

AUSTRALIAN
BROADCASTING
AUTHORITY

Section 1: Overview, appropriations and budget measures summary	107
Department overview	107
Appropriations.....	107
Table 1.1: Appropriations and other revenue.....	108
Table 1.2: Summary of measures disclosed in the 2002-03 Budget.....	109
Administered capital and departmental equity injections	110
Section 2: Outcomes and outputs information.....	111
Map 1: Outcome structure.....	111
Map 2: Outcome 1 – contributing outputs	112
Changes to outcomes and outputs	112
Outcome 1 – Description	113
Measures affecting Outcome 1.....	113
Table 2.1.1: Total resources for Outcome 1	114
Outcome 1 – Contribution of outputs.....	114
Table 2.2.1: Performance information for Outcome 1.....	115
Evaluations	116
Section 3: Budgeted financial statements.....	117
Table 3.1: Budgeted Departmental Statement of Financial Performance	118
Table 3.2: Budgeted Departmental Statement of Financial Position.....	119
Table 3.3: Budgeted Departmental Statement of Cash Flows.....	120
Table 3.4: Departmental Capital Budget Statement.....	122
Table 3.5: Departmental Non-financial Assets – Summary of Movement.....	123
Table 3.7: Note of Budgeted Revenues and Expenses	124
Table 3.8: Note of Budgeted Assets and Liabilities	125
Table 3.9: Note of Budgeted Administered Cash Flows	126
Table 3.10: Note of Administered Capital Budget	128
Table 3.11: Note of Administered Non-financial Assets – Summary of Movement.....	129
Notes to the Financial Statements	130
Appendix 1	134

AUSTRALIAN BROADCASTING AUTHORITY

Section 1: Overview, appropriations and budget measures summary

OVERVIEW

The Australian Broadcasting Authority (ABA) is the broadcasting regulator for radio and television in Australia. It is also the regulator of Internet content and datacasting services.

In terms of broadcasting regulation, the ABA plans the availability of segments of the broadcasting services bands (VHF/UHF and digital television, FM and AM radio) and has the power to allocate, renew, suspend, and cancel licences and collect any fees payable.

The ABA is also empowered to develop program standards relating to broadcasting in Australia, assist broadcasting services providers (licensees) develop codes of practice, monitor compliance with licence conditions, investigate complaints about services and conduct research into community attitudes on programming matters.

The ABA has similar responsibilities in relation to datacasting services.

The ABA ensures compliance with the ownership and control provisions of the *Broadcasting Services Act 1992* (BSA). In addition, the ABA is required to inform itself and the Minister about advances and trends in broadcasting technology.

In terms of Internet content regulation, the ABA investigates complaints in relation to prohibited content (illegal content and content that is unsuitable for children). It also registers and monitors the operation of codes of practice developed and implemented by industry. In addition, the ABA has a number of other functions relating to community education, research and international liaison.

Planned outcomes are related to Government priorities.

APPROPRIATIONS

The total appropriation for the Australian Broadcasting Authority in the 2002-03 Budget is \$15.154 m.

MEASURES – AGENCY SUMMARY

Table 1.2: Summary of measures disclosed in the 2002-03 Budget

Measure	Outcome	Output affected	Appropriations budget			Appropriations forward estimate 2003-04			Appropriations forward estimate 2004-05			Appropriations forward estimate 2005-06		
			2002-03 (\$'000)			2003-04 (\$'000)			2004-05 (\$'000)			2005-06 (\$'000)		
			Admin expenses	Dept outputs	Total	Admin expense	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total
Changes to the Regional Equalisation Plan rebates	1	1.1 & 1.2	(1,300)	Nil	(1,300)	(1,300)	Nil	(1,300)	(1,300)	Nil	(1,300)	(1,300)	Nil	(1,300)

