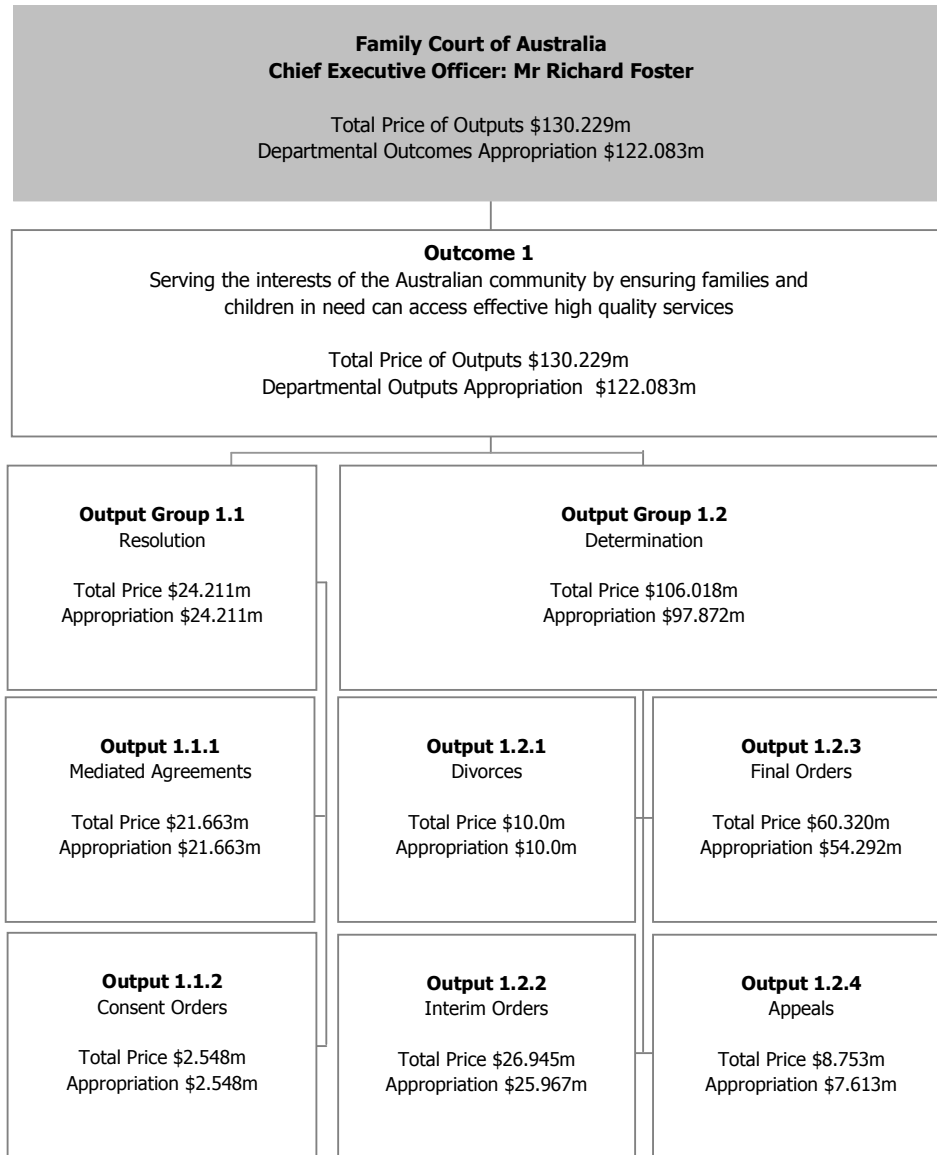


# FAMILY COURT OF AUSTRALIA

## Outcomes and Outputs Map



## Section 1: Overview, variations and measures

### OVERVIEW

There are no changes to the Family Court's role, mission or its outcomes and outputs structures as a result of Additional Estimates.

### ADDITIONAL ESTIMATES AND VARIATIONS TO OUTCOMES

Additional appropriations have been allocated for estimates variations through Additional Estimates. Details of these additional appropriations are detailed below. The only impact for the Court in achievement of both its outcome and outputs will be to marginally increase the price of certain outputs.

