

**AUSTRALIAN
COMMUNICATIONS AUTHORITY**

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.

The Government will merge the Australian Communications Authority with the Australian Broadcasting Authority to form a new media and communications regulator, the Australian Communications and Media Authority, by 1 July 2005.

APPROPRIATIONS AND RESOURCING

The total appropriation for the ACA in the 2004-05 Budget is \$56.409m.

Table 1.1 shows the total appropriations for the ACA for 2004-05 by the two outcomes.

Australian Communications Authority – appropriations 2004-05
Table 1.1: Appropriations and other revenue ('000)

Outcome	Departmental (price of outputs) (\$'000)				Administered (\$'000)		Total appropriations
	Revenue from Government (appropriations)	Revenue from other sources ⁽⁴⁾	Price of outputs ⁽³⁾	Annual appropriations (\$'000)	Special appropriations	Total administered appropriations	
	Bill No. 1	Special approps	Total	Bill No. 1	Bill No. 2		
	(A)	(B) (C = A+B)	(C1) ⁽¹⁾	(D) (E = C+D)	(F) (G)	(H) (I = F+G+H)	(J=C+I)
Outcome 1 - An efficient industry and competitive market	45,502	-	45,502	2,427	47,929	-	45,502
				94.9%			
Outcome 2 - An informed community with consumer safeguards	10,907	-	10,907	169	11,076	-	10,907
				98.5%			
Total	56,409	-	56,409	2,596	59,005	-	56,409
	Departmental capital (equity injections)						
	Administered capital						
	Total appropriations						
	56,409						

1. Cells C1 and E1 refer to information provided in Total Resources for Outcome tables.
 2. 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.
 3. Refer to Budgeted Statement of Financial Performance for application of agency revenue.
 4. Revenue from other sources includes other revenue from government (for example, resources free of charge) and revenue from other sources (for example, sales of goods and services by agencies such as the Australian Bureau of Statistics (ABS) or the Australian Broadcasting Corporation (ABC)). Non-appropriated departmental and administered revenues are details in Table 1.3.
- Note: Percentage figures indicate the percentage contribution of Revenue from Government (Departmental Appropriations) to the Total Price of Outputs, by outcome.

MEASURES - SUMMARY

Table 1.2: Summary of measures disclosed in the 2004-05 Budget

Measure	Outcome	Output affected	Appropriations budget 2004-05 (\$'000)		Appropriations forward estimate 2005-06 (\$'000)		Appropriations forward estimate 2006-07 (\$'000)		Appropriations forward estimate 2007-08 (\$'000)	
			Admin	Dept	Admin	Dept	Admin	Dept	Admin	Dept
Australian Broadcasting Authority and the Australian Communications Authority - merger	All	All	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Melbourne 2006 Commonwealth Games - contribution ¹	1	1.1	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total										

1. The ACA will cost recover broadcasting and communications services to the value of \$1.5 million from the Victorian Government.

REVENUE FROM INDEPENDENT SOURCES

A \$0.250m increase on ACA's departmental "Sale of goods and services" in 2004-05 is related to the cost recovery for ACA's scoping work required for the M2006 Melbourne Commonwealth Games.

Table 1.3: Revenue from independent sources

	Estimated revenue 2003-04 \$'000	Estimated revenue 2004-05 \$'000
Departmental revenues		
Sale of goods and services	1,406	1,696
Interest	800	900
Total estimated revenue	2,206	2,596
Administered revenues		
Other taxes, fees and fines	119,702	120,334
Other non-appropriation revenue	100,401	100,850
Total estimated revenue	220,103	221,184

Section 2: Outcomes and outputs information

OUTCOMES AND OUTPUT GROUPS

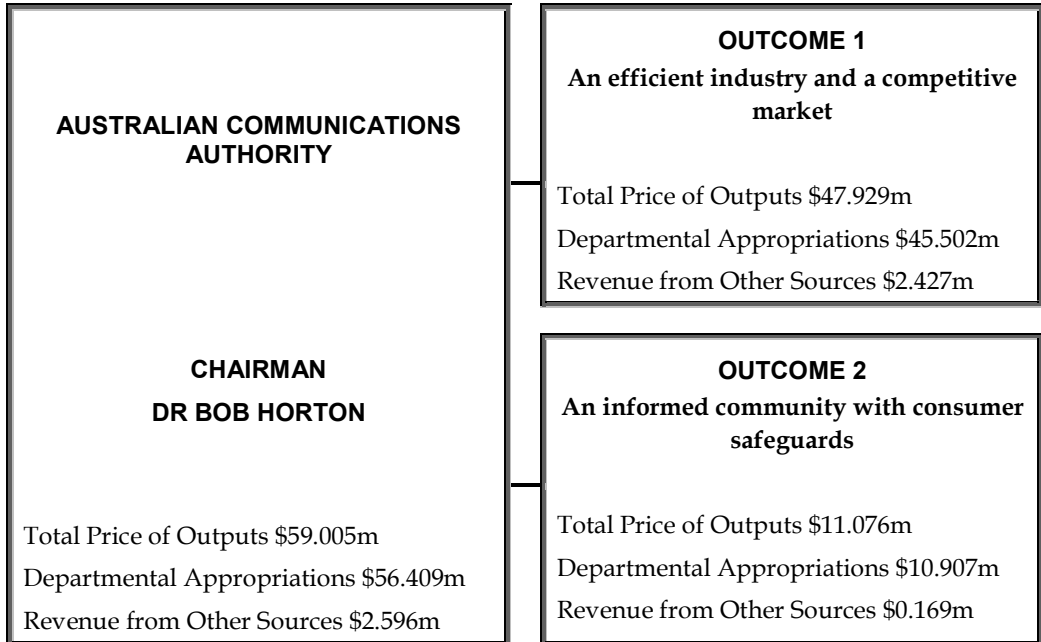
The ACA works to achieve the outcomes specified by the ACA Board and agreed with by the Government. The following section provides an agency overview, and then each outcome is discussed in turn. The map on the following page shows the relationship between the outcomes.