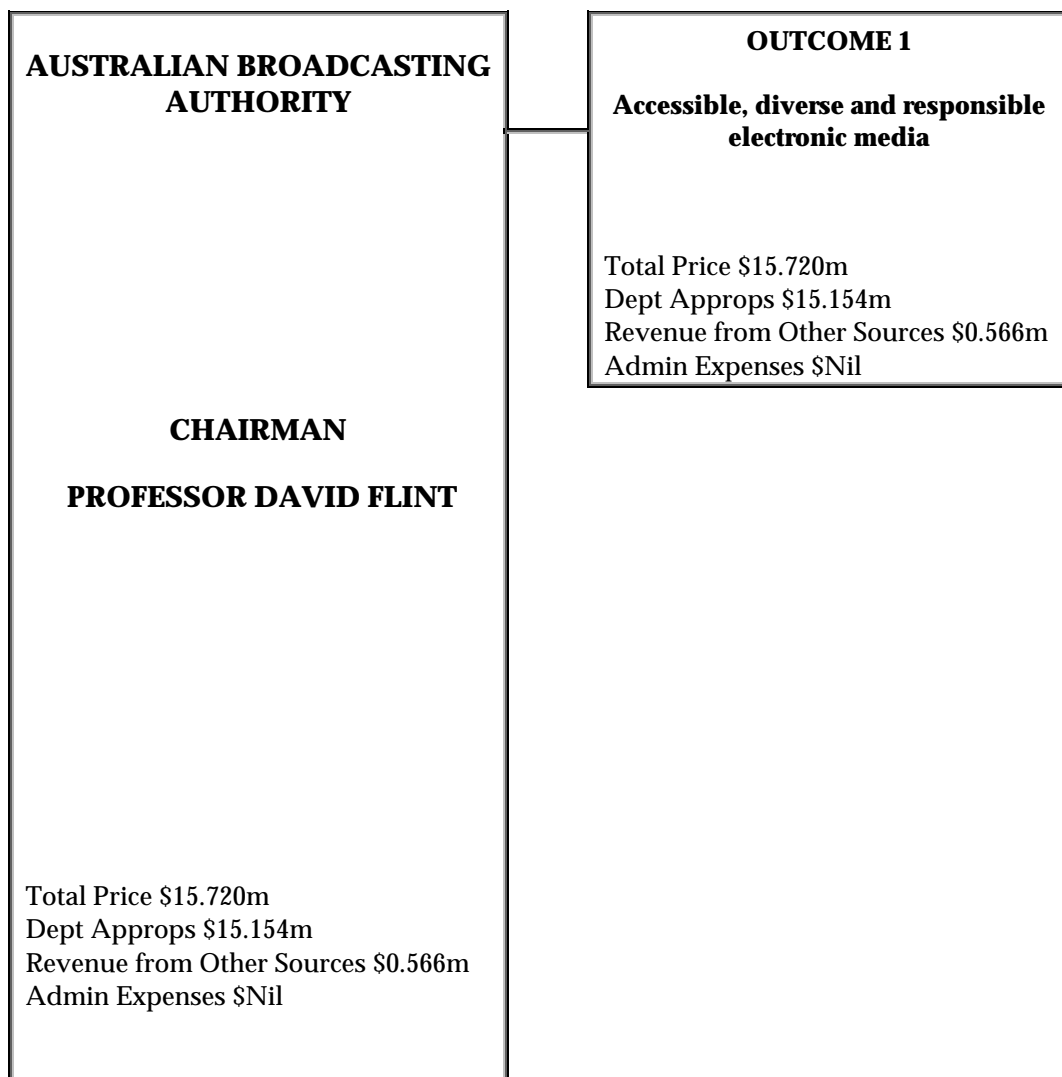
**ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS
AND LOANS**

The ABA will not be appropriated any capital in 2002-03 nor will it be funded by equity injection or loan 2002-03.

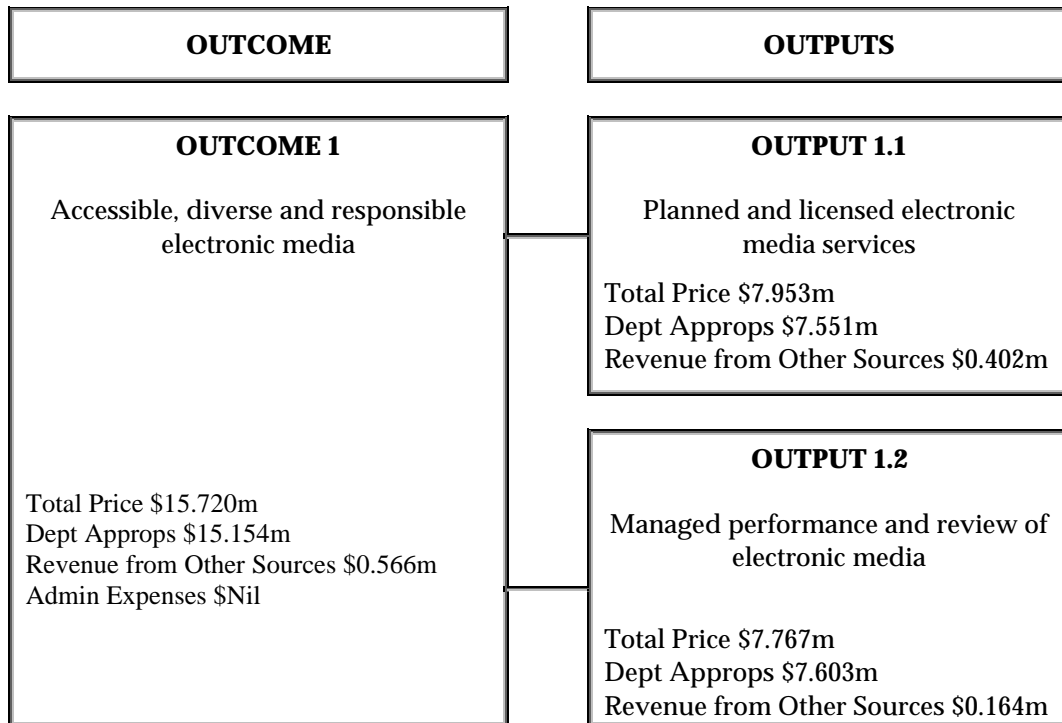
Section 2: Outcomes and outputs information

OUTCOMES AND OUTPUTS

Map 1: Outcome structure



Map 2: Outcome 1 – contributing outputs



Note: Revenue from Government (Appropriations) contributes 96.4% to the Total Price of Outputs for Outcome 1 for 2002-03.