#### Other variations to appropriations

	2004-05	2005-06	2006-07	2007-08
	\$'000	\$'000	\$'000	\$'000
<b>Outcome 1</b>				
<b>Variations in departmental appropriations</b>				
Change in wage cost indices	-	418	844	853
Comcover supplementation clawback	(101)	-	-	-
Judicial pay increase	953	953	953	953
New Adelaide Commonwealth Law Courts funding	727	4,444	3,694	3,694
Commonwealth Law Courts rent supplementation	5,667	5,453	5,453	5,453
<b>Total</b>	<b>7,246</b>	<b>11,268</b>	<b>10,944</b>	<b>10,953</b>

### BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

Table 1.2: Appropriation Bill (No 3) 2004-05

	2003-04 Available	2004-05 Budget	2004-05 Revised	Additional Estimates	Reduced Estimates
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>DEPARTMENTAL OUTPUTS</b>					
<b>Outcome 1</b>					
Serving the interest of the Australian community by ensuring families and children in need can access effective high quality services	113,835	114,837	122,083	7,246	-
<b>Total</b>	<b>113,835</b>	<b>114,837</b>	<b>122,083</b>	<b>7,246</b>	<b>-</b>

**Table 1.3: Appropriation Bill (No 4) 2004–05**

	2003–04 Available \$'000	2004–05 Budget \$'000	2004–05 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
<b>Non-Operating</b>					
Equity injection	0	0	1,703	1,703	-
<b>Total Capital</b>	<b>0</b>	<b>0</b>	<b>1,703</b>	<b>1,703</b>	<b>-</b>

**SUMMARY OF STAFFING CHANGES****Table 1.4: Average Staffing Level (ASL)**

	2004–05 Budget	2004–05 Revised	Variation
<b>Outcome 1</b>			
Serving the interest of the Australian community by ensuring families and children in need can access effective high quality services	680	680	-
<b>Total</b>	<b>680</b>	<b>680</b>	<b>-</b>

**VARIATIONS TO REVENUE FROM OTHER SOURCES THROUGH NET ANNOTATED (SECTION 31) RECEIPTS****Table 1.5: Changes to Net Annotated Appropriations (Section 31) Receipts**

	Total Approp 2004–05 Budget \$'000	Total Approp 2004–05 Revised \$'000	Receipts from Independent Sources Budget \$'000	Receipts from Independent Sources Revised \$'000	Variation in Non-Govt Revenue \$'000
<b>Outcome 1</b>					
Serving the interest of the Australian community by ensuring families and children in need can access effective high quality services	114,837	122,083	850	850	-
<b>Total</b>	<b>114,837</b>	<b>122,083</b>	<b>850</b>	<b>850</b>	<b>-</b>

## Section 2: Revisions to outcomes and outputs

### OUTCOMES AND OUTPUTS GROUPS

There have been changes to the unit price only as a result of Additional Estimates.

#### Output cost attribution

The Family Court of Australia (FCoA) utilises an Activity Based Costing model (ABC) which attributes both direct and indirect costs (overheads) to approximately 120 activities. Those activity costs are then proportionally attributed, based on the contribution made, to each of the Courts outputs.

#### Outcome 1

##### Revised performance information and level of achievement — 2004–05

The performance information that the Family Court of Australia will use to assess the level of its achievement against Outcome 1 during 2004–05 is shown below:

**Table 2.1: Performance Information for Outputs affected by Additional Estimates — Outcome 1**

Output	Performance information 2004–05 Budget		Performance information 2004–05 Revised	
<b>Output 1.1.1</b> Mediated Agreements	<i>Quality:</i>	Proportion of total matters filed which are resolved through mediated agreement between the parties – target 75%  Timeliness of Court events – target 90% of the matters resolved through mediated agreement are resolved within 6 months of filing  Client satisfaction – target 75% of clients are satisfied with Court resolution processes	<i>Quality:</i>	Proportion of total matters filed which are resolved through mediated agreement between the parties – target 75%  Timeliness of Court events – target 90% of the matters resolved through mediated agreement are resolved within 6 months of filing  Client satisfaction – target 75% of clients are satisfied with Court resolution processes
	<i>Quantity:</i>	Number of mediated agreements reached: 14,935	<i>Quantity:</i>	Number of mediated agreements reached: 14,935
	<i>Price:</i>	Average cost of achieving mediated agreements: \$1,361	<i>Price:</i>	Average cost of achieving mediated agreements: \$1,451
<b>Output 1.1.2</b> Consent Orders	<i>Quality:</i>	Timeliness of Court events – target 90% of compliant consent orders filed are finalised within 4 weeks of filing	<i>Quality:</i>	Timeliness of Court events – target 90% of compliant consent orders filed are finalised within 4 weeks of filing
	<i>Quantity:</i>	Total number of consent orders processed: 11,400	<i>Quantity:</i>	Total number of consent orders processed: 11,400
	<i>Price:</i>	Average cost of consent orders processed: \$210	<i>Price:</i>	Average cost of consent orders processed: \$224

