

AUSTRALIAN  
COMMUNICATIONS  
AUTHORITY

<b>Section 1: Overview, appropriations and budget measures summary .....</b>	<b>169</b>
Overview .....	169
Appropriations.....	169
Table 1.1: Appropriations and other revenue.....	170
Administered capital and departmental equity injections .....	171
<b>Section 2: Outcomes and outputs information.....</b>	<b>172</b>
Outcomes and Outputs.....	172
Map 1: Outcome structure.....	172
Changes to outcomes and outputs .....	173
Map 2: Outcome 1 – contributing outputs .....	173
Outcome 1 – Description .....	173
Measures affecting Outcome 1.....	174
Table 2.1.1: Total resources for Outcome 1 .....	174
Table 2.2.1: Performance information for Outcome 1.....	175
Map 3: Outcome 2 – contributing outputs .....	177
Outcome 2 – Description .....	177
Measures affecting Outcome 2.....	178
Table 2.1.2: Total resources for Outcome 2 .....	178
Table 2.2.2: Performance information for Outcome 2.....	179
Evaluations .....	180
<b>Section 3: Budgeted financial statements.....</b>	<b>181</b>
Table 3.1: Budgeted Departmental Statement of Financial Performance .....	182
Table 3.2: Budgeted Departmental Statement of Financial Position.....	183
Table 3.3: Budgeted Departmental Statement of Cash Flows.....	184
Table 3.4: Departmental Capital Budget Statement.....	186
Table 3.5: Departmental Non-financial Assets – Summary of Movement.....	187
Table 3.7: Note of Budgeted Revenues and Expenses .....	188
Table 3.8: Note of Budgeted Assets and Liabilities .....	189
Table 3.9: Note of Budgeted Administered Cash Flows .....	190
Table 3.10: Note of Administered Capital Budget .....	192
Table 3.11: Note of Administered Non-financial Assets – Summary of Movement.....	193
Notes to the Financial Statements .....	194
Appendix 1 .....	196

## **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 2002-03 Budget is \$53.796m.

Table 1.1 shows the total appropriations for the ACA for 2002-03 by the two outcomes.

## Australian Communications Authority — appropriations 2002-03

**Table 1.1: Appropriations and other revenue ('000)**

Outcome	Departmental (price of outputs) ('000)					Administered (\$'000)				
	Revenue from Government (appropriations)		Revenue from other sources <sup>(4)</sup>	Price of outputs <sup>(3)</sup>	Annual appropriations (\$'000)	Special appropriations <sup>(5)</sup>	Total administered appropriations	Total appropriations		
	Bill No. 1	Special approps <sup>(5)</sup>	Total			Bill No. 1	Bill No. 2 (SPPs & NAOs) <sup>(2)</sup>			
	(A)	(B)	(C = A+B)	(D)	(E = C+D)	(F)	(G)	(H)	(I = F+G+H)	(J=C+I)
			(C1) <sup>(1)</sup>		(E1) <sup>(1)</sup>				(I1) <sup>(1)</sup>	
1. An efficient industry and a competitive market	41,388	-	41,388	1,110	42,498	-	-	-	-	41,388
					97.4%					
2. An informed community with consumer safeguards	12,408	-	12,408	-	12,408	-	-	-	-	12,408
			(K1) <sup>(1)</sup>		100.0%					
<b>Total</b>	<b>53,796</b>	<b>-</b>	<b>53,796</b>	<b>1,110</b>	<b>54,906</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(K2)<sup>(1)</sup></b>	<b>53,796</b>
						Departmental capital (equity injections and loans)			(K3) <sup>(1)</sup>	-
						Administered capital			(K4) <sup>(1)</sup>	-
						Total appropriations				53,796

- Cells C1, E1 and I1 refer to information provided in Table 2.1.1 and 2.1.2. Amounts K1, K2 to Budgeted Statement of Financial Performance, and amounts K3, K4 to Capital Budget Statements.
  - 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 for application of agency revenue.
  - Revenue from other sources includes other revenue from government (for example, resources free of charge) and revenue from other sources. Non-appropriated departmental and administered revenues are details in Appendix 1.
- Note. Percentage figures indicate the percentage contribution of Revenue from Government (Departmental Appropriations) to the Total Price of Outputs, by outcome.