CHANGES TO OUTCOMES AND OUTPUTS

The changes to the ABA’s outcome and two outputs are the result of an extension to its statutory responsibilities, to incorporate the regulation of online services including online gambling services, datacasting and telephone sex services.

The wording of the outcome and outputs have been amended to include “electronic media” instead of “broadcasting industry/service”.

2001-02	2002-03
<p>Outcome 1 An accessible, diverse and responsible broadcasting industry</p>	<p>Outcome 1 Accessible, diverse and responsible <i>electronic media</i></p>
<p>Output 1.1 Managed regulation of broadcasting</p>	<p>Output 1.1 <i>Planned and licensed electronic media services</i></p>
<p>Output 1.2 Licensing of broadcasting services</p>	<p>Output 1.2 <i>Managed performance and review of electronic media</i></p>

OUTCOME 1 — DESCRIPTION

Accessible, diverse and responsible electronic media

Promoting the availability of a diverse range of broadcasting services to audiences throughout Australia is one of the objects of the *Broadcasting Services Act 1992* (BSA). These objects also include the fostering of a broadcasting industry that is responsive to audience needs, respectful of community standards and diligent in responding to audience complaints. The promotion of the role of broadcasters in reflecting a sense of Australian identity, character and cultural diversity and ensuring that Australians have control of the more influential broadcasting services, are other objects mentioned.

By making various types of new services available, the ABA is expanding the range and diversity of broadcasting services available to Australians. It also promotes the availability of broadcasting by improving coverage of existing services. The ABA plans and licences a range of broadcasting services that use traditional and new technologies.

While ensuring the electronic media comply with the BSA, licence conditions, program standards and codes of practice, the ABA encourages the electronic media to be aware of community standards and take as much responsibility for the regulation of their own operations and programming as possible.

Measures affecting Outcome 1

Changes to the Regional Equalisation Plan rebates

Revenue (\$m)

		2002-03	2003-04	2004-05	2005-06
Australian Authority	Broadcasting	1.3	1.3	1.3	1.3

Explanation

Licence fee rebates under the Regional Equalisation Plan, which assist regional broadcasters with the cost of digital conversion, will be reduced for some remote broadcasters to reflect lower anticipated costs of digital conversion in some licence areas.

OUTCOME 1 — RESOURCING

Table 2.1.1 shows how the 2002-03 appropriations translate to total resourcing for Outcome 1, including administered expenses, revenue from government (appropriation), revenue from other sources, and the total price of outputs. Cell references **C1**, **E1** and **I1** show the links back to Table 1.1 the Appropriations Table.

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

	Estimated actual 2001-02 \$'000	Budget estimate 2002-03 \$'000	
Administered appropriations			
The ABA has no administered expenses	-	-	
Total administered expenses	-	-	(I1)
Departmental appropriations			
Output 1.1 Planned and licenced electronic media	8,521	7,551	
Output 1.2 Managed performance and review of electronic media	7,229	7,603	
Total revenue from government (appropriations)	15,750	15,154	(C1)
Contributing to price of departmental outputs	89.2%	96.4%	
Revenue from other sources			
Output 1.1 Planned and licenced electronic media	1,691	402	
Output 1.2 Managed performance and review of electronic media	206	164	
Total revenue from other sources	1,898	566	
Total price from departmental outputs			
(Total revenue from government and from other sources)	17,648	15,720	(E1)
Total estimated resourcing for Outcome 1			
(Total price of outputs and administered appropriations)	17,648	15,720	
	2001-02	2002-03	
Average staffing level (number)	134	134	

OUTCOME 1 — CONTRIBUTION OF OUTPUTS

The ABA's outputs planned and licenced electronic media services and managed performance and review of electronic media services, reflect the objects and regulatory policy set out in the BSA and Ministerial Directions as to Government policy. The ABA licences new broadcasting services and plans and licenses services using the broadcasting services bands of the radiofrequency spectrum. It is also the electronic media regulatory authority, developing and monitoring compliance with program standards and enforcing licence conditions.

Much content regulation of electronic media is co-regulatory in nature. Broadcasters, datacasters and internet service providers (ISPs) develop and implement codes of practice, while the ABA is responsible for ensuring compliance with the codes and that the codes adequately reflect community concerns.