**Table 2.1: Performance Information for Outputs affected by Additional Estimates  
— Outcome 1 (continued)**

<b>Output</b>	<b>Performance information 2004–05 Budget</b>	<b>Performance information 2004–05 Revised</b>
<b>Output 1.2.1</b> Divorces	<p><i>Quality:</i> Timeliness – target 90% of divorces filed are determined within three months</p> <p>Client satisfaction – target 75% of clients are satisfied with Court divorce processes</p> <p><i>Quantity:</i> Total number of divorces (form 4) finalised: 5,090 (All Divorce applications are received at FCoA Registries but filed with the FMC. However, the FCoA provides all of the operational support activities, including basic procedural advice. The FCoA hears 10 % of all such filings. This quantity reflects the number of Divorces heard in the Family Court).</p> <p><i>Price:</i> Average cost: \$1,844</p>	<p><i>Quality:</i> Timeliness – target 90% of divorces filed are determined within three months</p> <p>Client satisfaction – target 75% of clients are satisfied with Court divorce processes</p> <p><i>Quantity:</i> Total number of divorces (form 4) finalised: 5,090 (All Divorce applications are received at FCoA Registries but filed with the FMC. However, the FCoA provides all of the operational support activities, including basic procedural advice. The FCoA hears 10 % of all such filings. This quantity reflects the number of Divorces heard in the Family Court).</p> <p><i>Price:</i> Average cost: \$1,965</p>
<b>Output 1.2.2</b> Interim Orders	<p><i>Quality:</i> Timeliness – target 90% of applications for interim orders are finalised within three months</p> <p>Client satisfaction – target 75% of clients are satisfied with Court processes</p> <p><i>Quantity:</i> Total number of applications for interim orders finalised: 16,120 (This quantity reflects the number of Interim Orders made in the Family Court. In addition to this, of the applications made, approximately 30% are matters for determination by the FMS – the FCoA however undertakes a range of operational support activities with respect to FMS applications).</p> <p><i>Price:</i> Average cost: \$1,569</p>	<p><i>Quality:</i> Timeliness – target 90% of applications for interim orders are finalised within three months</p> <p>Client satisfaction – target 75% of clients are satisfied with Court processes</p> <p><i>Quantity:</i> Total number of applications for interim orders finalised: 16,120 (This quantity reflects the number of Interim Orders made in the Family Court. In addition to this, of the applications made, approximately 30% are matters for determination by the FMS – the FCoA however undertakes a range of operational support activities with respect to FMS applications).</p> <p><i>Price:</i> Average cost: \$1,672</p>

**Table 2.1: Performance Information for Outputs affected by Additional Estimates  
— Outcome 1 (continued)**

Output	Performance information 2004–05 Budget	Performance information 2004–05 Revised
<p><b>Output 1.2.3</b> Final Orders</p>	<p><i>Quality:</i> Timeliness – target 75% of applications which have not been resolved are finalised within six months of issue of trial notice.</p> <p>Client satisfaction – target 75% of clients are satisfied with litigation processes. (This quantity reflects the number of Final Orders made in the Family Court. In addition to this, of the applications made, approximately 30% are matters for determination by the FMS – the FCoA however undertakes a range of operational support activities with respect to FMS applications).</p> <p><i>Quantity:</i> Number of final orders determined: 3,625</p> <p><i>Price:</i> Average cost: \$15,616</p>	<p><i>Quality:</i> Timeliness – target 75% of applications which have not been resolved are finalised within six months of issue of trial notice.</p> <p>Client satisfaction – target 75% of clients are satisfied with litigation processes. (This quantity reflects the number of Final Orders made in the Family Court. In addition to this, of the applications made, approximately 30% are matters for determination by the FMS – the FCoA however undertakes a range of operational support activities with respect to FMS applications).</p> <p><i>Quantity:</i> Number of final orders determined: 3,625</p> <p><i>Price:</i> Average cost: \$16,640</p>
<p><b>Output 1.2.4</b> Appeals</p>	<p><i>Quality:</i> Timeliness – target 75% of appeals are finalised within six months</p> <p><i>Quantity:</i> Number of appeals finalised: 340</p> <p><i>Price:</i> Average cost: \$24,160</p>	<p><i>Quality:</i> Timeliness – target 75% of appeals are finalised within six months</p> <p><i>Quantity:</i> Number of appeals finalised: 340</p> <p><i>Price:</i> Average cost: \$25,744</p>