Output cost attribution

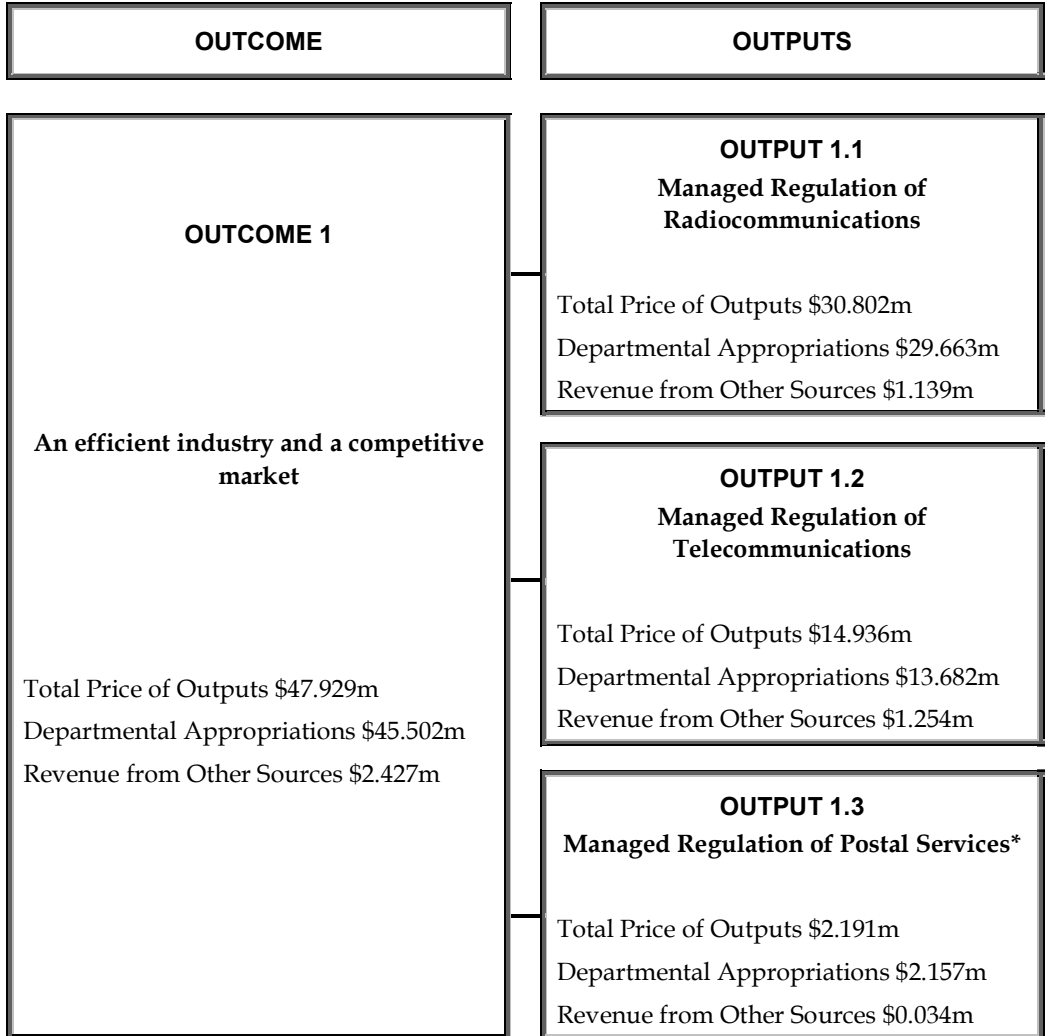
The ACA uses an Activity Based Costing (ABC) model to define the relationship between ACA's resources and its cost objects, outcomes and outputs. The ACA's resources are its groups and teams. Each team allocates its costs to different activities, which are then allocated to cost objects. The cost objects are then allocated to ACA outputs.

An external quality assurance review is performed on the model to confirm that it "utilises an appropriate activity-based costing methodology to allocate the Net Cost of Services of the Authority to Outputs and activities for the financial year".

Map 1: Outcome structure



Map 2.1: Outcome 1 – contributing outputs



Note: Revenue from Government (Appropriations) contributes 94.94% to the Total Price of Outputs for Outcome 1.

* Output is dependent on passage of legislation

CHANGES TO OUTCOMES AND OUTPUTS

There has been a change to Outcome 1 as a result of \$0.250m to be allocated to the M2006 Melbourne Commonwealth Games scoping work during 2004-05. The ACA will provide radiocommunications and telecommunications services leading up to and during the M2006 Melbourne Commonwealth Games. The cost to ACA in providing these services will be fully recovered from the M2006 Organising Committee in the same year as the expenses are incurred. This change effects Output 1.1.

There is no change to the Outcome 1 wording.

Map 1 shows the Outcome and Output structure of the ACA.

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;
- the efficient planning, allocation 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 1¹

**Australian Broadcasting Authority and the Australian Communications Authority
- merger**

Expense (\$m)

	2004-05	2005-06	2006-07	2007-08
Australian Broadcasting Authority	-	-	-	-
Australian Communications Authority	-	-	-	-

The Government will establish a new media and communications regulator, the Australian Communications and Media Authority, which will be formed from the merger of the Australian Broadcasting Authority and the Australian Communications Authority.

The creation of the new body by 1 July 2005 reflects convergence of the telecommunications and broadcasting sectors.

Melbourne 2006 Commonwealth Games - contribution

Expense (\$m)

	2004-05	2005-06	2006-07	2007-08
All agencies	8.0	90.3	1.3	-
<i>Related Capital</i>				
All agencies	0.1	0.1	-	-
<i>Related Revenue (a)</i>				
All agencies	-	-1.4	-	-

(a) A negative number for revenue indicates a decrease in the fiscal balance.

