

**AUSTRALIAN  
COMMUNICATIONS  
AUTHORITY**

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## AUSTRALIAN COMMUNICATIONS AUTHORITY

### Section 1: Overview, appropriations and budget measures summary

#### OVERVIEW

The role of the Australian Communications Authority (ACA) is to contribute to an efficient, competitive and increasingly self-regulated communications sector that meets the needs of the Australian community.

The ACA contributes to the development of dynamic and efficient markets for radiocommunications and telecommunications products and services to maximise benefits to the Australian community by:

- Fostering industry self-regulation and competition while protecting consumers and other users;
- Facilitating efficient access to, and use of, the radiofrequency spectrum and telecommunications services and infrastructure;
- Providing advice to government, industry and the community; and
- Promoting Australia's communications interests internationally.

#### APPROPRIATIONS

The total appropriation for the Australian Communications Authority in the 2001-2002 Budget is \$51.237m.

Table 1.1 shows the total appropriations for the ACA for 2001-2002 by the two outcomes.

## Australian Communications Authority – Appropriations 2001-02

### Table 1.1: Appropriations and Other Revenue (\$'000)

Outcome	Departmental (price of outputs)					Administered				
	Revenue from Government (appropriations)			Revenue from other sources <sup>(3)</sup>	Price of outputs <sup>(2)</sup>	Annual appropriations	Special approps	Total administered appropriations	Total appropriations	
	Bill No. 1	Special approps	Total			Bill No. 1	Bill No. 2 (SPPs & NAOs) <sup>(1)</sup>			
	(A)	(B)	(C=A+B)	(D)	(E=C+D)	(F)	(G)	(H)	(I = F+G+H)	(J=C+I)
1. An efficient industry and a competitive market.	40,085	-	40,085	1,103	41,188	-	-	-	-	40,085
					97.3% <sup>(4)</sup>					
2. An informed community with consumer safeguards.	11,152	-	11,152	-	11,152	-	-	-	-	11,152
					100% <sup>(4)</sup>					
<b>Total</b>	<b>51,237</b>	<b>-</b>	<b>51,237</b>	<b>1,103</b>	<b>52,340</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>51,237</b>
						ACA capital (equity injections and loans)				-
						Administered capital				-
						Total appropriations				51,237

- Under the appropriation structure, Bill No. 2 includes Specific Purpose Payments (SPP's); New Agency Outcomes (NAO's) administered capital and departmental capital via departmental injections and loans.
- Refer to Budgeted Statement of Financial Performance (Operating Statement) for application of Departmental revenue.
- Revenue from other sources includes other revenue from government (eg resources free of charge) and revenue from other sources. Non-appropriated departmental and administered revenues are shown in Appendix 1.
- Percentage figure indicates the percentage contribution of Revenue from Government (Appropriations) to the Total Price of Outputs, by Outcome.

## BUDGET MEASURES — AUSTRALIAN COMMUNICATIONS AUTHORITY SUMMARY

**Table 1.2: Summary of Measures Disclosed in the 2001-2002 Budget**

Measure	Outcome	Output groups affected	Appropriations budget			Appropriations estimate			Appropriations estimate			Appropriations estimate		
			2001-02 (\$'000)			2002-03 (\$'000)			2003-04 (\$'000)			2004-05 (\$'000)		
			Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total
Increase in GSM 900 License Fees(1)	1	1.1	(32.1)	Nil	(32.1)	(32.1)	Nil	(32.1)	(32.1)	Nil	(32.1)	(32.1)	Nil	(32.1)
Radiocommunications licensing arrangements(2)	1	1.1	1.6	Nil	1.6	1.6	Nil	1.6	1.6	Nil	1.6	1.6	Nil	1.6
Radiocommunications licensing arrangements	1	1.1	Nil	(0.7)	(0.7)	Nil	(0.7)	(0.7)	Nil	(0.7)	(0.7)	Nil	(0.7)	(0.7)
Strategy on electromagnetic public health issues(1)	1	1.1	(1.0)	Nil	(1.0)	(1.0)	Nil	(1.0)	(1.0)	Nil	(1.0)	(1.0)	Nil	(1.0)

(1) These measures are increases in administered revenues rather than decreases in administered expenses.

(2) These measures are decreases in administered revenues rather than increases in administered expenses.

## **ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS**

The ACA has not budgeted to receive any administered capital, equity injections or loans in the 2001-2002 Budget.