## Section 3: Budgeted financial statements

Revisions to the budgeted departmental and administered financial statements for the Court since the 2004–05 Portfolio Budget Statements are presented in this section.

### **ANALYSIS OF BUDGETED FINANCIAL STATEMENTS**

#### **Departmental**

##### **Statement of Financial Performance**

Departmental appropriation revenue has increased by \$7.246m and other revenue by \$0.764m whilst suppliers and employees expenses have also increased by \$8.010m. There was therefore a net nil overall impact on the Court's operating result.

##### **Statement of Financial Position**

The overall change from Budget reflects the flow through impact of a 30 June 2004 "actual" operating surplus. The 2003–04 surplus was only \$0.207m higher than the Budget estimate.

#### **Administered**

##### **Schedule of budgeted revenues and expenses**

Estimated revenue has been reduced by \$0.3m, as a result of the continuing downward trend in court filings.

##### **Schedule of budgeted assets and liabilities**

The overall change from Budget reflects the impact of the 30 June 2004 "result" where transfers to the official public account were \$0.009m more than forecast resulting in a corresponding \$0.009m less cash on hand as at 30 June 2004.

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

	Actual 2003-04 \$'000	Revised Budget 2004-05 \$'000	Forward Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000
<b>REVENUE</b>					
<b>Revenues from ordinary activities</b>					
Revenues from Government	112,466	122,083	127,532	128,555	129,715
Goods and Services	1,761	500	500	500	500
Interest	514	350	350	350	350
Net gain from sales of assets	105	-	-	-	-
Other	6,268	7,296	7,296	7,296	7,296
<b>Revenues from ordinary activities</b>	<b>121,114</b>	<b>130,229</b>	<b>135,678</b>	<b>136,701</b>	<b>137,861</b>
<b>EXPENSE</b>					
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>					
Employees	66,727	70,807	72,845	74,627	75,603
Suppliers	47,534	51,758	54,398	53,152	53,336
Depreciation and amortisation	6,392	7,664	8,435	8,922	8,922
Write-down of assets	67	-	-	-	-
Net losses from sale of assets	187	-	-	-	-
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>	<b>120,907</b>	<b>130,229</b>	<b>135,678</b>	<b>136,701</b>	<b>137,861</b>
Borrowing cost expense	-	-	-	-	-
<b>Operating surplus or deficit from ordinary activities</b>	<b>207</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net surplus or deficit</b>	<b>207</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Gain or loss on extraordinary items	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
<b>Net surplus or deficit attributable to Commonwealth</b>	<b>207</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