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

The ACA has not budgeted to receive any administered capital, equity injections or loans in the 2002-03 Budget.

## Section 2: Outcomes and outputs information

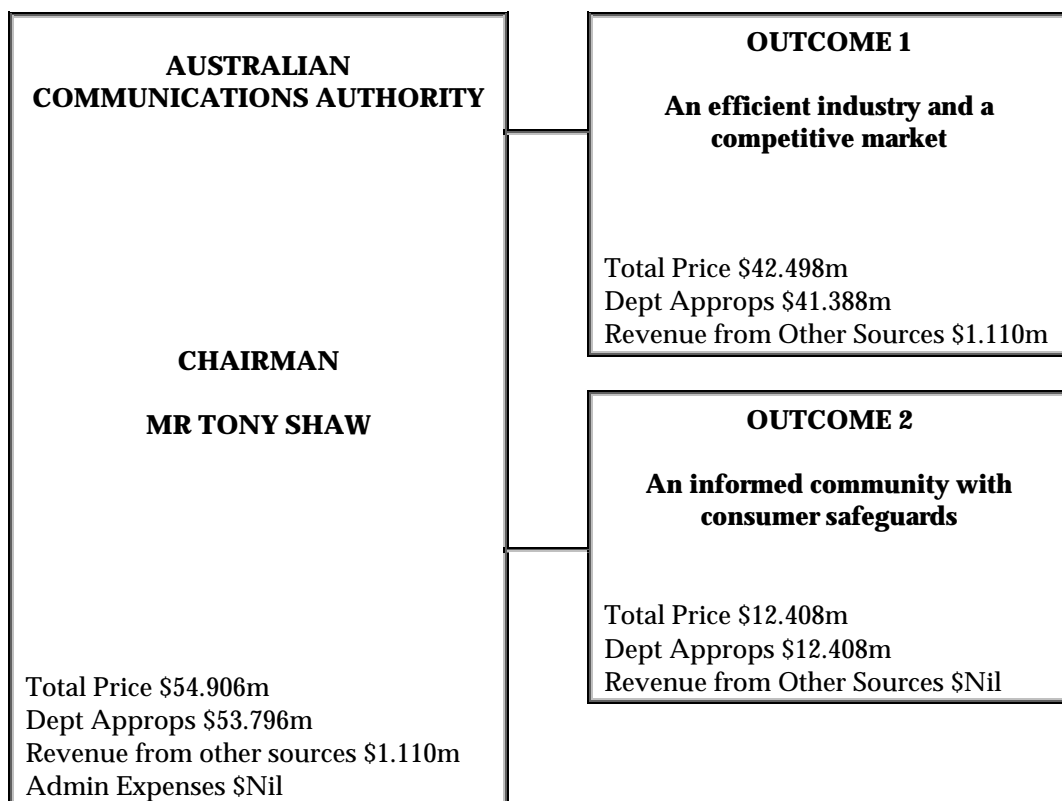
### OUTCOMES AND OUTPUTS

Map 1, 2 and 3 show the Outcome and Output structure of the ACA.

Financial details for Outcome 1 by Outputs appears in table 2.1.1 (Total Resources for Outcome 1) while non-performance information for Outcome 1 appears in table 2.2.1 (Performance Information for Outcome1).