## Section 2: Outcomes and Outputs information

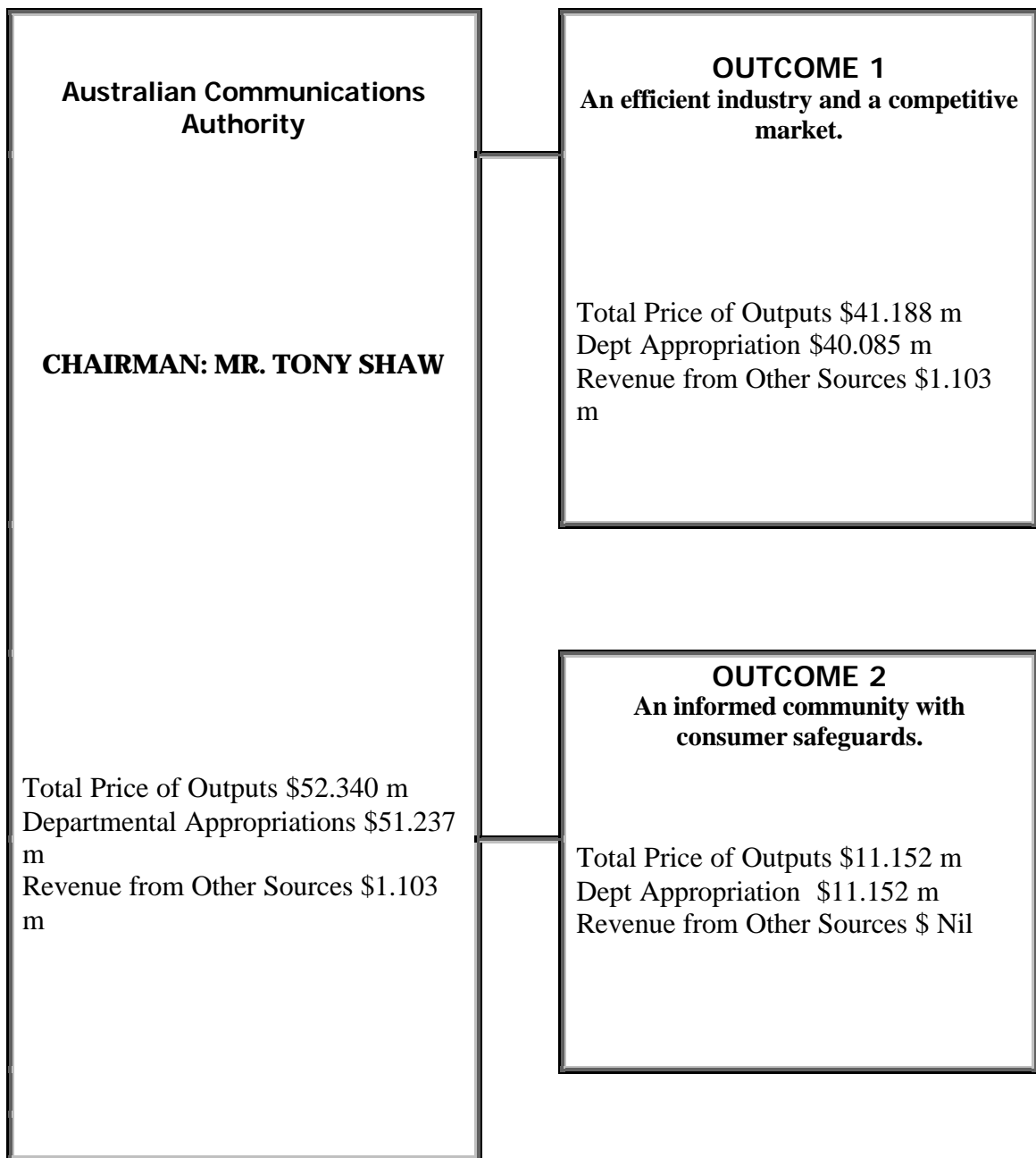
### **OUTCOMES AND OUTPUT GROUPS**

Charts 1, 2 and 3 show the Outcome and Output Structure of the ACA.

Financial details for Outcome 1 by Outputs and Output groups appears in table 2.1.1 (Total Resources for Outcome 1) while non-financial information for Outcome 1 appears in table 2.2.1 (Performance Information for Outcome 1).

Financial details for Outcome 2 by Outputs and Output groups appears in table 2.1.2 (Total Resources for Outcome 2) while non-financial information for Outcome 2 appears in table 2.2.2 (Performance Information for Outcome 2).

Chart 1: Outcome Structure





**CHANGES TO OUTCOMES AND OUTPUTS**

The ACA Output structure has not changed from last year's structure.

**OUTCOME 1 — DESCRIPTION****An efficient industry and a competitive market.**

In delivering this Outcome the ACA's key objectives are to achieve:

- A regulatory approach that promotes benefits to end-users and contributes to an efficient and competitive Australian communications industry;
- Efficiency in planning, allocating and use of national resources such as radiofrequency spectrum, telecommunications numbering and telecommunications infrastructure;
- Reduction in the cost of regulation and of the ACA's services; and
- The fostering of industry self-regulation in a way which addresses public and national interest considerations without imposing undue financial and administrative burdens on the industry.

**Measures affecting Outcome 1****Increase in GSM 900 licence fees****Revenue (\$m)**

	2001-02	2002-03	2003-04	2004-05
Australian Communications Authority	32.1	32.1	32.1	32.1

**Explanation**

The current annual apparatus licence fees for spectrum held by Telstra, Optus and Vodafone to provide GSM mobile telephony services has been increased in order to align the licence fees more closely with the market value of the spectrum. The carriers will be permitted to delay payment of the additional component of their 2001-2002 fee from June 2001 until August 2001. This delay will boost cash receipts by a further \$32.1 million in 2001-02, but will have no impact on accrual revenue.

### Further Information

Telstra, Optus and Vodafone were awarded apparatus licences in the 900 MHz radiofrequency band in the early 1990s to operate GSM mobile telephony services. They have paid annual licence fees since then. They were granted an extra 10 MHz of spectrum in 1996, for which they paid a one-off charge of \$110 million in addition to their annual licence fee. Subsequent licence allocations for mobile telephony have been price-based, usually through auctions.

The average prices paid at auction for spectrum licences for mobile telephony purposes are considerably higher (on a per MHz basis) than the equivalent annual fees currently paid by Telstra, Optus and Vodafone.

### Radiocommunications licensing arrangements

Revenue (\$m)	2001-02	2002-03	2003-04	2004-05
Australian Communications Authority	-1.6	-1.6	-1.6	-1.6

### Explanation

The Australian Communications Authority will abolish individual licensing for radio-transmitters for most small boats and aircraft from July 2001. The individual licensing arrangements are not essential for the purpose of managing the radio frequency spectrum or personal/equipment safety. By removing this cost impost on the operators of aircraft and small boats, this measure should encourage the wider installation of equipment that could improve personal and equipment safety.

See also below the related expense measure *Radiocommunications licensing arrangements*.