	Actual 2003–04 \$'000	Revised Budget 2004–05 \$'000	Forward Estimate 2005–06 \$'000	Forward Estimate 2006–07 \$'000	Forward Estimate 2007–08 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	5,485	1,480	1,480	1,480	1,480
Receivables	7,388	10,570	13,278	15,000	16,722
Other	873	873	873	873	873
<b>Total financial assets</b>	<b>13,746</b>	<b>12,923</b>	<b>15,631</b>	<b>17,353</b>	<b>19,075</b>
<b>Non-financial assets</b>					
Land and buildings	10,026	13,277	13,806	14,747	14,188
Infrastructure, plant and equipment	5,492	7,511	7,838	7,425	7,012
Inventories	786	786	786	786	786
Intangibles	6,656	4,425	2,134	1,184	1,734
Other	11,521	10,521	10,521	10,521	10,521
<b>Total non-financial assets</b>	<b>34,481</b>	<b>36,520</b>	<b>35,085</b>	<b>34,663</b>	<b>34,241</b>
<b>Total assets</b>	<b>48,227</b>	<b>49,443</b>	<b>50,716</b>	<b>52,016</b>	<b>53,316</b>
<b>LIABILITIES</b>					
<b>Provisions</b>					
Employees	22,546	22,059	23,332	24,632	25,932
Other	2,225	2,225	2,225	2,225	2,225
<b>Total provisions</b>	<b>24,771</b>	<b>24,284</b>	<b>25,557</b>	<b>26,857</b>	<b>28,157</b>
<b>Payables</b>					
Suppliers	5,250	5,250	5,250	5,250	5,250
Other	333	333	333	333	333
<b>Total payables</b>	<b>5,583</b>	<b>5,583</b>	<b>5,583</b>	<b>5,583</b>	<b>5,583</b>
<b>Total liabilities</b>	<b>30,354</b>	<b>29,867</b>	<b>31,140</b>	<b>32,440</b>	<b>33,740</b>
<b>EQUITY</b>					
<b>Parent equity interest</b>					
Contributed equity	2,753	4,456	4,456	4,456	4,456
Reserves	4,728	4,728	4,728	4,728	4,728
Retained surpluses or accumulated deficits	10,392	10,392	10,392	10,392	10,392
<b>Total equity</b>	<b>17,873</b>	<b>19,576</b>	<b>19,576</b>	<b>19,576</b>	<b>19,576</b>
<b>TOTAL ASSETS AND LIABILITIES BY MATURITY</b>					
<b>Current liabilities</b>	<b>6,710</b>	<b>6,686</b>	<b>6,750</b>	<b>6,815</b>	<b>6,880</b>
<b>Non-current liabilities</b>	<b>23,644</b>	<b>23,181</b>	<b>24,390</b>	<b>25,625</b>	<b>26,860</b>
<b>Current assets</b>	<b>14,532</b>	<b>13,709</b>	<b>16,417</b>	<b>18,139</b>	<b>19,861</b>
<b>Non-current assets</b>	<b>33,695</b>	<b>35,734</b>	<b>34,299</b>	<b>33,877</b>	<b>33,455</b>

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

	Actual 2003-04 \$'000	Revised Budget 2004-05 \$'000	Forward Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	112,038	118,901	124,824	126,833	127,933
Goods and services	1,945	500	500	500	500
Interest	514	-	-	-	-
Other	5,526	4,251	4,335	4,376	4,396
<b>Total cash received</b>	<b>120,023</b>	<b>123,652</b>	<b>129,659</b>	<b>131,709</b>	<b>132,899</b>
<b>Cash used</b>					
Employees	58,927	64,088	64,366	66,121	67,097
Suppliers	52,766	54,659	58,293	57,088	57,292
<b>Total cash used</b>	<b>111,693</b>	<b>118,657</b>	<b>122,659</b>	<b>123,209</b>	<b>124,389</b>
<b>Net cash from/(used by) operating activities</b>	<b>8,330</b>	<b>4,995</b>	<b>7,000</b>	<b>8,500</b>	<b>8,500</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	105	-	-	-	-
<b>Total cash received</b>	<b>105</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	5,559	10,703	7,000	8,500	8,500
Purchase of Intangibles	-	-	-	-	-
<b>Total cash used</b>	<b>5,559</b>	<b>10,703</b>	<b>7,000</b>	<b>8,500</b>	<b>8,500</b>
<b>Net cash from/(used by) investing activities</b>	<b>(5,454)</b>	<b>(10,703)</b>	<b>(7,000)</b>	<b>(8,500)</b>	<b>(8,500)</b>
<b>FINANCIAL ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	-	1,703	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>1,703</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Capital use charge	-	-	-	-	-
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from/(used by) financing activities</b>	<b>-</b>	<b>1,703</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase in cash held</b>	<b>2,876</b>	<b>(4005)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash at the beginning of the reporting period	2,609	5,485	1,480	1,480	1,480
<b>Cash at the end of the reporting period</b>	<b>5,485</b>	<b>1,480</b>	<b>1,480</b>	<b>1,480</b>	<b>1,480</b>

Table 3.4: Departmental Capital Budget Statement for the period ended 30 June

	Actual 2003–04 \$'000	Revised Budget 2004–05 \$'000	Forward Estimate 2005–06 \$'000	Forward Estimate 2006–07 \$'000	Forward Estimate 2007–08 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	-	-	-	-	-
Total loans	-	-	-	-	-
Appropriation of previous year's carryover	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Represented by</b>					
Purchase of non-financial assets	5,559	10,703	7,000	8,500	8,500
Other	-	-	-	-	-
<b>Total</b>	<b>5,559</b>	<b>10,703</b>	<b>7,000</b>	<b>8,500</b>	<b>8,500</b>
<b>PURCHASE OF NON-CURRENT ASSETS</b>					
Funded by capital appropriations	-	1,703	-	-	-
Funded internally by departmental resources	5,559	9,000	7,000	8,500	8,500
<b>Total</b>	<b>5,559</b>	<b>10,703</b>	<b>7,000</b>	<b>8,500</b>	<b>8,500</b>