Table 2.2.1: Performance information for Outcome 1

PERFORMANCE INFORMATION FOR OUTCOME 1

Table 2.2.1: Performance information for Outcome 1

Effectiveness - Overall achievement of the Outcome	
Expansion of industry	Number and type of new services made
Industry compliance	Levels of compliance with BSA, licence conditions, program standards and codes of
Community and consumer satisfaction	Level of awareness and satisfaction with regulatory mechanisms to be gauged by research into community attitudes.
Performance information for departmental outputs	
Output 1.1 Planned and Licensed Electronic Media Services	<p>Quality Planned services that are spectrum efficient and useable. Commercial narrow casting licences allocated within one year of being planned. Community licences allocated within two years of being planned, temporary community licences allocated within 12 weeks of application. Datacasting licences allocated efficiently.</p> <p>Quantity 8 variations to existing radio plans. Digital channel plans for low power repeater services in metropolitan regional markets and two aggregated / regional markets. Licences to be allocated: 4 commercial, 10-12 narrow casting, 12-17 community, 150-190 temporary community licences and datacasting licences as required.</p> <p>Price \$7.953 m</p>

Table 2.2.1: Performance information for Outcome 1 (continued)

Performance information for departmental outputs	
Output 1.2 Managed Performance and Review of Electronic Media	<p>Quality High level of industry compliance with standards and codes of practice and the ownership and control rules of the BSA. Research and trend analysis on community standards, interests and values.</p> <p>Quantity Lack of recurring breaches by licensees of licence conditions and codes of practice or sanctions imposed. Completion of 75% of codes investigations within 4 months of receipt of complaint or further information; processing of all applications lodged for opinions on control or temporary approval of breach of the BSA within one month of receiving an application or further information. Provision of opinions as to category of service within timeframes in the BSA. 95% of C&P programs submitted within 60 days of receipt of complete applications. Decision on appropriate action in relation to Internet content complaints within one week of receipt.</p> <p>Price \$7.767 m</p>

EVALUATIONS

Information on planned evaluation activity that relates to this outcome is included in the table above and the results will be shown in the Annual Report.

Section 3: Budgeted financial statements

DEPARTMENTAL FINANCIAL STATEMENTS

- Budgeted Departmental Statement of Financial Performance
- Budgeted Departmental Statement of Financial Position
- Budgeted Departmental Statement of Cash Flows
- Departmental Capital Budget Statements
- Departmental Non Financial Assets — Summary of Movement

NOTES OF ADMINISTERED ACTIVITY

- Note of Budgeted Administered Financial Performance
- Note of Budgeted Administered Financial Position
- Note of Budgeted Administered Cash Flows
- Note of Administered Capital Budget
- Note of Administered Non-financial Assets — Summary of Movement

Note: Table 3.6: Note to the Estimated Actual Column of the Departmental Statement of Financial Performance is no longer required

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

	Estimated actual 2001-02 \$'000	Budget estimate 2002-03 \$'000	Forw ard estimate 2003-04 \$'000	Forw ard estimate 2004-05 \$'000	Forw ard estimate 2005-06 \$'000
Revenues from ordinary activities					
Revenues from government	15,750	15,154	15,580	15,469	15,316
Sales of goods and services	129	105	101	107	107
Interest	109	29	29	29	29
Dividends	-	-	-	-	-
Proceeds from sales of assets	-	-	-	-	-
Other	1,660	432	336	336	336
Total revenues from ordinary activities	17,648	15,720	16,046	15,941	15,788
Expenses from ordinary activities (excluding borrowing costs expense)					
Employees	10,464	9,477	9,517	9,557	9,597
Suppliers	6,867	5,152	5,271	5,092	4,894
Grants	-	-	-	-	-
Depreciation and amortisation	624	1,011	1,175	1,197	1,231
Write-down of assets	-	-	-	-	-
Value of assets sold	-	-	-	-	-
Other	-	-	-	-	-
Total expenses from ordinary activities (excluding borrowing costs expense)	17,955	15,640	15,963	15,846	15,722
Borrowing costs expense	52	80	83	95	66
Net surplus or deficit from ordinary activities	(359)	-	-	-	-
Gain or loss on extraordinary items	-	-	-	-	-
Net surplus or deficit	(359)	-	-	-	-
Capital use charge	-	-	-	-	-
Net surplus or deficit after capital use charge	(359)	-	-	-	-