**Radiocommunications licensing arrangements****Expenses (\$m)**

	2001-02	2002-03	2003-04	2004-05
Australian Communications Authority	-0.7	-0.7	-0.7	-0.7

**Explanation**

The Government will remove annual license for radio equipment for small boat and marine leisure craft licence holders and all aircraft licence holders.

Removal of the need to administer the licence fee arrangements will result in an estimated \$0.7m per annum administrative saving for the Australian Communications Authority.

Implementation of this measure is subject to Parliamentary approval.

See also above the related revenue measure *Radiocommunications licensing arrangements*.

**Strategy on electromagnetic public health issues****Revenue (\$m)**

	2001-2002	2002-2003	2003-2004	2004- 2005
Australian Communications Authority	1.0	1.0	1.0	1.0

**Explanation**

The Government will continue the Electromagnetic Energy levy on radiocommunications apparatus licences. The levy will fund research into the possible health effects of electromagnetic energy emission from radio communications devices, including mobile phones.

Implementation of this measure is subject to Parliamentary approval.

Refer also to the expense measure titled *Strategy on electromagnetic public health issues* in the Health and Aged Care portfolio.

**OUTCOME 1 — RESOURCING**

**Table 2.1.1: Total resources for Outcome 1 (\$'000)**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000
<b>Administered appropriations</b>	-	-
<b>Total administered appropriations</b>	-	-
<b>Departmental appropriations</b>		
Output 1.1 - Managed Regulation of Radiocommunications	31,208	25,400
Output 1.2 - Managed Regulation of Telecommunications	12,541	14,685
<b>Total revenue from government (appropriations)</b>	<b>43,749</b>	<b>40,085</b>
<b>Contributing to price of departmental outputs</b>	<b>93.9%</b>	<b>97.3%</b>
<b>Revenue from other sources</b>		
Output 1.1 - Managed Regulation of Radiocommunications	2,835	1,103
Output 1.2 - Managed Regulation of Telecommunications	-	-
<b>Total revenue from other sources</b>	<b>2,835</b>	<b>1,103</b>
<b>Total price from Departmental Outputs</b> <i>(Total revenue from Government and from other sources)</i>	46,584	41,188
<b>Total estimated resourcing for outcome 1</b> <i>(Total price of Outputs and admin expenses)</i>	<b>46,584</b>	<b>41,188</b>
	2000-01	2001-02
<b>Average staffing level (number)</b>	338	336

## OUTCOME 1 — CONTRIBUTION OF OUTPUTS

**Table 2.2.1 Performance Information for Outcome 1**

Effectiveness — Overall achievement of the Outcome	
A regulatory approach that promotes benefits to end-users and contributes to an efficient and competitive Australian communications industry.	<p>A regulatory approach which promotes competition but continues to provide consumer protection.</p> <p>A competitive communications industry that provides choice to consumers.</p>
Efficiency in the planning, allocation and use of national resources such as radiofrequency spectrum, telecommunications numbering and telecommunications infrastructure.	<p>A fair return to the community for the use of national resources.</p> <p>Efficient planning and allocation processes.</p>
Reduction in the costs of regulation and of the ACA's services.	<p>Lower direct regulatory costs to the extent they are determined by the ACA.</p>
The fostering of industry self-regulation in a way which addresses public interest considerations without imposing undue financial and administrative burdens on industry.	<p>The ACA supports industry in the development of standards and codes, which consider appropriate public interest criteria.</p> <p>The extent to which the regulatory burden is minimised, without sacrificing legislative obligations, interference-free operation of communications devices or consumer protection.</p> <p>Timeliness of decisions about code registration and standards making.</p>

**Table 2.2.1 Performance information for Outcome 1  
(continued)**

Performance information for departmental outputs	
<p><b>Output 1.1</b> Managed regulation of radiocommunications.</p>	<p><b>Quality:</b></p> <ul style="list-style-type: none"> <li>• The extent to which the spectrum band and other planning mechanisms conform to current ITU and international treaty regulations whilst meeting the needs of ACA clients.</li> <li>• The extent to which Australia is able to influence international forums, measured by the number of outcomes that align with Australia's interests.</li> <li>• The commencement of new radiocommunication-based services is not unnecessarily impeded by regulation or delays in band planning activities.</li> <li>• Introduction of licensing options that are both effective for customers in terms of the services provided and efficient in terms of ACA resources required to administer them.</li> <li>• Establishment of acceptable, balanced and comprehensive regulatory arrangements that protect against RF exposure by 2002.</li> <li>• Revision of EMC arrangements by 2002 to provide for improved international alignment and regulatory efficiency.</li> <li>• Facilitate the establishment of new Australian satellite networks in accordance with international arrangements and ACA policies and objectives.</li> </ul> <p><b>Quantity:</b></p> <ul style="list-style-type: none"> <li>• Maintaining customer satisfaction with radiofrequency planning activities at a high level (measured by annual surveys).</li> <li>• Level of contestability achieved in the marketplace measured by the ratio of frequency assignments conducted by the ACA compared to external accredited frequency assigners.</li> <li>• The number of device registrations performed by external persons relative to the total number of device registrations.</li> <li>• The extent of spectrum licensed through spectrum licensing.</li> </ul> <p><b>Targets and Milestones:</b></p> <ul style="list-style-type: none"> <li>• ACA responses to investigations and interference complaints meet or exceed the response times identified in the ACA Customer Service Charter.</li> <li>• Price-based spectrum allocations are completed within 6 months of the Minister determining spectrum rules.</li> <li>• The allocation of spectrum in accordance with the forward program of spectrum auctions.</li> <li>• Introduction of methods of electronic processing of licence applications and renewals by 30 June 2002.</li> </ul> <p><b>Price:</b> \$26.503 m</p>

## Part C: Agency Budget Statements — ACA

### Output 1.2

Managed regulation of telecommunications.