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

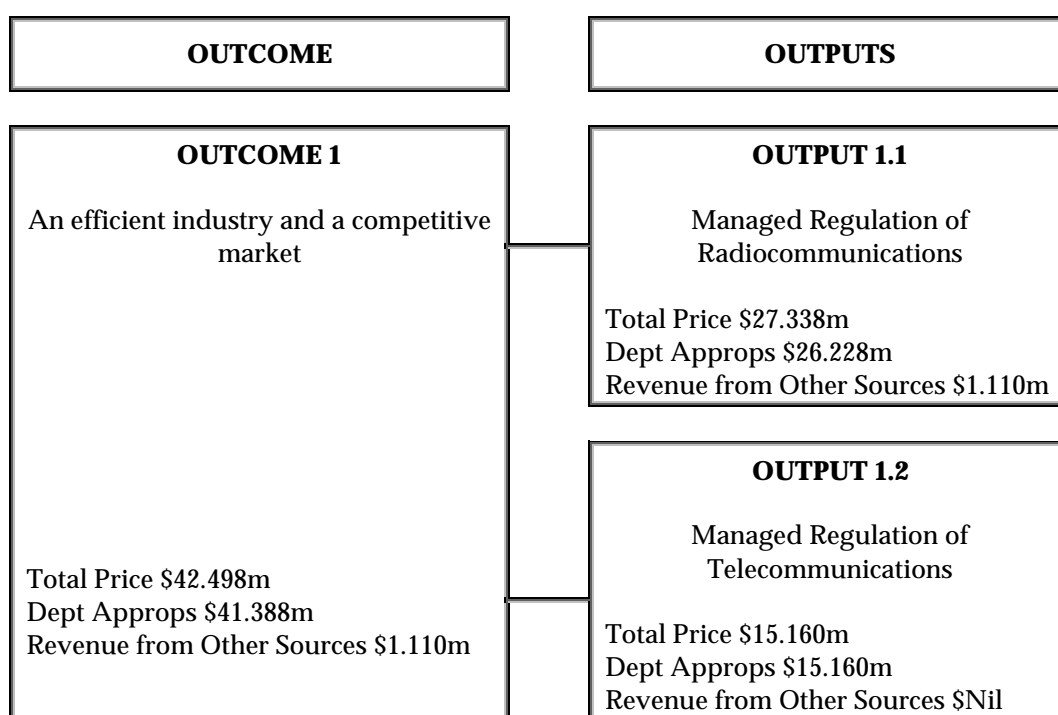
Map 1: Outcome structure



## CHANGES TO OUTCOMES AND OUTPUTS

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

**Map 2: Outcome 1 – contributing outputs**



Note: Revenue from Government (Appropriations) contributes 97.4% to the Total Price of Outputs for Outcome 1 for 2002-03.

## 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

There are no budget measures affecting Outcome 1 for 2002-2003.

## 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	
<b>Administered appropriations</b>	-	-	
<b>Total administered expenses</b>	-	-	(I1)
<b>Departmental appropriations</b>			
Output 1.1 - Managed Regulation of Radiocommunications	25,400	26,228	
Output 1.2 - Managed Regulation of Telecommunications	14,685	15,160	
<b>Total revenue from government (appropriations)</b>	<b>40,085</b>	<b>41,388</b>	(C1)
	95.7%	97.4%	
<b>Revenue from other sources</b>			
Output 1.1 - Managed Regulation of Radiocommunications	1,784	1,110	
Output 1.2 - Managed Regulation of Telecommunications	-	-	
<b>Total revenue from other sources</b>	<b>1,784</b>	<b>1,110</b>	
<b>Total price from departmental outputs</b> (Total revenue from government and from other sources)	<b>41,869</b>	<b>42,498</b>	(E1)
<b>Total estimated resourcing for Outcome 1</b> (Total price of outputs and administered appropriations)	<b>41,869</b>	<b>42,498</b>	
	2001-02	2002-03	
<b>Average staffing level (number)</b>	319	325	