Table 3.2: Budgeted Departmental Statement of Financial Position

**Table 3.2: Budgeted Departmental Statement of Financial Position
as at 30 June**

	Estimated actual 2001-02 \$'000	Budget estimate 2002-03 \$'000	Forw ard estimate 2003-04 \$'000	Forw ard estimate 2004-05 \$'000	Forw ard estimate 2005-06 \$'000
ASSETS					
Financial assets					
Cash	395	533	1,244	1,735	1,168
Receivables	187	191	190	196	201
Investments	-	-	-	-	-
Accrued revenues	-	-	-	-	-
Other	-	-	-	-	-
Total financial assets	582	724	1,434	1,931	1,369
Non-financial assets					
Land and buildings	8	530	802	675	548
Infrastructure, plant and equipment	977	756	359	622	254
Inventories	-	-	-	-	-
Intangibles	2,439	2,267	1,776	1,493	2,227
Other	276	285	295	284	274
Total non-financial assets	3,700	3,838	3,232	3,074	3,303
Total assets	4,282	4,562	4,666	5,005	4,672
LIABILITIES					
Debt					
Loans	-	-	-	-	-
Leases	631	867	841	1,057	614
Deposits	-	-	-	-	-
Overdrafts	-	-	-	-	-
Other	-	-	-	-	-
Total debt	631	867	841	1,057	614
Provisions and payables					
Employees	2,888	3,007	3,127	3,247	3,367
Suppliers	189	114	124	127	117
Grants	-	-	-	-	-
Other	-	-	-	-	-
Total provisions and payables	3,077	3,121	3,251	3,374	3,484
Total liabilities	3,708	3,988	4,092	4,431	4,098
EQUITY					
Capital	-	-	-	-	-
Reserves	152	152	152	152	152
Accumulated surpluses or deficits	422	422	422	422	422
Total equity	574	574	574	574	574
Current liabilities	1,771	1,883	1,354	2,060	1,777
Non-current liabilities	1,937	2,105	2,738	2,371	2,321
Current assets	858	1,009	1,729	2,215	1,643
Non-current assets	3,424	3,553	2,937	2,790	3,029

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

	Estimated actual 2001-02 \$'000	Budget estimate 2002-03 \$'000	Forw ard estimate 2003-04 \$'000	Forw ard estimate 2004-05 \$'000	Forw ard estimate 2005-06 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations for outputs	15,750	15,154	15,580	15,469	15,316
Sales of goods and services	124	100	100	100	100
Interest	110	30	30	30	30
Other	2,112	882	776	771	776
Total cash received	18,096	16,166	16,486	16,370	16,222
Cash used					
Employees	10,613	9,357	9,397	9,436	9,477
Suppliers	7,616	6,059	6,135	5,928	5,776
Grants	-	-	-	-	-
Interest	52	80	83	95	66
Other	-	-	-	-	-
Total cash used	18,281	15,496	15,615	15,459	15,319
Net cash from operating activities	(185)	670	871	911	903
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	156	-	-	-	-
Repayments of loans made	-	-	-	-	-
Other	-	-	-	-	-
Total cash received	156	-	-	-	-
Cash used					
Purchase of property, plant and equipment	2,308	532	160	420	1,470
Loans made	-	-	-	-	-
Other	-	-	-	-	-
Total cash used	2,308	532	160	420	1,470
Net cash from investing activities	(2,152)	(532)	(160)	(420)	(1,470)
FINANCING ACTIVITIES					
Cash received					
Proceeds from issuing equity instruments	-	-	-	-	-
Proceeds from debt	-	-	-	-	-
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Repayments of debt	-	-	-	-	-
Capital use and dividends paid	-	-	-	-	-
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from financing activities	-	-	-	-	-

Table 3.3: Budgeted Departmental Statement of Cash Flows (cont.)

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

	Estimated actual 2001-02 \$'000	Budget estimate 2002-03 \$'000	Forw ard estimate 2003-04 \$'000	Forw ard estimate 2004-05 \$'000	Forw ard estimate 2005-06 \$'000
Net increase (decrease) in cash held	(2,337)	138	711	491	(567)
Cash at the beginning of the reporting period	2,732	395	533	1,244	1,735
Cash at the end of the reporting period	395	533	1,244	1,735	1,168

Table 3.4: Departmental Capital Budget Statement

	Estimated actual 2001-02 \$'000	Budget estimate 2002-03 \$'000	Forw ard estimate 2003-04 \$'000	Forw ard estimate 2004-05 \$'000	Forw ard estimate 2005-06 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections	-	(K3)	-	-	-
Total loans	-	(K3) ⁽¹⁾	-	-	-
Represented by					
Purchase of non-current assets	-	-	-	-	-
Other	-	-	-	-	-
Total	-	-	-	-	-
PURCHASE OF NON CURRENT ASSETS					
Funded by capital appropriation	-	-	-	-	-
Funded internally by					
Departmental resources	2,308	532	160	420	1,470
Total purchase of non-current assets	2,308	532	160	420	1,470

1 These two lines link to (K3) in Table 1.1

Table 3.5: Departmental Non-financial Assets — Summary of Movement (Budget year 2002-03)