#### Quality:

- Timely and effective regulatory administration and decision making which supports competition in the industry.
- Support of self-regulation as measured by (1) regular quality participation in ACIF working committees; and (2) timely provision of comment as requested.
- Effective administration and enforcement of service provider rules, carrier licence conditions and of provisions in relation to carriers powers and immunities.
- Effectiveness of community consultation about proposed regulatory initiatives.
- Successful transition to cabling provider rules and cabling sector self-regulation.
- The Telecommunications Numbering Plan adequately provides number capacity for current and new services whilst meeting the needs of industry.
- The Numbering Register is accurate and available to customers.
- Number portability is available for services declared to be portable, on time and in a way that is sustainable and cost-efficient, to the extent that this is within the control of the ACA.
- The extent to which Australia is able to influence international forums, measured by the number of outcomes that align with Australia's interests.

#### Quantity:

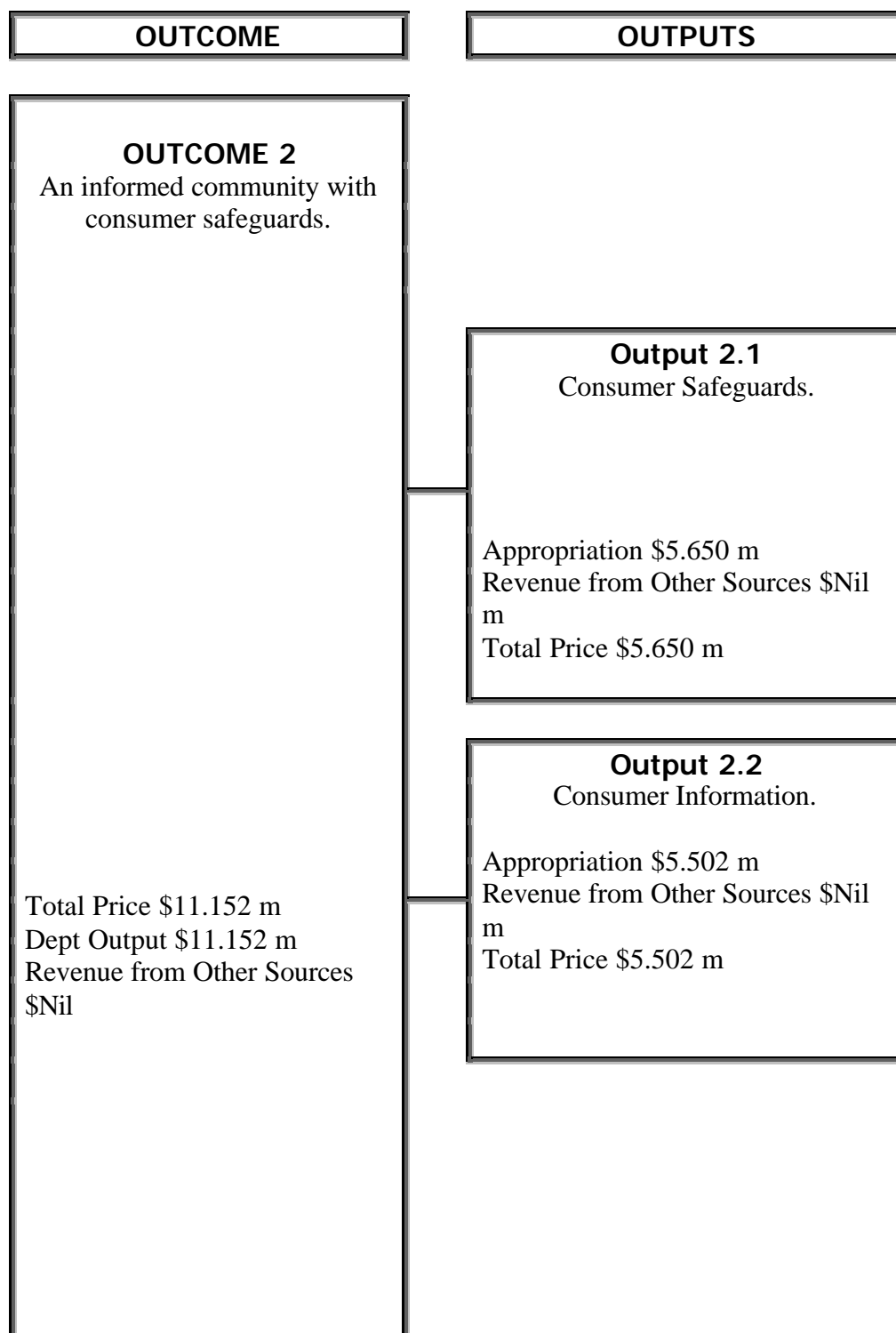
- Audits cover 30% of compliance folders and indicate high compliance rates.
- Improved compliance levels with telecommunications and cabling requirements.

#### Target and Milestones:

- Industry codes and technical standards that are submitted for registration are considered by the Authority within two months of their lodgement.
- Responses to external queries are within the ACA's Customer Service Charter benchmarks.

**Price:** \$14.685 m

**Chart 3: Outcome 2 — Contributing Outputs**



Note: Revenue from Government (Appropriations) contributes 100 per cent to the Total Price of Output for Outcome 2 for 2001-02.

## **OUTCOME 2 – DESCRIPTION**

### **An informed community with consumer safeguards**

In delivering this Outcome the ACA's key objectives are:

- To ensure the community is well informed about telecommunications matters through a variety of mechanisms;
- To consult with consumers through formal consultative arrangements and to ensure that the long-term interests of end users are demonstrably reflected in ACA decision making;
- To deliver effective consumer protection to consumers as required by legislation;
- To undertake investigation of consumer issues to identify effective measures to address any problems identified;
- To register codes in a timely way, while ensuring that codes address relevant consumer protection and industry issues;
- To ensure effective universal service provision and that monitoring, costing and payment arrangements for the Universal Service Obligation (USO) and National Relay Service (NRS) are effective; and
- To provide an opportunity for competitive service delivery to markets that would otherwise be uneconomic and bring choice to some users of telecommunications services in remote parts of Australia

### **Measures affecting Outcome 2**

There are no budget measures affecting outcome 2.