Table 2.2.1: Performance information for Outcome 1

## PERFORMANCE INFORMATION FOR OUTCOME 1

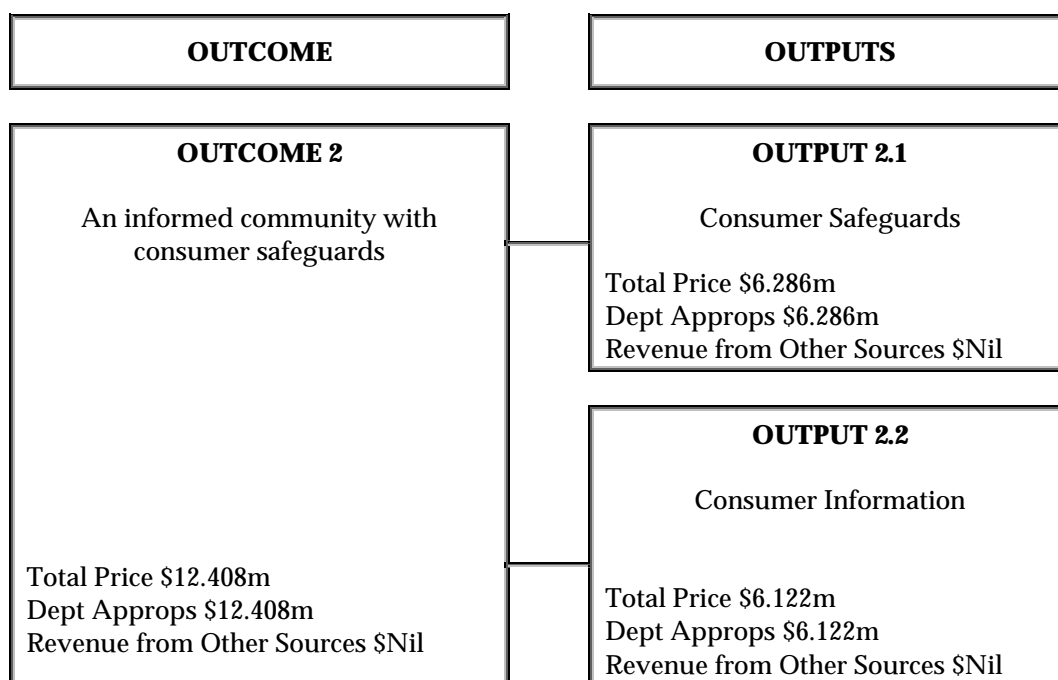
**Table 2.2.1: Performance information for Outcome 1**

<b>Effectiveness - Overall achievement of the Outcome</b>	
A regulatory approach that promotes benefits to the end-users and contributes to an efficient and competitive Australian communications industry	A regulatory approach which promotes competition and continues to provide consumer protection. A competitive communications industry that provides choice to consumers.
Efficiency in the planning, allocation and use of national resources such as radiofrequency spectrum, telecommunications numbering and telecommunications infrastructure	A fair return to the community for the use of national resources. Efficient planning and allocation processes.
Reduction in the costs of regulation and of the ACA's services	Lower direct regulatory costs to the extent they are determined by the ACA.
The fostering of industry self regulation in a way which addresses public interest considerations without imposing undue financial and administrative burdens on industry	That the ACA supports industry in the development of standards and codes which consider appropriate public interest criteria. The extent to which the regulatory burden is minimised, without sacrificing legislative obligations, interference-free operation of communications devices or consumer Timeliness of decisions about code registration and standards making.
<b>Performance information for departmental outputs</b>	
Output 1.1 - Managed regulation of radiocommunications	<p><b>Quality</b></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. The extent to which Australia is able to influence international forums, measured by the number of outcomes that align with Australia's The commencement of new radiocommunication based services is not unnecessarily impeded by regulation or delays in band planning activities.</p> <p><b>Quantity</b></p> <p>Maintaining customer satisfaction with radiofrequency planning activities at a high level (measured by surveys). Level of contestability achieved in the marketplace measured by the ratio of frequency assignments conducted by the ACA compared to external accredited frequency assigners. The number of device registrations performed by external persons relative to the total number of device registrations. The extent of spectrum licensed through spectrum licensing.</p>

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

<b>Performance information for departmental outputs</b>	
Output 1.1 - Managed regulation of radiocommunications (continued)	<p><b>Targets and Milestones</b> ACA responses to investigations and interference complaints meets or exceeds the response times identified in the ACA Customer Price-based spectrum allocations are completed within 6 months of the Minister determining spectrum rules.</p> <p><b>Price</b> \$27.338m</p>
Output 1.2 - Managed regulation of telecommunications	<p><b>Quality</b> Regulatory action, in terms of timeliness and scope, supports the competitive environment and the long-term interests of end users. International representation strengthens regional harmonisation outcomes.</p> <p><b>Quantity</b> The self regulatory regime is effective in delivering operational arrangements and consumer safeguards.</p> <p><b>Targets and Milestones</b> Industry codes and technical standards that are submitted for registration are considered by the Authority within two months of their lodgement.</p> <p><b>Price</b> \$15.160m</p>

**Map 3: Outcome 2 – contributing outputs**



Note: Revenue from Government (Appropriations) contributes 100% to the Total Price of Outputs for Outcome 2 for 2002-03.