	Land	Buildings	Total land and buildings	Other infrastructure plant and equipment	Total infrastructure plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the start of year	-	8	8	976	976	2,440	3,424
Additions	-	609	609	222	222	310	1,141
Disposals	-	-	-	-	-	-	-
Revaluation increments	-	-	-	-	-	-	-
Recoverable amount w rite-dow ns	-	-	-	-	-	-	-
Net transfers free of charge	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	87	87	442	442	483	1,012
Write-off of assets	-	-	-	-	-	-	-
Carrying amount at the end of year	-	530	530	756	756	2,267	3,553
Total additions							
Self funded	-	609	609	222	222	310	1,141
Appropriations	-	-	-	-	-	-	-
Total	-	609	609	222	222	310	1,141

Table 3.7: Note of Budgeted Revenues and Expenses Administered on behalf of Government for the period ended 30 June

	Estimated actual 2001-02 \$'000	Budget estimates 2002-03 \$'000	Forw ard estimate 2003-04 \$'000	Forw ard estimate 2004-05 \$'000	Forw ard estimate 2005-06 \$'000
REVENUES					
Taxation					
Income tax	-	-	-	-	-
Indirect tax	-	-	-	-	-
Other taxes, fees and fines	230,634	237,688	251,394	263,014	275,426
Total taxation	230,634	237,688	251,394	263,014	275,426
Non-taxation					
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Proceeds from sale of assets	92,000	-	-	-	-
Net foreign exchange gains	-	-	-	-	-
Other sources of non-taxation revenues	-	-	-	-	-
Total non-taxation	92,000	-	-	-	-
Total revenues administered on behalf of the Government	322,634	237,688	251,394	263,014	275,426
EXPENSES					
Grants	-	-	-	-	-
Subsidies	-	-	-	-	-
Personal benefits	-	-	-	-	-
Suppliers	-	-	-	-	-
Depreciation and amortisation	-	-	-	-	-
Value of assets sold	-	-	-	-	-
Net foreign exchange issues	-	-	-	-	-
Interest	-	-	-	-	-
Other	-	-	-	-	-
Total expenses administered on behalf of the Government	-	-	-	-	-
Extraordinary items	-	-	-	-	-

Table 3.8: Note of Budgeted Assets and Liabilities Administered on behalf of Government as at 30 June

	Estimated actual 2001-02 \$'000	Budget estimate 2002-03 \$'000	Forw ard estimate 2003-04 \$'000	Forw ard estimate 2004-05 \$'000	Forw ard estimate 2005-06 \$'000
ASSETS					
Financial assets					
Cash	-	-	-	-	-
Receivables	-	-	-	-	-
Investments	-	-	-	-	-
Accrued revenues	225,870	237,688	251,394	263,014	275,426
Other	-	-	-	-	-
Total financial assets	225,870	237,688	251,394	263,014	275,426
Non-financial assets					
Land and buildings	-	-	-	-	-
Infrastructure, plant and equipment	-	-	-	-	-
Other	-	-	-	-	-
Total non-financial assets	-	-	-	-	-
Total assets administered on behalf of the Government	225,870	237,688	251,394	263,014	275,426
LIABILITIES					
Interest bearing liabilities					
Loans	-	-	-	-	-
Leases	-	-	-	-	-
Deposits	-	-	-	-	-
Overdrafts	-	-	-	-	-
Other	-	-	-	-	-
Total interest bearing liabilities	-	-	-	-	-
Provisions and payables					
Employees	-	-	-	-	-
Suppliers	-	-	-	-	-
Grants	-	-	-	-	-
Other	-	-	-	-	-
Total provisions and payables	-	-	-	-	-
Total liabilities administered on behalf of the Government	-	-	-	-	-
Current liabilities	-	-	-	-	-
Non-current liabilities	-	-	-	-	-
Current assets	225,870	237,688	251,394	263,014	275,426
Non-current assets	-	-	-	-	-

**Table 3.9: Note of Budgeted Administered Cash Flows
for the period ended 30 June**

	Estimated actual 2001-02 \$'000	Budget estimate 2002-03 \$'000	Forw ard estimate 2003-04 \$'000	Forw ard estimate 2004-05 \$'000	Forw ard estimate 2005-06 \$'000
OPERATING ACTIVITIES					
Cash received					
Income tax	-	-	-	-	-
Indirect tax	-	-	-	-	-
Other taxes, fees and fines	219,737	227,170	237,688	251,394	263,014
Cash from Official Public Account	-	-	-	-	-
Interest	-	-	-	-	-
Other	-	-	-	-	-
Total cash received	219,737	227,170	237,688	251,394	263,014
Cash used					
Subsidies	-	-	-	-	-
Personal benefits	-	-	-	-	-
Suppliers	-	-	-	-	-
Grants	-	-	-	-	-
Interest	-	-	-	-	-
Cash to Official Public Account	219,737	227,170	237,688	251,394	263,014
Other	-	-	-	-	-
Total cash used	219,737	227,170	237,688	251,394	263,014
Net cash from operating activities	-	-	-	-	-
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipmen	85,300	-	-	-	-
Cash from Official Public Account	-	-	-	-	-
Other	-	-	-	-	-
Total cash received	85,300	-	-	-	-
Cash used					
Purchase of property, plant and equipment	-	-	-	-	-
Cash to Official Public Account	85,300	-	-	-	-
Other	-	-	-	-	-
Total cash used	85,300	-	-	-	-
Net cash from investing activities	-	-	-	-	-

Table 3.9: Note of Budgeted Administered Cash Flows (cont.)