**OUTCOME 2 — RESOURCING**

**Table 2.1.2: Total Resources for Outcome 2 (\$'000)**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000
<b>Administered appropriations</b>	-	-
<b>Total administered appropriations</b>	-	-
<b>Departmental appropriations</b>		
Output 2.1 - Consumer Safeguards	6,187	5,650
Output 2.2 - Consumer Information	6,028	5,502
<b>Total revenue from government (appropriations)</b>	<b>12,215</b>	<b>11,152</b>
<b>Contributing to price of departmental outputs</b>	<b>100%</b>	<b>100%</b>
<b>Revenue from other sources</b>		
Output 2.1 - Consumer Safeguards	-	-
Output 2.2 - Consumer Information	-	-
<b>Total revenue from other sources</b>	<b>-</b>	<b>-</b>
<b>Total price from departmental outputs</b>	<b>12,215</b>	<b>11,152</b>
<i>(Total revenue from Government and from other sources)</i>		
<b>Total estimated resourcing for Outcome 2</b>	<b>12,215</b>	<b>11,152</b>
<i>(Total price of Outputs and admin expenses)</i>		
	2000-01	2001-02
<b>Average staffing level (number)</b>	91	90

## OUTCOME 2 — CONTRIBUTION OF OUTPUTS

**Table 2.2.2 Performance Information for Outcome 2**

<b>Effectiveness — Overall achievement of the Outcome — (Measures, indicators and targets used as appropriate)</b>	
To ensure the community is well-informed about telecommunications matters.	Consumer information products including education campaigns achieve objectives and meet consumer needs.
To consult with consumers through formal consultative arrangements and to ensure that the long-term interests of end users are demonstrably reflected in ACA decision making.	Formal consumer consultation mechanisms are in place and are assessed by consumers as being appropriate and worthwhile.
To deliver effective consumer protection as required by legislation.	Consumer codes developed by ACIF and industry safeguard the interests of consumers.
To register consumer-related codes in a timely way, while ensuring that codes address relevant consumer protection and industry issues.	Consumer codes submitted for registration considered by the Authority within two months of their lodgement. ACA takes appropriate and prompt compliance action.
To ensure effective universal service provision and that monitoring, costing and payment arrangements for the USO and NRS are effective.	An efficient and transparent USO levy regime that accords with legislation. NRS monitoring and payment arrangements are accurate and timely.

**Table 2.2.2 Performance information for Outcome 2  
(continued)**

<b>Performance Information for Departmental outputs</b>	
<p><b>Output 2.1</b> Consumer Safeguards.</p>	<p><b>Quality:</b></p> <ul style="list-style-type: none"> <li>• ACA contribution to ACIF code development is judged to be timely, accurate and constructive.</li> <li>• Carrier performance against CSG related measures demonstrates improvement in service levels in areas where such improvement is desirable.</li> <li>• ACA decisions on extending or modifying consumer safeguard matters demonstrably reflect consumer protection needs balanced by consideration of the impost on industry.</li> <li>• Investigate potential systemic instances of poor service as identified through performance monitoring and take appropriate action to address the issue at hand.</li> <li>• USO levies are defensible and accepted.</li> <li>• USO levy assessments completed within statutory timeframes.</li> <li>• ACA reporting and analysis of USO matters are accepted as timely, high quality and useful for policy development.</li> <li>• Timely determinations regarding service provisions safeguards as assessed by consumers and consumer representative bodies.</li> <li>• All consumer safeguards are available online in consumer friendly formats.</li> <li>• The TIO considers the ACA's assistance in enforcing membership of the TIO Scheme is appropriate and timely.</li> </ul>
	<p><b>Targets and Milestones:</b></p> <ul style="list-style-type: none"> <li>• The Authority considers consumer codes submitted for registration within two months of their lodgement.</li> </ul>
	<p><b>Price:</b> \$5.650 m</p>

**Table 2.2.2 Performance information for Outcome 2  
(continued)**

<p><b>Output 2.2</b> Consumer Information.</p>	<p><b>Quality:</b> Annual, quarterly and ad hoc performance monitoring reports:</p> <ul style="list-style-type: none"> <li>- are presented on time</li> <li>- are judged by industry comment to be appropriate and accurate</li> <li>- provide for comparative reporting of carrier and CSP performance; and</li> <li>- meet statutory reporting obligations.</li> </ul> <p>Consumer awareness, as measured by surveys, improves over time in areas relating to industry regulation and consumer rights. All consumer information products are available online in consumer friendly formats. Education campaigns achieve objectives.</p> <p style="text-align: right;"><b>Price: \$5.502 m</b></p>
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### Evaluations

The ACA will continue the cyclical program of internal organisation reviews commenced in 1998.

The purpose of the reviews is to:

- Ensure that the allocation of resources within the ACA is consistent with achievement of Outcomes and Outputs identified in the ACA Corporate Plan and approved business plans; and
- Examine existing business processes within the ACA to determine whether there is scope to introduce efficiencies in operations.

### Competitive tendering and contracting

A number of ACA services related to the above Outcomes are already provided by external providers, including cabling licensing functions, auditing compliance with telecommunications standards, and compliance and standards testing of radiocommunications equipment. The ACA also provides accreditation to a number of external parties to provide radiofrequency assigning services on a competitive basis with the ACA.

Other activities which help to support the ACA achieve its Outcomes and which have been outsourced are internal audit, records management, property management, radiocommunications licence revenue collection and information technology services.