## 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 for 2002-2003.

## OUTCOME 2 — RESOURCING

Table 2.1.1 shows how the 2002-03 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**, **E1** and **I1** show the links back to Table 1.1 the Appropriations Table.

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

	Estimated actual 2001-02 \$'000	Budget estimate 2002-03 \$'000	
<b>Administered appropriations</b>	-	-	
<b>Total administered expenses</b>	-	-	(I1)
<b>Departmental appropriations</b>			
Output 2.1 - Consumer Safeguards	5,650	6,286	
Output 2.2 - Consumer Information	5,502	6,122	
<b>Total revenue from government (appropriations)</b>	<b>11,152</b>	<b>12,408</b>	(C1)
	100%	100%	
<b>Revenue from other sources</b>			
Output 2.1 - Consumer Safeguards	-	-	
Output 2.2 - Consumer Information	-	-	
<b>Total revenue from other sources</b>	-	-	
<b>Total price from departmental outputs</b> (Total revenue from government and from other sources)	<b>11,152</b>	<b>12,408</b>	(E1)
<b>Total estimated resourcing for Outcome 2</b> (Total price of outputs and administered appropriations)	<b>11,152</b>	<b>12,408</b>	
	2001-02	2002-03	
<b>Average staffing level (number)</b>	86	86	

Table 2.2.2: Performance information for Outcome 2

**PERFORMANCE INFORMATION FOR OUTCOME 2**

**Table 2.2.2: Performance information for Outcome 2**

<b>Effectiveness - Overall achievement of the Outcome</b>	
To ensure the community is well informed about telecommunications matters	Consumer information products including education campaigns achieve objectives and meet consumer needs.
To deliver effective consumer protection to consumers as required by legislation	The effectiveness of statutory consumer safeguards is monitored and reported on. Consumer codes developed by ACIF and industry safeguard the interests of consumers.
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
<b>Performance information for departmental outputs</b>	
Output 2.1 - Consumer Safeguards	<p><b>Quality</b> Compliance monitoring and related regulatory action, including investigations, address compliance with licence conditions, service provider rules and statutory consumer</p> <p><b>Quantity</b> Performance monitoring demonstrates changes in network reliability and measures of adherence to statutory consumer safeguards.</p> <p><b>Targets and Milestones</b> Quarterly and annual performance monitoring reports are delivered on time and meet reporting requirements.</p> <p><b>Price</b> \$6.286m</p>
Output 2.2 - Consumer Information	<p><b>Quality</b> Each approved consumer information strategy targets areas of poor consumer awareness and results in improved awareness levels.</p> <p><b>Quantity</b> Improved distribution arrangements for information products and education programs results in wider effective audience of these</p> <p><b>Price</b> \$6.122m</p>

## **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

### DEPARTMENTAL STATEMENTS

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

### ADMINISTERED NOTES

- Note of Budgeted Revenues and Expenses Administered on behalf of Government
- Note of Budgeted Assets and liabilities Administered on behalf of Government
- Note of Budgeted Administered Cash Flows
- Note of Administered Capital Budget
- Note of Administered Non-financial Assets – Summary of Movement  
(Budget year 2002-03)