**Table 3.9: Note of Budgeted Administered Cash Flows
for the period ended 30 June (continued)**

	Estimated actual 2001-02 \$'000	Budget estimate 2002-03 \$'000	Forw ard estimate 2003-04 \$'000	Forw ard estimate 2004-05 \$'000	Forw ard estimate 2005-06 \$'000
FINANCING ACTIVITIES					
Cash received					
Proceeds from borrow ing	-	-	-	-	-
Cash from Official Public Account	-	-	-	-	-
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Repayments of debt	-	-	-	-	-
Cash to Official Public Account	-	-	-	-	-
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from financing activities	-	-	-	-	-
Net increase (decrease) in cash held	-	-	-	-	-
Cash at beginning of reporting period	-	-	-	-	-
Administered cash at end of reporting period	-	-	-	-	-

Table 3.10: Note of Administered Capital Budget

	Estimated actual 2001-02 \$'000	Budget estimate 2002-03 \$'000	Forw ard estimate 2003-04 \$'000	Forw ard estimate 2004-05 \$'000	Forw ard estimate 2005-06 \$'000
CAPITAL APPROPRIATIONS					
Administered capital	-	-	-	-	-
Represented by:					
Purchase of non-current assets	-	-	-	-	-
Other	-	-	-	-	-
Total	-	-	-	-	-
PURCHASE OF NON-CURRENT ASSETS					
Funded by Capital appropriation	-	-	-	-	-
Funded internally by Departmental resources	-	-	-	-	-
Total purchase of non-current assets	-	-	-	-	-

Table 3.11: Note of Administered Non-financial Assets — Summary of Movement (Budget year 2002-03)

	Land	Buildings	Total land and buildings	Other infrastructure plant and equipment	Total infrastructure plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at start of year	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Revaluation increments	-	-	-	-	-	-	-
Recoverable amount w rite-downs	-	-	-	-	-	-	-
Net transfers free of charge	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	-	-	-	-	-	-
Write-off of assets	-	-	-	-	-	-	-
Carrying amount at end of year	-	-	-	-	-	-	-
Total additions	-	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

DEPARTMENTAL

Budgeted Departmental Statement of Financial Performance

Other Revenue

The budget for other revenue in 2001-02 includes estimated funding of \$1.1m from DCITA in relation to the Black Spots Program. This funding is expected to cease in 2001-02. The other revenue forecasts between 2001-02 and 2005-06, include \$0.3m funding each year from DCITA to enable the ABA's broadcast planning tools software to be adequately maintained and replaced at the end of its useful life.

Expenses from Ordinary Activities

Employees

Employee expenses increase in 2001-02 as result of voluntary redundancies. These voluntary redundancies are predominantly as a result of funding coming to an end in relation to the ABA's initiatives associated with Digital. No voluntary redundancies have been factored into the forecasts after 2001-02.

Suppliers

These expenses decline after 2001-02 reflecting the completion of a number of projects in 2001-02.

Depreciation and Amortisation

There is an increase in depreciation and amortisation over the reporting period due mainly to the acquisition of computer software such as an information management system, broadcast planning tools software, technical equipment and lease incentive assets relating to both the ABA's Sydney and Canberra premises.

Borrowing Costs Expense

These expenses are related to the ABA's IT outsourcing finance lease and the proposed lease incentives relating to the ABA's Canberra and Sydney accommodation.

Budgeted Departmental Statement of Financial Position

Assets

Cash at Bank

The cash at bank balance steadily increases after 2002-03 to enable the replacement of the ABA's broadcasting planning tools software in 2005-06 and the electronic document management system in 2006-07.

Intangibles

Intangibles include computer software such as an electronic document management system and broadcast planning tools software. Both these significant acquisitions, each valued at over \$1.0m, were acquired in 2001-02. The planning tools software increases the efficiency and quality of ABA planning by providing better modelling of coverage and interference and increased flexibility and speed in assessing alternative planning options which will improve spectrum productivity. The net book value of intangibles is declining over the period of the forecasts due to amortisation except in 2005-06 when the broadcast planning tools software is planned to be replaced. In 2006-07, the electronic document management system is intended to be replaced.

Land and Buildings

In regard to leasehold improvements, the forecasts include lease incentive assets i.e., fit-outs of premises in relation to the ABA's Sydney accommodation and Canberra accommodation.

Liabilities

Employee Provisions

The liability for employee entitlements represents accrued salaries, annual leave and long service leave. The provision has declined in 2001-02 due to voluntary redundancies.