## Section 3: Budget Financial Statements

### **Budgeted Departmental Statement of Financial Performance (Operating Statement)**

This statement provides a picture of the expected financial results for the ACA by identifying full accrual expenses, accrual revenues and capital use charge, which highlights whether the ACA is operating at a sustainable level.

### **Budgeted Departmental Statement of Financial Position (Balance Sheet)**

This statement shows the financial position of the ACA. It helps decision-makers to track the management of the ACA's assets and liabilities.

### **Budgeted Departmental Statement of Cash Flows**

Budgeted cash flows, as reflected in the statement of cash flows, provides important information on the extent and nature of cash flows by categorising them into expected cash flows from operating activities, investing activities and financing activities.

### **Departmental Capital Budget Statement**

Shows all planned ACA capital expenditure (capital expenditure on non-financial assets), whether funded either through capital appropriations for additional equity or borrowings, or from funds from internal sources.

### **Departmental Non-financial Assets – Summary of Movement**

Shows budgeted acquisitions and disposals of non-financial assets during the budget year.

## **ADMINISTERED NOTES**

Details of transactions administered by the ACA on behalf of the Commonwealth are shown in the following notes to the financial statements.

### **Note of Budgeted Administered Financial Performance (Operating Statement)**

This note identifies the main revenues and expenses administered on behalf of the Government. It also discloses administered revenues from Government and Transfers to the Public Account.

**Note of Budgeted Administered Financial Position (Balance Sheet)**

This note shows the assets and liabilities administered on behalf of the Government.

**Note of Budgeted Administered Cash Flows**

This note shows cash flows administered on behalf of the Government.

**Table 3.1: Budgeted Departmental Statement of Financial Performance (Operating Statement) for the period ended 30 June**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
<b>Revenues from ordinary activities</b>					
Revenue from government	55,964	51,237	52,257	52,668	52,385
Sales of goods and services	2,235	403	404	405	405
Interest	600	700	700	800	900
Dividends	-	-	-	-	-
Net gains from sales of assets	-	-	-	-	-
Other	-	-	-	-	-
<b>Total revenues from ordinary activities</b>	<b>58,799</b>	<b>52,340</b>	<b>53,361</b>	<b>53,873</b>	<b>53,690</b>
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>					
Employees	27,691	27,159	27,448	28,167	28,167
Suppliers	26,834	18,773	19,402	19,093	18,808
Grants	-	-	-	-	-
Depreciation and amortisation	2,430	3,640	3,743	3,845	3,947
Write down of assets	-	-	-	-	-
Net losses from sales of assets	-	-	-	-	-
Other	-	-	-	-	-
<b>Total expenses from ordinary activities (excluding borrowing costs expense)</b>	<b>56,955</b>	<b>49,572</b>	<b>50,593</b>	<b>51,105</b>	<b>50,922</b>
Borrowing cost expense (Interest expense)					
<b>Net surplus or deficit from ordinary activities</b>	<b>1,844</b>	<b>2,768</b>	<b>2,768</b>	<b>2,768</b>	<b>2,768</b>
Gain or loss on extraordinary items					
<b>Net surplus or deficit</b>	<b>1,844</b>	<b>2,768</b>	<b>2,768</b>	<b>2,768</b>	<b>2,768</b>
Capital use charge	(1,844)	(2,768)	(2,768)	(2,768)	(2,768)
<b>Net surplus or deficit after capital use charge</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 3.2: Budgeted Departmental Statement of Financial Position  
(Balance Sheet) as at 30 June**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	17,120	11,777	14,797	17,934	21,053
Receivables	600	600	600	600	600
Investments	-	-	-	-	-
Accrued revenues	-	-	-	-	-
Other	-	-	-	-	-
<b>Total financial assets</b>	<b>17,720</b>	<b>12,377</b>	<b>15,397</b>	<b>18,534</b>	<b>21,653</b>
<b>Non-financial assets</b>					
Land and buildings	7,744	9,464	8,494	7,514	6,524
Infrastructure, plant and equipment	5,504	5,620	4,510	3,313	2,030
Inventories	-	-	-	-	-
Intangibles	4,504	8,131	7,314	6,483	5,637
Other	600	600	600	600	600
<b>Total non-financial assets</b>	<b>18,352</b>	<b>23,815</b>	<b>20,918</b>	<b>17,910</b>	<b>14,791</b>
<b>Total assets</b>	<b>36,072</b>	<b>36,192</b>	<b>36,315</b>	<b>36,444</b>	<b>36,444</b>
<b>LIABILITIES</b>					
<b>Debt</b>					
Loans	-	-	-	-	-
Leases	-	-	-	-	-
Deposits	-	-	-	-	-
Overdrafts	-	-	-	-	-
Other	-	-	-	-	-
<b>Total debt</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provisions and payables</b>					
Employees	9,730	9,850	9,973	10,102	10,102
Suppliers	1,180	1,180	1,180	1,180	1,180
Grants	-	-	-	-	-
Other	-	-	-	-	-
<b>Total provisions and payables</b>	<b>10,910</b>	<b>11,030</b>	<b>11,153</b>	<b>11,282</b>	<b>11,282</b>
<b>Total liabilities</b>	<b>10,910</b>	<b>11,030</b>	<b>11,153</b>	<b>11,282</b>	<b>11,282</b>
<b>EQUITY</b>					
Capital	-	-	-	-	-
Reserves	7,111	7,111	7,111	7,111	7,111
Accumulated surpluses or deficits	18,051	18,051	18,051	18,051	18,051
<b>Total equity</b>	<b>25,162</b>	<b>25,162</b>	<b>25,162</b>	<b>25,162</b>	<b>25,162</b>
<b>Current liabilities</b>	<b>5,717</b>	<b>5,317</b>	<b>5,380</b>	<b>5,446</b>	<b>5,446</b>
<b>Non-current liabilities</b>	<b>5,193</b>	<b>5,713</b>	<b>5,773</b>	<b>5,836</b>	<b>5,836</b>
<b>Current assets</b>	<b>18,320</b>	<b>12,977</b>	<b>15,997</b>	<b>19,134</b>	<b>22,253</b>
<b>Non-current assets</b>	<b>17,752</b>	<b>23,215</b>	<b>20,318</b>	<b>17,310</b>	<b>14,191</b>