***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
<b>Revenues from ordinary activities</b>					
Revenues from government	51,237	53,796	54,245	53,743	53,346
Sales of goods and services	628	410	411	410	410
Interest	1,000	700	800	900	900
Dividends	-	-	-	-	-
Proceeds from sales of assets	156	-	-	-	-
Other	-	-	-	-	-
<b>Total revenues from ordinary activities</b>	<b>53,021</b>	<b>54,906</b>	<b>55,456</b>	<b>55,053</b>	<b>54,656</b>
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>					
Employees	27,840	28,194	28,870	28,867	28,867
Suppliers	18,773	19,402	19,093	18,808	18,311
Grants	-	-	-	-	-
Depreciation and amortisation	3,640	4,481	4,664	4,549	4,649
Write-down of assets	-	-	-	-	-
Value of assets sold	-	-	-	-	-
Other	-	-	-	-	-
<b>Total expenses from ordinary activities (excluding borrowing costs expense)</b>	<b>50,253</b>	<b>52,077</b>	<b>52,627</b>	<b>52,224</b>	<b>51,827</b>
Borrowing costs expense	-	-	-	-	-
<b>Net surplus or deficit from ordinary activities</b>	<b>2,768</b>	<b>2,829</b>	<b>2,829</b>	<b>2,829</b>	<b>2,829</b>
Gain or loss on extraordinary items	-	-	-	-	-
<b>Net surplus or deficit</b>	<b>2,768</b>	<b>2,829</b>	<b>2,829</b>	<b>2,829</b>	<b>2,829</b>
Capital use charge	2,768	2,829	2,829	2,829	2,829
<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

**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
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	10,917	10,188	11,612	13,001	12,490
Receivables	600	600	600	600	600
Investments	-	-	-	-	-
Accrued revenues	-	-	-	-	-
Other	-	-	-	-	-
<b>Total financial assets</b>	<b>11,517</b>	<b>10,788</b>	<b>12,212</b>	<b>13,601</b>	<b>13,090</b>
<b>Non-financial assets</b>					
Land and buildings	9,599	9,171	8,213	7,243	6,273
Infrastructure, plant and equipment	6,120	5,116	4,035	2,877	1,719
Inventories	-	-	-	-	-
Intangibles	8,918	11,575	12,685	13,919	17,053
Other	600	600	600	600	600
<b>Total non-financial assets</b>	<b>25,237</b>	<b>26,462</b>	<b>25,533</b>	<b>24,639</b>	<b>25,645</b>
<b>Total assets</b>	<b>36,754</b>	<b>37,250</b>	<b>37,745</b>	<b>38,240</b>	<b>38,735</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	9,850	10,346	10,841	11,336	11,831
Suppliers	1,180	1,180	1,180	1,180	1,180
Grants	-	-	-	-	-
Other	-	-	-	-	-
<b>Total provisions and payables</b>	<b>11,030</b>	<b>11,526</b>	<b>12,021</b>	<b>12,516</b>	<b>13,011</b>
<b>Total liabilities</b>	<b>11,030</b>	<b>11,526</b>	<b>12,021</b>	<b>12,516</b>	<b>13,011</b>
<b>EQUITY</b>					
Capital	-	-	-	-	-
Reserves	7,125	7,125	7,125	7,125	7,125
Accumulated surpluses or deficits	18,599	18,599	18,599	18,599	18,599
<b>Total equity</b>	<b>25,724</b>	<b>25,724</b>	<b>25,724</b>	<b>25,724</b>	<b>25,724</b>
Current liabilities	5,317	5,380	5,446	5,446	5,446
Non-current liabilities	5,713	6,146	6,575	7,070	7,565
Current assets	12,117	11,388	12,812	14,201	13,690
Non-current assets	24,637	25,862	24,933	24,039	25,045