The Government will provide a package of assistance totalling \$272.5 million over four years from 2003-04 to 2006-07 to contribute to the staging of the Melbourne Commonwealth Games (M2006) to be held from 15-26 March 2006.

¹ This relates to measures disclosed in the 2004-05 Budget context (that is, measures agreed since the *Mid-Year Economic and Fiscal Outlook* (MYEFO)).

The assistance package includes \$139.8 million (including \$40 million in 2003-04) in new funding over the four years as a contribution to meeting the costs of the Games. The Government will also provide \$132.7 million in services and support which will be absorbed within existing resources.

Funding includes a grant of \$102.9 million to the Victorian Government for specific M2006 initiatives. These include \$40 million for the Opening and Closing Ceremonies, \$15 million for the Queen's Baton Relay, \$18.2 million for the M2006 Volunteer Programme, \$10 million for the Elite Athletes with a Disability Programme, \$7.5 million to provide airfare subsidies for athletes from developing countries participating in M2006, and \$6 million towards the costs of the M2006 Cultural Programme.

Funding of \$84.8 million will be provided over three years to provide security services and support to ensure a safe and secure M2006. Of this, \$56.5 million will be funded from existing resources.

Funding of \$27.1 million (including capital of \$0.2 million) over three years will be provided for non-security related services associated with staging M2006, of which \$18.5 million will be provided from existing resources. Activities involved include pre-event drug testing of international athletes, sporting programmes for people with disabilities, provision of aviation safety information and increased trade and investment promotion activities.

The Australian Sports Commission will provide an estimated \$55.3 million in direct assistance for M2006 sports through existing programmes over two years from 2004-05. Significant indirect assistance is also provided to support athletes, coaches and support staff of M2006 sports.

Visa application costs will be waived for Commonwealth Games Family Members, resulting in revenue forgone of \$1.4 million. Exemptions from Income and Withholding Tax for the Commonwealth Games Federation, estimated at \$1 million, were recorded as a measure, *Income tax exemption for the Commonwealth Games Federation*, in the *2002-03 Mid-Year Economic and Fiscal Outlook*.

Note: the ACA will cost recover broadcasting and communications services to the value of \$1.5 million from the Victorian Government.

OUTCOME 1 — RESOURCING

Table 2.1.1 shows how the 2004-05 Budget 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** and **E1** show the links back to Table 1.1 (the Appropriations and Other Revenue Table for the ACA).

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

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000
Departmental appropriations		
Output Group 1.1 - Management Regulation of Radiocommunications	32,575	29,663
Output Group 1.2 - Management Regulation of Telecommunications	11,775	13,682
Output Group 1.3 - Management Regulation of Postal Services	4,474	2,157
Total revenue from government (appropriations)	48,824	45,502
Contributing to price of departmental outputs	95.7%	94.9%
		(C1) ⁽¹⁾
Revenue from other sources		
Output Group 1.1 - Management Regulation of Radiocommunications	1,219	1,139
Output Group 1.2 - Management Regulation of Telecommunications	987	1,254
Output Group 1.3 - Management Regulation of Postal Services	-	34
Total revenue from other sources	2,206	2,427
Total price from departmental outputs	51,030	47,929
(Total revenue from government and from other sources)		(E1) ⁽¹⁾
	2003-04	2004-05
Average staffing level (number)	319	315

OUTCOME 1 — CONTRIBUTION OF OUTPUTS

The ACA's output groups of managed regulation of radiocommunications, telecommunications and postal services are underpinned by a set of major strategies for each output, which are relevant to Outcome 1. These strategies are set out below.

Output 1.1 Managed Regulation of Radiocommunications

This output will be delivered by the following strategies.

Major Strategies:

- Improve policy development and spectrum planning.
- Increase the efficiency and effectiveness of licensing and monitoring services.
- Encourage a progressive shift to market-based management of spectrum.

Output 1.2 Managed Regulation of Telecommunications

This output will be delivered by the following strategies.

Major Strategies:

- Enhance the telecommunications regulatory approach.
- Increase the efficiency of licensing and monitoring services.
- Increase the effectiveness of national interest issues management.

Output 1.3 Managed Regulation of Postal services

This output is dependent on passage of legislation.

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	
An efficient industry and competitive market.	<p>A regulatory approach that promotes benefits to the end-users and contributes to an efficient and competitive Australian Communications industry.</p> <p>Efficiency in the planning, allocation and use of national resources such as radiofrequency spectrum, telecommunications numbering and telecommunications infrastructure.</p> <p>Reduction in the costs of regulation and of the ACA's services.</p> <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>
Performance Information for Administered Items under Outcome 1	
	<p>A regulatory approach which promotes competition and continues to provide consumer protection.</p> <p>A competitive communications industry that provides choice to consumers.</p> <p>Efficient planning and allocation processes.</p> <p>A fair return to the community for the use of national resources.</p> <p>Lower direct regulatory costs to the extent they are determined by the ACA.</p> <p>That 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>
Performance information for Departmental Output 1.1	
Managed regulation of radiocommunications	<p>Quality</p> <p>The extent to which spectrum band and other planning mechanisms meet the needs of ACA clients and conform to current ITU and international treaty regulations.</p> <p>The extent to which Australia is able to influence international forums, measured by the number of outcomes that align with Australia's interests.</p> <p>The commencement of new radiocommunication based services is not unnecessarily impeded by regulation or delays in band planning activities.</p>