**Table 3.3: Budgeted Departmental Statement of Cash Flows  
for the period ended 30 June**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations for outputs	55,964	51,237	52,257	52,668	52,385
Sales of goods and services	2,235	403	404	405	405
Interest	600	700	700	800	900
Other	-	-	-	-	-
<b>Total cash received</b>	<b>58,799</b>	<b>52,340</b>	<b>53,361</b>	<b>53,873</b>	<b>53,690</b>
<b>Cash used</b>					
Employees	28,172	27,039	27,324	28,038	28,167
Suppliers	26,860	18,773	19,402	19,093	18,808
Grants	-	-	-	-	-
Interest	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>55,032</b>	<b>45,812</b>	<b>46,726</b>	<b>47,131</b>	<b>46,975</b>
<b>Net cash from operating activities</b>	<b>3,767</b>	<b>6,528</b>	<b>6,635</b>	<b>6,742</b>	<b>6,715</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
Repayments of loans made	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	3,020	9,103	847	837	828
Loans made	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>3,020</b>	<b>9,103</b>	<b>847</b>	<b>837</b>	<b>828</b>
<b>Net cash from investing activities</b>	<b>(3,020)</b>	<b>(9,103)</b>	<b>(847)</b>	<b>(837)</b>	<b>(828)</b>
<b>FINANCIAL ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from issuing equity instruments	-	-	-	-	-
Proceeds from debt	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 3.3: Budgeted Departmental Statement of Cash Flows  
(continued)  
for the period ended 30 June**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
<b>Cash used</b>					
Repayments of debt	-	-	-	-	-
Capital use and dividends paid	1,844	2,768	2,768	2,768	2,768
Other					
<b>Total cash used</b>	<b>1844</b>	<b>2,768</b>	<b>2,768</b>	<b>2,768</b>	<b>2,768</b>
<b>Net cash from financing activities</b>	<b>(1,844)</b>	<b>(2,768)</b>	<b>(2,768)</b>	<b>(2,768)</b>	<b>(2,768)</b>
<b>Net increase in cash held</b>	<b>(1,097)</b>	<b>(5,343)</b>	<b>3,020</b>	<b>3,137</b>	<b>3,119</b>
Cash at the beginning of the reporting period	18,217	17,120	11,777	14,797	17,934
<b>Cash at the end of the reporting period</b>	<b>17,120</b>	<b>11,777</b>	<b>14,797</b>	<b>17,934</b>	<b>21,053</b>

**Table 3.4: Departmental Capital Budget Statement**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	-	-	-	-	-
Total loans	-	-	-	-	-
<b>Represented by:</b>					
Purchase of non-current assets	-	-	-	-	-
Other	-	-	-	-	-
<b>Total</b>	-	-	-	-	-
<b>PURCHASE OF NON-CURRENT ASSETS</b>					
Funded by capital appropriations	-	-	-	-	-
Funded internally by departmental resources	3,020	9,103	847	837	828
<b>Total</b>	<b>3,020</b>	<b>9,103</b>	<b>847</b>	<b>837</b>	<b>828</b>

**Table 3.5: Departmental Non-financial Assets — Summary of Movement (Budget Year 2001-02)**

	Land	Buildings	Total Land and Buildings	Infrastructure, Plant and Equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>GROSS VALUE</b>						
<i>As at 1 July 2001 (opening)</i>	5,734	3,458	9,192	13,714	6,478	29,384
Additions	-	2,780	2,780	1,742	4,581	9,103
Disposals	-	-	-	-	-	-
Other movements	-	-	-	-	-	-
<i>As at 30 June 2002 (closing)</i>	5,734	6,238	11,972	15,456	11,059	38,487
<b>ACCUMULATED DEPRECIATION</b>						
<i>As at 1 July 2001 (opening)</i>	-	1,448	1,448	8,210	1,974	11,632
Disposals	-	-	-	-	-	-
Charge for the reporting period	-	1,060	1,060	1,626	954	3,640
Other movements	-	-	-	-	-	-
<i>As at 30 June 2002 (closing)</i>	-	2,508	2,508	9,836	2,928	15,272
<b>Net book value</b>						
<b>As at 30 June 2002 (closing book value)</b>	<b>5,734</b>	<b>3,730</b>	<b>9,464</b>	<b>5,620</b>	<b>8,131</b>	<b>23,215</b>
<b>Net book value</b>						
<b>as at 1 July 2001 (opening book value)</b>	<b>5,734</b>	<b>2,010</b>	<b>7,744</b>	<b>5,504</b>	<b>4,504</b>	<b>17,752</b>
<b>TOTAL ADDITIONS</b>						
Self funded	-	2,780	2,780	1,742	4,581	9,103
Appropriations	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>2,780</b>	<b>2,780</b>	<b>1,742</b>	<b>4,581</b>	<b>9,103</b>