**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
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations for outputs	51,237	53,796	54,245	53,743	53,346
Sales of goods and services	628	410	410	410	410
Interest	1,000	700	800	900	900
Other	-	-	-	-	-
<b>Total cash received</b>	<b>52,865</b>	<b>54,906</b>	<b>55,455</b>	<b>55,053</b>	<b>54,656</b>
<b>Cash used</b>					
Employees	26,270	27,699	28,375	28,372	28,372
Suppliers	26,822	19,402	19,093	18,808	18,312
Grants	-	-	-	-	-
Interest	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>53,092</b>	<b>47,101</b>	<b>47,468</b>	<b>47,180</b>	<b>46,684</b>
<b>Net cash from operating activities</b>	<b>(227)</b>	<b>7,805</b>	<b>7,987</b>	<b>7,873</b>	<b>7,972</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	156	-	-	-	-
Repayments of loans made	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>156</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	8,231	5,705	3,735	3,655	5,655
Loans made	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>8,231</b>	<b>5,705</b>	<b>3,735</b>	<b>3,655</b>	<b>5,655</b>
<b>Net cash from investing activities</b>	<b>(8,075)</b>	<b>(5,705)</b>	<b>(3,735)</b>	<b>(3,655)</b>	<b>(5,655)</b>
<b>FINANCING 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>
<b>Cash used</b>					
Repayments of debt	-	-	-	-	-
Capital use and dividends paid	10,768	2,829	2,829	2,829	2,829
Other	-	-	-	-	-
<b>Total cash used</b>	<b>10,768</b>	<b>2,829</b>	<b>2,829</b>	<b>2,829</b>	<b>2,829</b>
<b>Net cash from financing activities</b>	<b>(10,768)</b>	<b>(2,829)</b>	<b>(2,829)</b>	<b>(2,829)</b>	<b>(2,829)</b>

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
<b>Net increase (decrease) in cash held</b>	<b>(19,070)</b>	<b>(729)</b>	<b>1,423</b>	<b>1,389</b>	<b>(512)</b>
Cash at the beginning of the reporting period	29,987	10,917	10,188	11,612	13,001
Cash at the end of the reporting period	10,917	10,188	11,611	13,001	12,489

**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
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	-	(K3)	-	-	-
Total loans	-	(K3) <sup>(1)</sup>	-	-	-
<b>Represented by</b>					
Purchase of non-current assets	-	-	-	-	-
Other	-	-	-	-	-
<b>Total</b>	-	-	-	-	-
<b>PURCHASE OF NON CURRENT ASSETS</b>					
Funded by capital appropriation	-	-	-	-	-
Funded internally by					
Departmental resources	9,103	5,705	3,735	3,655	5,655
<b>Total purchase of non-current assets</b>	<b>9,103</b>	<b>5,705</b>	<b>3,735</b>	<b>3,655</b>	<b>5,655</b>

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	5,270	4,327	9,597	6,120	6,120	8,920	24,637
Additions	120	580	700	700	700	4,305	5,705
Disposals	-	-	-	-	-	-	-
Revaluation increments	-	-	-	-	-	-	-
Recoverable amount w rite-dow ns	-	-	-	-	-	-	-
Net transfers free of charge	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	1,127	1,127	1,704	1,704	1,649	4,480
Write-off of assets	-	-	-	-	-	-	-
Carrying amount at the end of year	5,390	3,780	9,170	5,116	5,116	11,576	25,863
<b>Total additions</b>							
Self funded	120	580	700	700	700	4,305	5,705
Appropriations	-	-	-	-	-	-	-
<b>Total</b>	<b>120</b>	<b>580</b>	<b>700</b>	<b>700</b>	<b>700</b>	<b>4,305</b>	<b>5,705</b>