Leases and Lease Incentives

The ABA, collectively with six other federal government agencies, known as the Group, entered into a sale and leaseback transaction of certain IT assets on 26 June 2000. The IT equipment provided to and used by the ABA includes desktop computers, midrange and other equipment. The IT outsourcing contract has been accounted for as a finance lease in accordance with AAS 17, *Leases*.

The forecasts include lease incentive assets and liabilities in relation to the ABA's future Sydney and Canberra property leases. The Canberra property proposal is expected to be effective from 1 July 2002 and the Sydney lease incentive was assumed to be effective from 1 July 2003. The proposed lease incentives were accounted for in accordance with UIG Abstract 3, *Lease Incentives*.

Note to the Estimated Actual Column of the Departmental Statement of Financial Performance

Table 3.6 Note to the Estimated Actual Column of the Departmental Statement of Financial Performance is no longer required.

ADMINISTERED

Budgeted Administered Statement of Financial Performance

Taxation Revenue

Other taxes, fees and fines

This balance represents revenue collected by the ABA under the *Broadcasting Services Act 1992* on behalf of the Commonwealth. The ABA can allocate, renew, suspend and cancel broadcasting licences and collect any fees payable for those licences. While the revenues from licence fees are in part used to fund the operations of the ABA, they are not directly available to the ABA for its own purposes and are remitted to the Commonwealth's Official Public Account.

Revenue and related assets arise when the Commonwealth, through the application of legislation by the ABA, is provided with the right to fees. Revenue includes licence fees which are collected annually and are based on a percentage of the licensees' gross earnings for the previous financial period. Revenue is also derived from auction sales of broadcasting licences (please refer to the paragraph on net gains from the sale of assets below).

Net gains from sales of assets

This balance represents amounts received by the ABA for the sale of commercial licences by auction.

Budgeted Administered Statement of Financial Position

Assets

Accrued Revenue

This balance represents amounts receivable for radio and television broadcasting licences. The due date for licences is 31 December of each financial year.

Departmental Financial Statements and Notes Administered Items

Under the Commonwealth's accrual budgeting framework, and consistent with Australian Accounting Standards, transactions that agencies control (departmental transactions) are separately budgeted for and reported on from transactions agencies do not have control over (Administered transactions). This ensures that agencies are only held fully accountable for the transactions over which they have control.

- Departmental assets, liabilities, revenues and expenses in relation to an agency or authority are those which are controlled by the agency. Departmental expenses include employee and supplier expenses and other administrative costs, which are incurred by the agency in providing its goods and services.
- Administered items are revenues, expenses, assets and liabilities which are managed by an agency or authority on behalf of the Government according to set Government directions.
- Administered expenses include subsidies, grants and personal benefit payments; and

- Administered revenues include taxes, fees, fines and excises.

Appropriations in the Accrual Budgeting Framework

Under the Commonwealth's accrual budgeting framework, separate annual appropriations are provided for:

- Departmental price of outputs appropriations: representing the Government's purchase of outputs from agencies,
- Departmental capital appropriations: for investments by the Government for either additional equity or loans in agencies,
- Administered expense appropriations: for the estimated Administered expenses relating to an existing outcome, a new outcome or a Specific Purpose Payment to the states; and
- Administered capital appropriations: for increases in Administered equity through funding non-expense Administered payments.

Special appropriations continue under the accrual appropriation framework, and fund the majority of payments from the Consolidated Revenue Fund.

Capital Use Charge

A Capital Use Charge is levied on agencies and authorities to reflect the cost of the Commonwealth's investment in those entities. It is levied on those agencies closing Departmental net assets (equity) at a rate of 11 per cent.

Funding for the Capital Use Charge is included in agencies and authorities Departmental price of outputs appropriations. The Capital Use Charge is accounted for as a 'below Operating Result line' dividend payment.

Administered investments in controlled entities

Each Commonwealth Department is required to show an Administered investment in each Commonwealth Authority and Company Act entity within their portfolio. These Administered investments should be valued at the Commonwealth's ownership interest in the net assets of those CAC entities, fixed at a notional acquisition date of 30 June 1997.

Asset valuation

From 1 July 2002 Commonwealth agencies and authorities are required to use either the cost basis or the fair value basis to measure Property, Plant and Equipment. The shift from the deprival method of valuation to fair value should occur gradually over a three-year period. Fair value essentially reflects the current market value of an asset. See guidance from the Department of Finance and Administration on how to calculate fair value.

APPENDIX 1: REVENUES FROM INDEPENDENT SOURCES

Revenues from independent sources

	Estimated revenue 2001-02 \$'000	Estimated revenue 2002-03 \$'000
Departmental revenue		
Sales of goods and services	129	105
Interest	109	29
Other	1,660	432
Total estimated revenue	1,898	566
Administered revenue		
Other taxes, fees and fines	230,634	237,688
Proceeds from sale of assets	92,000	-
Total estimated revenue	322,634	237,688