**Table 3.6: Note of Budgeted Administered Financial Performance  
(Operating Statement) for the period ended 30 June**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
<b>REVENUES</b>					
<b>Taxation</b>					
Indirect tax					
Other taxes, fees and fines	117,200	120,000	120,500	123,100	125,600
<b>Total taxation</b>	<b>117,200</b>	<b>120,000</b>	<b>120,500</b>	<b>123,100</b>	<b>125,600</b>
<b>Non-taxation</b>					
Appropriations	-	-	-	-	-
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Net gains from sales of assets	1,364,842	-	-	-	-
Other sources of non-taxation revenues	89,535	91,898	90,640	90,434	89,034
<b>Total non-taxation</b>	<b>1,454,377</b>	<b>91,898</b>	<b>90,640</b>	<b>90,434</b>	<b>89,034</b>
<b>Total revenues administered on behalf of the Government</b>	<b>1,571,577</b>	<b>211,898</b>	<b>211,140</b>	<b>213,534</b>	<b>214,634</b>
<b>EXPENSES</b>					
Subsidies	-	-	-	-	-
Personal benefits	-	-	-	-	-
Grants	-	-	-	-	-
Suppliers	-	-	-	-	-
Depreciation and amortisation	-	-	-	-	-
Net losses from sales of assets	-	-	-	-	-
Interest	-	-	-	-	-
Other	-	-	-	-	-
<b>Total expenses administered on behalf of the Government</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Extraordinary items	-	-	-	-	-
<b>Net contribution or (cost) to the budget outcome</b>					
Cash transfer to / from OPA	1,541,766	243,998	211,140	213,534	214,634
<b>Net surplus or (deficit)</b>	<b>29,811</b>	<b>(32,100)</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**Table 3.7: Note of Budgeted Administered Financial Position  
(Balance Sheet) as at 30 June**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	-	-	-	-	-
Receivables	51,656	19,556	19,556	19,556	19,556
Investments	-	-	-	-	-
Accrued revenues	-	-	-	-	-
Other	-	-	-	-	-
<b>Total financial assets</b>	<b>51,656</b>	<b>19,556</b>	<b>19,556</b>	<b>19,556</b>	<b>19,556</b>
<b>Non-financial assets</b>					
Land and buildings	-	-	-	-	-
Infrastructure, plant and equipment	-	-	-	-	-
Other	-	-	-	-	-
<b>Total non-financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets administered on behalf of the Government</b>	<b>51,656</b>	<b>19,556</b>	<b>19,556</b>	<b>19,556</b>	<b>19,556</b>
<b>LIABILITIES</b>					
<b>Debt</b>					
Loans	-	-	-	-	-
Leases	-	-	-	-	-
Deposits	-	-	-	-	-
Overdrafts	-	-	-	-	-
Other	-	-	-	-	-
<b>Total debt</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provisions and payables</b>					
Employees	-	-	-	-	-
Suppliers	-	-	-	-	-
Grants	-	-	-	-	-
Other	1,000	1,000	1,000	1,000	1,000
<b>Total provisions and payables</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
<b>Total liabilities administered on behalf of the Government</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
<b>EQUITY</b>					
Capital	-	-	-	-	-
Reserves	-	-	-	-	-
Accumulated surpluses or deficits	50,656	18,556	18,556	18,556	18,556
<b>Total equity administered on behalf of the Government</b>	<b>50,656</b>	<b>18,556</b>	<b>18,556</b>	<b>18,556</b>	<b>18,556</b>
Current liabilities	1,000	1,000	1,000	1,000	1,000
Non-current liabilities	-	-	-	-	-
Current assets	51,656	19,556	19,556	19,556	19,556
Non-current assets	-	-	-	-	-

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**Table 3.8: Note of Budgeted Administered Cash Flows  
for the period ended 30 June**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Income tax	-	-	-	-	-
Indirect tax	-	-	-	-	-
Other taxes, fees and fines	85,100	152,100	120,500	123,100	125,600
Appropriations	-	-	-	-	-
Interest	-	-	-	-	-
Other	1,454,377	91,898	90,640	90,434	89,034
<b>Total cash received</b>	<b>1,539,477</b>	<b>243,998</b>	<b>211,140</b>	<b>213,534</b>	<b>214,634</b>
<b>Cash used</b>					
Subsidies	-	-	-	-	-
Personal benefits	-	-	-	-	-
Suppliers	-	-	-	-	-
Grants	-	-	-	-	-
Interest	-	-	-	-	-
Cash to Official Public Account	1,541,766	243,998	211,140	213,534	214,634
Other	-	-	-	-	-
<b>Total cash used</b>	<b>1,541,766</b>	<b>243,998</b>	<b>211,140</b>	<b>213,534</b>	<b>214,634</b>
<b>Net cash from operating activities</b>	<b>(2,289)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sale of property, plant and equipment	-	-	-	-	-
Cash from Official Public Account	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	-	-	-	-	-
Cash to Official Public Account	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 3.8: Note of Budgeted Administered Cash Flows  
(continued)  
for the period ended 30 June**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from borrowing	-	-	-	-	-
Cash from Official Public Account	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
Repayments of debt	-	-	-	-	-
Cash to Official Public Account	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from financing activities</b>	-	-	-	-	-
<b>Net increase in cash held</b>					
Cash at beginning of reporting period	2,289	-	-	-	-
<b>Administered cash at end of reporting period</b>	-	-	-	-	-

## Appendix 1

### Non-Appropriation Departmental and Administered Revenue

	Estimated Revenue 2000-01 \$'000	Estimated Revenue 2001-02 \$'000
<b>Departmental Revenue</b>		
Sales of goods and services	2,235	403
Interest	600	700
Other non-appropriation revenue	-	-
<b>Total Non-Appropriation departmental revenue</b>	<b>2,835</b>	<b>1,103</b>
<b>Administered Revenue</b>		
Licence fees, fines and charges	117,200	120,000
Net gains from sale of assets	1,364,842	
Other non-appropriation revenue	89,535	91,898
<b>Total Non-Appropriation administered revenue</b>	<b>1,571,577</b>	<b>211,898</b>

Note: Estimated revenue for 2000-2001 includes proceeds from spectrum auctions. Estimated revenue for 2001-2002 and forward years do not include proceeds of spectrum auctions because of the market sensitivity of this data.