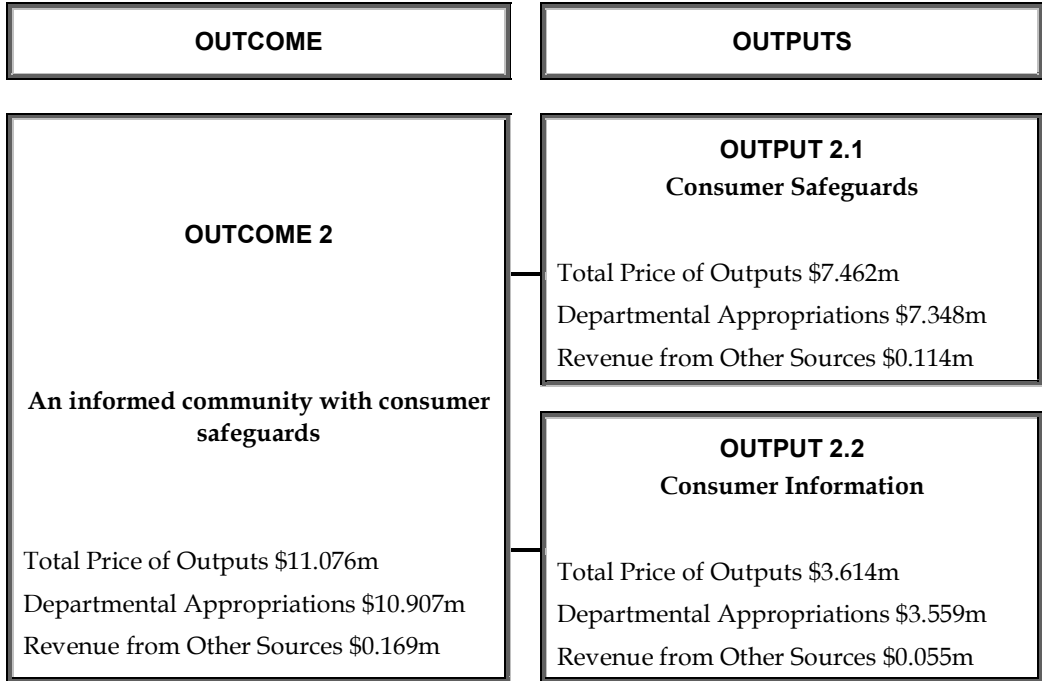
Table 2.2.1: Performance information for Outcome 1 (continued)

Performance information for Departmental Output 1.1 (continued)	
Managed regulation of radiocommunications (continued)	<p>Quantity</p> <p>Maintaining customer satisfaction with radiofrequency planning activities at a high level (measured by surveys).</p> <p>Level of contestability in the marketplace measured by the ratio of frequency assignments conducted by the ACA compared to external accredited frequency assigners and the number of device registrations performed by external persons relative to the total.</p> <p>The extent of spectrum licensed through class licensing.</p> <p>Targets and Milestones</p> <p>ACA responses to investigations and interference complaints meets or exceeds the response times identified in the ACA Customer Service Charter.</p> <p>Price-based spectrum allocations are completed within 6 months of the Minister determining competition rules.</p> <p>Price</p> <p>\$30.802m</p>
Performance information for Departmental Output 1.2	
Managed regulation of telecommunications	<p>Quality</p> <p>Timely and appropriate regulatory action which supports the competitive environment and the long-term interests of the end user.</p> <p>ACA compliance programs indicate high levels of industry compliance with regulatory requirements.</p> <p>International representation strengthens regional harmonisation outcomes.</p> <p>Quantity</p> <p>The self regulatory regime is effective in delivering operational arrangements and consumer safeguards.</p> <p>The self regulatory regime is effective in containing Australian originated Spam.</p> <p>Breaches of the Spam Act are identified and effectively addressed.</p> <p>International collaboration contributes to wider compliance on Spam issues.</p>

Table 2.2.1: Performance information for Outcome 1 (continued)

Table 2.2.1: Performance information for Outcome 1 (continued)	
Performance information for Departmental Output 1.2 (continued)	
Managed regulation of telecommunications (continued)	<p>Targets and Milestones</p> <p>Industry codes and technical standards that are submitted for registration are considered by the Authority within two months of their lodgement.</p> <p>The collection of Annual Numbering Charges meets revenue targets set by Government.</p> <p>Licensing and other regulatory decisions, including number allocations, are made within statutory timeframes.</p> <p>Price</p> <p>\$14.936m</p>
Performance information for Departmental Output 1.3	
Managed regulation of postal services	<p>Quality</p> <p>The extent to which customers' needs are met in the delivery of postal services.</p> <p>The extent to which reports on quality of services issues are positive.</p> <p>The extent to which there is compliance with performance standards and regulations.</p> <p>Quantity</p> <p>The extent of monitoring postal service quality through customer surveys and assessing complaints to the Postal Industry Ombudsman.</p> <p>The extent of monitoring and reporting on postal services compliance with the industry performance standards and regulations.</p> <p>The extent of transparency in the costs of providing loss making postal services.</p> <p>Price</p> <p>\$2.191m</p>

Map 2.2: Outcome 2 – contributing outputs



Note: Revenue from Government (Appropriations) contributes 98.47% to the Total Price of Outputs for Outcome 2.

CHANGES TO OUTCOMES AND OUTPUTS

There have been changes to the funding of Outcome 2 as a result of 2003-04 Additional Estimates, therefore the Outcome/Output structure has changed.

There is no change to the Outcome 2 wording.

Explanation of variations

Map 2 shows the Outcome and Output structure of the ACA.

The new measure, Enhanced Regional Telecommunication Monitoring which was part of the 2003-04 Additional Estimates, will effectively increase the cost of output 2.1 to the ACA by \$1.125m in 2004-05. The funding will ensure all Australians have access to adequate telecommunications services, enhance a range of existing services, and ensure that regional Australia continues to share equitably in the benefits of future technologies. These costs will be recovered from the telecommunication industry one year in arrears.

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 2²

**Australian Broadcasting Authority and the Australian Communications Authority
- merger**

Expense (\$m)

	2004-05	2005-06	2006-07	2007-08
Australian Broadcasting Authority	-	-	-	-
Australian Communications Authority	-	-	-	-

The Government will establish a new media and communications regulator, the Australian Communications and Media Authority, which will be formed from the merger of the Australian Broadcasting Authority and the Australian Communications Authority.

The creation of the new body by 1 July 2005 reflects convergence of the telecommunications and broadcasting sectors.