**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
<b>REVENUES</b>					
<b>Taxation</b>					
Income tax	-	-	-	-	-
Indirect tax	-	-	-	-	-
Other taxes, fees and fines	114,600	114,829	117,159	119,700	122,502
<b>Total taxation</b>	<b>114,600</b>	<b>114,829</b>	<b>117,159</b>	<b>119,700</b>	<b>122,502</b>
<b>Non-taxation</b>					
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Proceeds from sale of assets	1,900	-	-	-	-
Net foreign exchange gains	-	-	-	-	-
Other sources of non-taxation revenues	90,950	91,857	91,966	92,271	92,440
<b>Total non-taxation</b>	<b>92,850</b>	<b>91,857</b>	<b>91,966</b>	<b>92,271</b>	<b>92,440</b>
<b>Total revenues administered on behalf of the Government</b>	<b>207,450</b>	<b>206,686</b>	<b>209,125</b>	<b>211,971</b>	<b>214,942</b>
<b>EXPENSES</b>					
Grants	-	-	-	-	-
Subsidies	-	-	-	-	-
Personal benefits	-	-	-	-	-
Suppliers	-	-	-	-	-
Depreciation and amortisation	-	-	-	-	-
Value of assets sold	-	-	-	-	-
Net foreign exchange issues	-	-	-	-	-
Interest	-	-	-	-	-
Other	-	-	-	-	-
<b>Total expenses administered on behalf of the Government</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
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
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	-	-	-	-	-
Receivables	23,452	23,452	23,452	23,452	23,452
Investments	-	-	-	-	-
Accrued revenues	-	-	-	-	-
Other	-	-	-	-	-
<b>Total financial assets</b>	<b>23,452</b>	<b>23,452</b>	<b>23,452</b>	<b>23,452</b>	<b>23,452</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>23,452</b>	<b>23,452</b>	<b>23,452</b>	<b>23,452</b>	<b>23,452</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
Loans	-	-	-	-	-
Leases	-	-	-	-	-
Deposits	-	-	-	-	-
Overdrafts	-	-	-	-	-
Other	-	-	-	-	-
<b>Total interest bearing liabilities</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>
Current liabilities	1,000	1,000	1,000	1,000	1,000
Non-current liabilities	-	-	-	-	-
Current assets	23,452	23,452	23,452	23,452	23,452
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
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Income tax	-	-	-	-	-
Indirect tax	-	-	-	-	-
Other taxes, fees and fines	146,700	114,829	117,159	119,700	122,502
Cash from Official Public Account	-	-	-	-	-
Interest	-	-	-	-	-
Other	90,950	91,857	91,966	92,271	92,440
<b>Total cash received</b>	<b>237,650</b>	<b>206,686</b>	<b>209,125</b>	<b>211,971</b>	<b>214,942</b>
<b>Cash used</b>					
Subsidies	-	-	-	-	-
Personal benefits	-	-	-	-	-
Suppliers	-	-	-	-	-
Grants	-	-	-	-	-
Interest	-	-	-	-	-
Cash to Official Public Account	243,595	206,686	209,125	211,971	214,942
Other	-	-	-	-	-
<b>Total cash used</b>	<b>243,595</b>	<b>206,686</b>	<b>209,125</b>	<b>211,971</b>	<b>214,942</b>
<b>Net cash from operating activities</b>	<b>(5,945)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	1,900	-	-	-	-
Cash from Official Public Account	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>1,900</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	-	-	-	-	-
Cash to Official Public Account	1,900	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>1,900</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 3.9: 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
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from borrow ing	-	-	-	-	-
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 (decrease) in cash held</b>	<b>(5,945)</b>	-	-	-	-
Cash at beginning of reporting period	5,945	-	-	-	-
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
<b>CAPITAL APPROPRIATIONS</b>					
Administered capital	-	-	-	-	-
<b>Represented by:</b>					
Purchase of non-current assets	-	-	-	-	-
Other	-	-	-	-	-
<b>Total</b>	-	-	-	-	-
<b>PURCHASE OF NON-CURRENT ASSETS</b>					
Funded by Capital appropriation	-	-	-	-	-
Funded internally by Departmental resources	-	-	-	-	-
<b>Total purchase of non-current assets</b>	-	-	-	-	-

**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-dow ns	-	-	-	-	-	-	-
Net transfers free of charge	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	-	-	-	-	-	-
Write-off of assets	-	-	-	-	-	-	-
Carrying amount at end of year	-	-	-	-	-	-	-
<b>Total additions</b>	-	-	-	-	-	-	-

## **NOTES TO THE FINANCIAL STATEMENTS**

### **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.

### **Table 3.6: 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.

## APPENDIX 1: REVENUES FROM INDEPENDENT SOURCES

### Revenues from independent sources

	Estimated revenue 2001-02 \$'000	Estimated revenue 2002-03 \$'000
<b>Departmental revenue</b>		
Sales of goods and services	628	410
Interest	1,000	700
Proceeds from sale of assets	156	-
<b>Total estimated revenue</b>	<b>1,784</b>	<b>1,110</b>
<b>Administered Revenue</b>		
Licence fees, fines and charges	114,600	114,829
Proceeds from sale of assets	1,900	-
Other non-appropriation revenue	90,950	91,857
<b>Total estimated revenue</b>	<b>207,450</b>	<b>206,686</b>