?

Senator Cormann: We will take on notice—

Senator GALLACHER: The current value of assets and liabilities.

Senator Cormann: to make a judgement on what we can sensibly provide you—in an abundance of helpfulness—but bearing in mind that there are some commercial sensitivities which are on the grounds of public interest immunity that has, of course, long been recognised by the Senate. There are some sensitivities, but we will give you as much as we can responsibly provide to you.

Senator GALLACHER: I am not sure how an asset, formally set up with liabilities and assets, can avoid reporting assets and liabilities to the taxpayer at some stage.

Senator Cormann: We will provide on notice what we can provide you.

...

Senator GALLACHER: The subsequent question, which you will presumably take on notice, is: what does that include—the current value of the assets and liabilities?

Senator Cormann: It will obviously be part of the answer.

Answer:

As at the time of Australian Naval Infrastructure Pty Ltd's (ANI) separation from ASC Pty Ltd on 26 March 2017, the Net Asset position of the company was \$231.0 million (unaudited), consisting primarily of Infrastructure assets, associated deferred tax positions and a deferred purchase obligation in respect of certain items of property. Whilst the numbers are unaudited they have been prepared on a basis consistent with accounting requirements using management information as at the date of separation.

As a Commonwealth Company, in accordance with section 97 of the *Public Governance, Performance and Accountability Act 2013*, ANI will submit an Annual Report for the 2016-17 financial year, containing the company's financial report to the Shareholder Ministers (currently the Minister for Finance and Minister for Defence Industry), which will then be tabled in each House of the Parliament.