² This relates to measures disclosed in the 2004-05 Budget context (that is, measures agreed since the *Mid-Year Economic and Fiscal Outlook* (MYEFO)).

OUTCOME 2 — RESOURCING

Table 2.1.2 shows how the 2004-05 Budget appropriations translate to total resourcing for Outcome 2, including administered expenses, revenue from government (appropriation), revenue from other sources, and the total price of outputs. Cell references **C1** and **E1** show the links back to Table 1.1 (the Appropriations and Other Revenue Table for the ACA).

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

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000
Departmental appropriations		
Output Group 2.1 - Consumer Safeguards	8,434	7,348
Output Group 2.2 - Consumer Information	3,919	3,559
Total revenue from government (appropriations)	12,353	10,907
Contributing to price of departmental outputs	100%	98.47% (C1) ⁽¹⁾
Revenue from other sources		
Output Group 2.1 - Consumer Safeguards	-	114
Output Group 2.2 - Consumer Information	-	55
Total revenue from other sources	-	169
Total estimated resourcing for Outcome 2 (Total price of outputs and administered appropriations)	12,353	11,076 (E1) ⁽¹⁾
	2003-04	2004-05
Average staffing level (number)	97	94

OUTCOME 2 — CONTRIBUTION OF OUTPUTS

To achieve Outcome 2, the ACA will adopt the following strategies for each output.

Output 2.1 Consumer safeguards

This output will be delivered by the following strategies:

- Continuously improve the code regime.
- Ensure the effectiveness of service provision safeguards.

Output 2.2 Consumer information

This output will be delivered by the following strategies:

- Produce and distribute informative and effective consumer publications.
- Effective management of education campaigns.

PERFORMANCE INFORMATION FOR OUTCOME 2

Table 2.2.2: Performance information for Outcome 2

Effectiveness - Overall achievement of the Outcome	
An informed community with consumer safeguards	<p>To ensure the community is well informed about telecommunications matters.</p> <p>To deliver effective consumer protection to consumers as required by legislation.</p> <p>To ensure effective universal service provision and that monitoring, costing and payment arrangements for the USO and NRS are effective.</p>
Performance Information for Administered Items under Outcome 2	
	<p>Consumer information products including education campaigns achieve objectives and meet consumer needs.</p> <p>The effectiveness of statutory consumer safeguards is monitored and reported on.</p> <p>Consumer codes developed by ACIF and industry safeguard the interests of consumers.</p> <p>An efficient and transparent USO levy regime that accords with legislation. NRS monitoring and payment arrangements are accurate and timely.</p>
Performance Information for Departmental Output 2.1	
Consumer Safeguards	<p>Quality</p> <p>Compliance monitoring assesses compliance with statutory safeguards, enables identification of recurring and longstanding performance issues, and tracks the delivery of priority assistance arrangements by Telstra. Regulatory action, including investigations, address compliance with licence conditions, service provider rules and statutory consumer safeguards.</p> <p>Quantity</p> <p>Performance monitoring, including of Telstra's telephony network, assesses improvements in network reliability and measures of adherence to statutory consumer safeguards.</p> <p>Targets and Milestones</p> <p>Quarterly and annual performance monitoring reports are delivered on time and meet reporting requirements.</p> <p>Price</p> <p>\$7.462m</p>

Table 2.2.2: Performance information for Outcome 2 (continued) & Evaluations

Table 2.2.2: Performance information for Outcome 2 (continued)

Performance Information for Departmental Output 2.2

Consumer Information	<p>Quality Each approved consumer information strategy targets areas of poor consumer awareness and results in improved awareness levels. The scope of the on-line Consumer Information Toolkit is expanded and includes advice to consumers on the range of safeguards available to them.</p> <p>Quantity Improved distribution arrangements for information products and education programs results in wider effective audience of these campaigns.</p> <p>Price \$3.614m</p>
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EVALUATIONS

The ACA will continue its cyclical program of internal organisation reviews.

The purpose of the reviews is to:

- Ensure that the allocation of resources within the ACA is consistent with achievements 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, including the use of online activities.

Information on planned evaluation activity that relates to the Outcomes is included in Table 2.2.1 and Table 2.2.2 and the results will be shown in the annual report.

Section 3: Budgeted financial statements

ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

Departmental

The ACA budgeted financial statements for 2004-2005 and the three forward years will decrease from 2003-2004 due to a reduction in funding for 2004-05 and outyears on measures such as Australia Post, Auction Freephone and Local Rates, Regional Telecommunication Inquiry and Spam. These decreases are slightly offset by the increase in other source funding by the introduction of the new measure M2006 Melbourne Commonwealth Games.

Administered

Budgeted revenues and expenses administered on behalf of Government have increased slightly due to indexation and the introduction or reduction of new policy proposals listed above. All of the new policy proposals are cost recovered by the ACA.

Estimates of the expected revenue associated with the Auction of freephone and local rate telephone numbers are unable to be individually disclosed as they are likely to affect the revenue raised from the auction. Instead however, estimates have been included in the Contingency Reserve, which aggregates the impact of sensitive measures.

BUDGETED FINANCIAL STATEMENTS

Departmental 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 and accrual revenues 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 Statements

Shows all planned departmental 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.

Schedule of administered activity

Schedule of Budgeted Revenues and Expenses Administered on behalf of Government

This schedule identifies the main revenues and expenses administered on behalf of the Government.

Schedule of Budgeted Assets and Liabilities Administered on behalf of Government

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

Schedule of Budgeted Administered Cash Flows

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

Schedule of Administered Capital Budget

This schedule shows details of planned administered capital expenditure.

Schedule of Administered Non-financial Assets — Summary of Movement

This schedule discloses details of movement in administered non-financial assets.