Table 3.5: Departmental Non-financial Assets — Summary of Movement (Budget Year 2004–05)

	Buildings \$'000	Other infrastructure plant and equipment \$'000	Computer Software \$'000	Total \$'000
Carrying amount at the start of year	10,026	5,492	6,656	22,174
Additions	5,500	4,703	500	10,703
Depreciation/amortisation expense	(2,250)	(2,684)	(2,730)	(7,664)
Other movements	1	-	-1	0
Carrying amount at the end of year	13,277	7,511	4,425	25,213
<b>Total additions</b>				
Self funded	5,500	3,000	500	9,000
Appropriations	-	1,703	-	1,703
<b>Total</b>	<b>5,500</b>	<b>4,703</b>	<b>500</b>	<b>10,703</b>

**Table 3.6: Schedule of Budgeted Revenues and Expenses Administered on behalf of Government for the period ended 30 June**

	Actual 2003-04 \$'000	Revised Budget 2004-05 \$'000	Forward Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000
<b>REVENUES</b>					
<b>Non-taxation</b>					
Other sources of non-taxation revenues	2,871	3,200	3,200	3,200	3,200
<b>Total non-taxation</b>	<b>2,871</b>	<b>3,200</b>	<b>3,200</b>	<b>3,200</b>	<b>3,200</b>
<b>Total revenues administered on behalf of the Government</b>	<b>2,871</b>	<b>3,200</b>	<b>3,200</b>	<b>3,200</b>	<b>3,200</b>
<b>EXPENSES</b>					
<b>Total expenses administered on behalf of the Government</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 3.7: Schedule of Budgeted Assets and Liabilities Administered on behalf of Government as at 30 June**

	Actual 2003-04 \$'000	Revised Budget 2004-05 \$'000	Forward Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	9	9	9	9	9
Receivables	-	-	-	-	-
<b>Total financial assets</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>
<b>Total assets administered on behalf of the Government</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>
<b>TOTAL ASSETS AND LIABILITIES</b>					
<b>Current liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Non-current liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Current assets</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>
<b>Non-current assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

	Actual 2003-04 \$'000	Revised Budget 2004-05 \$'000	Forward Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Other taxes, fees and fines	2,871	3,200	3,200	3,200	3,200
Cash from Official Public Account	-	-	-	-	-
<b>Total cash received</b>	<b>2,871</b>	<b>3,200</b>	<b>3,200</b>	<b>3,200</b>	<b>3,200</b>
<b>Cash used</b>					
Cash to Official Public Account	2,882	3,200	3,200	3,200	3,200
<b>Total cash used</b>	<b>2,882</b>	<b>3,200</b>	<b>3,200</b>	<b>3,200</b>	<b>3,200</b>
<b>Net cash from operating activities</b>	<b>(11)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Net cash from investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>					
<b>Net cash from financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase/decrease in cash held</b>	<b>(11)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash at the beginning of the reporting period	20	9	9	9	9
<b>Cash at the end of the reporting period</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>

## **NOTES TO THE FINANCIAL STATEMENTS**

### **Departmental and Administered Financial Statements**

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 for 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 that 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.

### **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.

### **Services provided free of charge to the Federal Magistrates Court**

The Family Court of Australia provides resources free of charge to the Federal Magistrates Court in accordance with sections 90, 92 and 99 of the *Federal Magistrates Act 1999*. Resources provided free of charge include:

- Family Court staff perform work on behalf of the Federal Magistrates Court, and
- Accommodation, including access to courtrooms.

It is estimated that the cost of resources provided free of charge by the Family Court to the Federal Magistrates Court during 2004-05 will be \$12.5m. It is expected that similar levels of support will be provided by the Family Court to the Federal Magistrates Court in all other financial years shown in these budgeted financial statements.

### **Cost Recovery Arrangements**

The Court does not have any “significant cost recovery arrangements” as defined in Commonwealth Cost Recovery Guidelines.