Table 3.1: Departmental statement of financial performance

**Table 3.1: Budgeted departmental statement of financial performance
for the period ended 30 June**

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
Revenues from ordinary activities					
Revenue from Government	61,177	56,409	55,540	55,040	56,735
Goods and Services	1,406	1,696	2,738	1,531	1,577
Interest	800	900	900	900	900
Dividends	-	-	-	-	-
Revenue from sales of assets	-	-	-	-	-
Net foreign exchange gains	-	-	-	-	-
Other	-	-	-	-	-
Revenues from ordinary activities	63,383	59,005	59,178	57,471	59,212
Expenses from ordinary activities (excluding borrowing costs expense)					
Employees	33,129	37,984	38,373	39,115	39,871
Suppliers	25,311	16,476	15,575	13,126	14,111
Grants	-	-	-	-	-
Subsidies	-	-	-	-	-
Depreciation and amortisation	5,814	6,364	6,803	7,157	5,615
Write-down of assets	-	-	-	-	-
Value of assets sold	-	-	-	-	-
Net foreign exchange losses	-	-	-	-	-
Other	-	-	-	-	-
Expenses from ordinary activities (excluding borrowing costs expense)	64,254	60,824	60,751	59,398	59,597
Borrowing cost expense	34	52	36	36	36
Share of net profits/losses of associates and joint ventures accounted for using the equity method	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
Operating surplus or deficit from ordinary activities	(905)	(1,871)	(1,609)	(1,963)	(421)
Gain or loss on extraordinary items	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
Net surplus or deficit attributable to Commonwealth	(905)	(1,871)	(1,609)	(1,963)	(421)

ACA's net deficit attributable to the Commonwealth is due to a change in the Department of Finance and Administration policy to not provide the ACA with supplementation funding for increases in depreciation expenses.

**Table 3.2: Budget departmental statement of financial position
as at 30 June**

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
ASSETS					
Financial assets					
Cash	12,550	14,891	15,661	17,870	18,319
Receivables	1,329	1,329	1,329	1,329	1,329
Investments accounted for under the equity method	-	-	-	-	-
Other investments	-	-	-	-	-
Accrued revenues	-	-	-	-	-
Other	-	-	-	-	-
Total financial assets	13,879	16,220	16,990	19,199	19,648
Non-financial assets					
Land and buildings	12,033	10,801	10,375	8,853	8,842
Infrastructure, plant and equipment	7,072	6,742	6,233	5,604	5,863
Heritage and cultural assets	-	-	-	-	-
Inventories	6	6	6	6	6
Intangibles	11,310	10,198	8,383	6,362	5,244
Other	614	613	613	613	613
Total non-financial assets	31,035	28,360	25,610	21,438	20,568
Total assets	44,914	44,580	42,600	40,637	40,216
LIABILITIES					
Interest bearing liabilities					
Loans	-	-	-	-	-
Leases	196	1,238	372	372	372
Deposits	-	-	-	-	-
Overdrafts	-	-	-	-	-
Other	424	424	424	424	424
Total interest bearing liabilities	620	1,662	796	796	796
Provisions					
Employees	9,444	9,939	10,434	10,434	10,434
Capital Use Charge	-	-	-	-	-
Other	-	-	-	-	-
Total provisions	9,444	9,939	10,434	10,434	10,434
Payables					
Suppliers	3,449	3,449	3,449	3,449	3,449
Grants	-	-	-	-	-
Dividends	-	-	-	-	-
Borrowing costs	-	-	-	-	-
Other	-	-	-	-	-
Total payables	3,449	3,449	3,449	3,449	3,449
Total liabilities	13,513	15,050	14,679	14,679	14,679

Table 3.2: Departments statement of financial position (continued)

**Table 3.2: Budget departmental statement of financial position
as at 30 June (continued)**

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
EQUITY					
Parent equity interest					
Contributed equity	280	280	280	280	280
Reserves	10,265	10,265	10,265	10,265	10,265
Statutory funds	-	-	-	-	-
Retained surpluses or accumulated deficits	20,856	18,985	17,376	15,413	14,992
Total parent equity interest	31,401	29,530	27,921	25,958	25,537
Outside equity interest					
Contributed equity	-	-	-	-	-
Reserves	-	-	-	-	-
Retained surpluses or accumulated deficits	-	-	-	-	-
Total outside equity interest	-	-	-	-	-
Total equity	31,401	29,530	27,921	25,958	25,537
Current liabilities	4,916	5,486	5,103	5,103	5,103
Non-current liabilities	8,597	9,564	9,576	9,576	9,576
Current assets	14,499	16,839	17,609	19,819	20,267
Non-current assets	30,415	27,741	24,991	20,818	19,949

**Table 3.3: Budgeted departmental statement of cash flows
for the period ended 30 June**

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	61,177	56,409	55,540	55,040	56,735
Goods and services	1,406	1,696	2,738	1,531	1,577
Interest	800	900	900	900	900
Dividends	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary Items	-	-	-	-	-
Total cash received	63,383	59,005	59,178	57,471	59,212
Cash used					
Employees	30,909	33,193	36,948	37,692	39,115
Suppliers	28,872	19,729	17,371	14,549	14,867
Grants and subsidies	-	-	-	-	-
Borrowing costs	34	52	36	36	36
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash used	59,815	52,974	54,355	52,277	54,018
Net cash from/(used by) operating activities	3,568	6,031	4,823	5,194	5,194
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
Proceeds from sales of financial instruments	-	-	-	-	-
Bills of exchange and promissory notes	-	-	-	-	-
Repayments of loans made	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	10,186	3,690	4,053	2,985	4,745
Purchase of financial instruments	-	-	-	-	-
Bills of exchange and promissory notes	-	-	-	-	-
Repayments of loans made	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash used	10,186	3,690	4,053	2,985	4,745
Net cash from/(used by) investing activities	(10,186)	(3,690)	(4,053)	(2,985)	(4,745)

Table 3.3: Departmental statement of cash flows (continued)

**Table 3.3: Budgeted departmental statement of cash flows
for the period ended 30 June (continued)**

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
FINANCIAL ACTIVITIES					
Cash received					
Appropriations - contributed equity	-	-	-	-	-
Proceeds from issuing financial instruments	-	-	-	-	-
Proceeds from loans	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Repayments of debt	-	-	-	-	-
Capital use charge paid	-	-	-	-	-
Dividends paid	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from/(used by) financing activities	-	-	-	-	-
Net increase in cash held	(6,618)	2,341	770	2,209	449
Cash at the beginning of the reporting period	19,168	12,550	14,891	15,661	17,870
Effect of exchange rate movements on cash at the beginning of the reporting period	-	-	-	-	-
Cash at the end of the reporting period	12,550	14,891	15,661	17,870	18,319

Table 3.4: Departmental capital budget statement

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections	-	-	-	-	-
Total loans	-	-	-	-	-
Total	-	-	-	-	-
Represented by					
Purchase of non-financial assets	-	-	-	-	-
Other	-	-	-	-	-
Total	-	-	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	-	-	-	-	-
Funded internally by departmental resources	10,186	3,690	4,053	2,985	4,745
Total	10,186	3,690	4,053	2,985	4,745

Table 3.5: Departmental non-financial assets — summary of movement (Budget year 2004-05)

	Land	Buildings	Specialist military equipment	Other infrastructure plant and equipment	Heritage and cultural assets	Computer Software	Other intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the start of year	6,739	5,294	-	7,072	-	11,310	-	30,415
Additions	-	205	-	1,034	-	2,451	-	3,690
Disposals	-	-	-	-	-	-	-	-
Revaluation increments	-	-	-	-	-	-	-	-
Recoverable amount write-downs	-	-	-	-	-	-	-	-
Net transfers free of charge	-	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	(1,437)	-	(1,364)	-	(3,563)	-	(6,364)
Write-off of assets	-	-	-	-	-	-	-	-
Carrying amount at the end of year	6,739	4,062	-	6,742	-	10,198	-	27,741
Total additions	-	205	-	1,034	-	2,451	-	3,690
Self funded	-	-	-	-	-	-	-	-
Appropriations	-	-	-	-	-	-	-	-
Total	-	205	-	1,034	-	2,451	-	3,690

Table 3.6: Schedule of budgeted revenues and expenses administered on behalf of government for the period ended 30 June

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
REVENUES					
Taxation					
Income tax	-	-	-	-	-
Indirect tax	-	-	-	-	-
Other taxes, fees and fines	119,702	120,334	121,093	121,947	122,880
Total taxation	119,702	120,334	121,093	121,947	122,880
Non-taxation					
Goods and Services	100,401	100,850	100,958	101,017	101,082
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Net foreign exchange gains	-	-	-	-	-
Revenue from sales of assets	-	-	-	-	-
Other sources of non-taxation revenues	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
Total Non-taxation	100,401	100,850	100,958	101,017	101,082
Total revenues administered on behalf of the Government	220,103	221,184	222,051	222,964	223,962
EXPENSES					
Grants	-	-	-	-	-
Subsidies	-	-	-	-	-
Personal benefits	-	-	-	-	-
Suppliers	-	-	-	-	-
Depreciation and amortisation	-	-	-	-	-
Write-down and impairment of assets	-	-	-	-	-
Value of assets sold	-	-	-	-	-
Net foreign exchange losses	-	-	-	-	-
Interest	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total expenses administered on behalf of the Government	-	-	-	-	-

Table 3.7: Schedule of assets and liabilities

Table 3.7: Schedule of budgeted assets and liabilities administered on behalf of government as at 30 June

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
ASSETS					
Financial assets					
Cash	970	970	970	970	970
Receivables	31,256	31,608	31,956	32,336	32,336
Investments accounted for under the equity method	-	-	-	-	-
Other investments	-	-	-	-	-
Accrued revenues	-	-	-	-	-
Other	-	-	-	-	-
Total financial assets	32,226	32,578	32,926	33,306	33,306
Non-financial assets					
Land and buildings	-	-	-	-	-
Infrastructure, plant and equipment	-	-	-	-	-
Heritage and cultural assets	-	-	-	-	-
Inventories	-	-	-	-	-
Intangibles	-	-	-	-	-
Other	-	-	-	-	-
Total non-financial assets	-	-	-	-	-
Total assets	32,226	32,578	32,926	33,306	33,306
LIABILITIES					
Interest bearing liabilities					
Loans	-	-	-	-	-
Leases	-	-	-	-	-
Deposits	-	-	-	-	-
Overdrafts	-	-	-	-	-
Other	-	-	-	-	-
Total interest bearing liabilities	-	-	-	-	-
Provisions					
Employees	-	-	-	-	-
Capital Use Charge	-	-	-	-	-
Other	-	-	-	-	-
Total provisions	-	-	-	-	-
Payables					
Suppliers	-	-	-	-	-
Grants	-	-	-	-	-
Dividends	-	-	-	-	-
Borrowing costs	-	-	-	-	-
Other	2,235	2,245	2,245	2,246	2,246
Total payables	2,235	2,245	2,245	2,246	2,246
Total liabilities	2,235	2,245	2,245	2,246	2,246

**Table 3.8: Schedule of budgeted administered cash flows
for the period ended 30 June**

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	-	-	-	-	-
Goods and services	99,998	100,508	100,610	100,638	101,082
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Cash from the Official Public Account	-	-	-	-	-
Other	119,702	120,334	121,093	121,947	122,880
Total cash received	219,700	220,842	221,703	222,585	223,962
Cash used					
Employees	-	-	-	-	-
Suppliers	-	-	-	-	-
Subsidies	-	-	-	-	-
Grants	-	-	-	-	-
Borrowing costs	-	-	-	-	-
Cash to the Official Public Account	219,700	220,842	221,703	222,585	223,962
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash used	219,700	220,842	221,703	222,585	223,962
Net cash from/(used by) operating activities	-	-	-	-	-
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
Proceeds from sales of financial instruments	-	-	-	-	-
Bills of exchange and promissory notes	-	-	-	-	-
Repayments of loans made	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	-	-	-	-	-
Purchase of financial instruments	-	-	-	-	-
Bills of exchange and promissory notes	-	-	-	-	-
Repayments of loans made	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from/(used by) investing activities	-	-	-	-	-

Table 3.8: Schedule of budgeted administered cash flows (continued)

**Table 3.8: Schedule of budgeted administered cash flows
for the period ended 30 June (continued)**

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
FINANCIAL ACTIVITIES					
Cash received					
Appropriations - contributed equity	-	-	-	-	-
Proceeds from issuing financial instruments	-	-	-	-	-
Proceeds from loans	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Repayments of debt	-	-	-	-	-
Capital use charge paid	-	-	-	-	-
Dividends paid	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from/(used by) financing activities	-	-	-	-	-
Net increase in cash held	-	-	-	-	-
Cash at the beginning of the reporting period	-	-	-	-	-
Effect of exchange rate movements on cash at the beginning of the reporting period	-	-	-	-	-
Cash at the end of the reporting period	-	-	-	-	-

Table 3.9: Schedule of administered capital budget

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections	-	-	-	-	-
Total loans	-	-	-	-	-
Total	-	-	-	-	-
Represented by					
Purchase of non-financial assets	-	-	-	-	-
Other	-	-	-	-	-
Total	-	-	-	-	-
PURCHASE OF NON-CURRENT ASSETS					
Funded by capital appropriations	-	-	-	-	-
Funded internally by departmental resources	-	-	-	-	-
Total	-	-	-	-	-

Table 3.10: Schedule of administered non-financial assets — summary of movement (Budget year 2004-05)

	Land	Buildings	Specialist military equipment	Other infrastructure plant and equipment	Heritage and cultural assets	Computer Software	Other intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the start of year	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Revaluation increments	-	-	-	-	-	-	-	-
Recoverable amount write-downs	-	-	-	-	-	-	-	-
Net transfers free of charge	-	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	-	-	-	-	-	-	-
Write-off of assets	-	-	-	-	-	-	-	-
Carrying amount at the end of year	-	-	-	-	-	-	-	-
Total additions	-	-	-	-	-	-	-	-
Self funded	-	-	-	-	-	-	-	-
Appropriations	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

Basis of accounting

The agency budget statements are prepared in compliance with Australian Accounting Standards, Accounting Guidance Releases and having regard to Statements of Accounting Concepts.

The ACA Statement of Financial Performance and Financial Position are prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets, which are at valuation.

Assets and liabilities are recognised in the ACA Statement of Financial Position when and only when it is probable that future economic benefits will flow and the amounts of the assets and liabilities can be reliably measured.

Revenues and expenses are recognised in the ACA Statement of Financial Performance when and only when the flow or consumption or loss of economic benefits has occurred and can be reliably measured.

Departmental

Budgeted Departmental Statement of Financial Performance

Revenue

The revenues described in this note are the revenues relating to the core operating activities of the ACA.

Revenue from the sale of goods is recognized upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

The full amount of the appropriation for departmental outputs for the year is recognized as revenue.

Expenses from Ordinary Activities

Depreciation and Amortisation

Depreciable property plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the ACA using, in all cases, the straight-line method of depreciation. Leasehold improvements are amortised on a straight-line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

Depreciation/amortisation rates (useful lives) and methods are reviewed at each balance date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate. Residual values are re-estimated for a change in prices only when assets are revalued.

There is an increase in depreciation and amortisation over the reporting period due mainly to the acquisition of computer software such as a debtors information management system, radiocommunications planning tools software, technical equipment and lease incentive assets relating to both the ACA's Canberra and Melbourne offices.

Borrowing Costs Expense

These expenses are related to the ACA's IT outsourcing finance lease and the lease incentives to the ACA's Canberra and Melbourne accommodation.

Budgeted Departmental Statement of Financial Position

Assets

Cash at Bank

The cash at bank balance steadily increases to enable the replacement of the ACA's radiocommunication planning tools software, and other information management systems.

Intangibles

Intangibles include computer software such as ACA's radiocommunications planning tools software and licences, and financial information management system.

Land and Buildings

Purchases of property, plant and equipment are recounted initially at cost in the Statement of Financial Position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

In regard to leasehold improvements, the forecasts include lease incentive assets such as fit-outs of premises in relation to the ACA's Canberra and Melbourne accommodation.

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.

Liabilities

Employee Entitlements

The liability for employee entitlements includes provision for annual leave and long service leave. The liability for annual leave reflects the value of total annual leave entitlements of all employees and is recognized at its nominal value.

The non-current portion of the liability for long service leave is recognized and measured at the present value of the estimated future cash flows to be made in respect of all employees at 30 June. In determining the present value of the liability, the ACA has taken into account attrition rates and pay increases through promotion and inflation.

Leases and Lease Incentives

The ACA entered into a sale and leaseback transaction of certain IT assets on 26 June 2000. The IT equipment provided to and used by the ACA 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 ACA's Canberra and Melbourne offices.

Administered

The ACA administers the collection of radiocommunications and telecommunications fees on behalf of the Commonwealth. The fees are not directly available to be used by the ACA for its own purposes and are remitted to the Commonwealth's Official Public Account. Transactions and balances relating to these fees are reported as Administered Items.

Budgeted Administered Statement of Financial Performance

Administered Revenue

All revenues described are revenues relating to the core operating activities performed by the ACA on behalf of the Commonwealth.

Radiocommunication and telecommunication fees collected by the ACA are recognised as revenue when the economic activity of the fee payer takes place that gives rise to the Commonwealth's right to the fees.

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 benefits payments.

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.

Section 4: Purchaser/Provider and Cost Recovery arrangements

PURCHASER/PROVIDER ARRANGEMENTS

Cross Agency Overview

The ACA does not have any purchaser/provider arrangements with any other agency.

COST RECOVERY ARRANGEMENTS

The ACA does not have any cost recovery arrangements with any other agency.