

# FAMILY COURT OF AUSTRALIA

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## FAMILY COURT OF AUSTRALIA

### Section 1: Agency overview

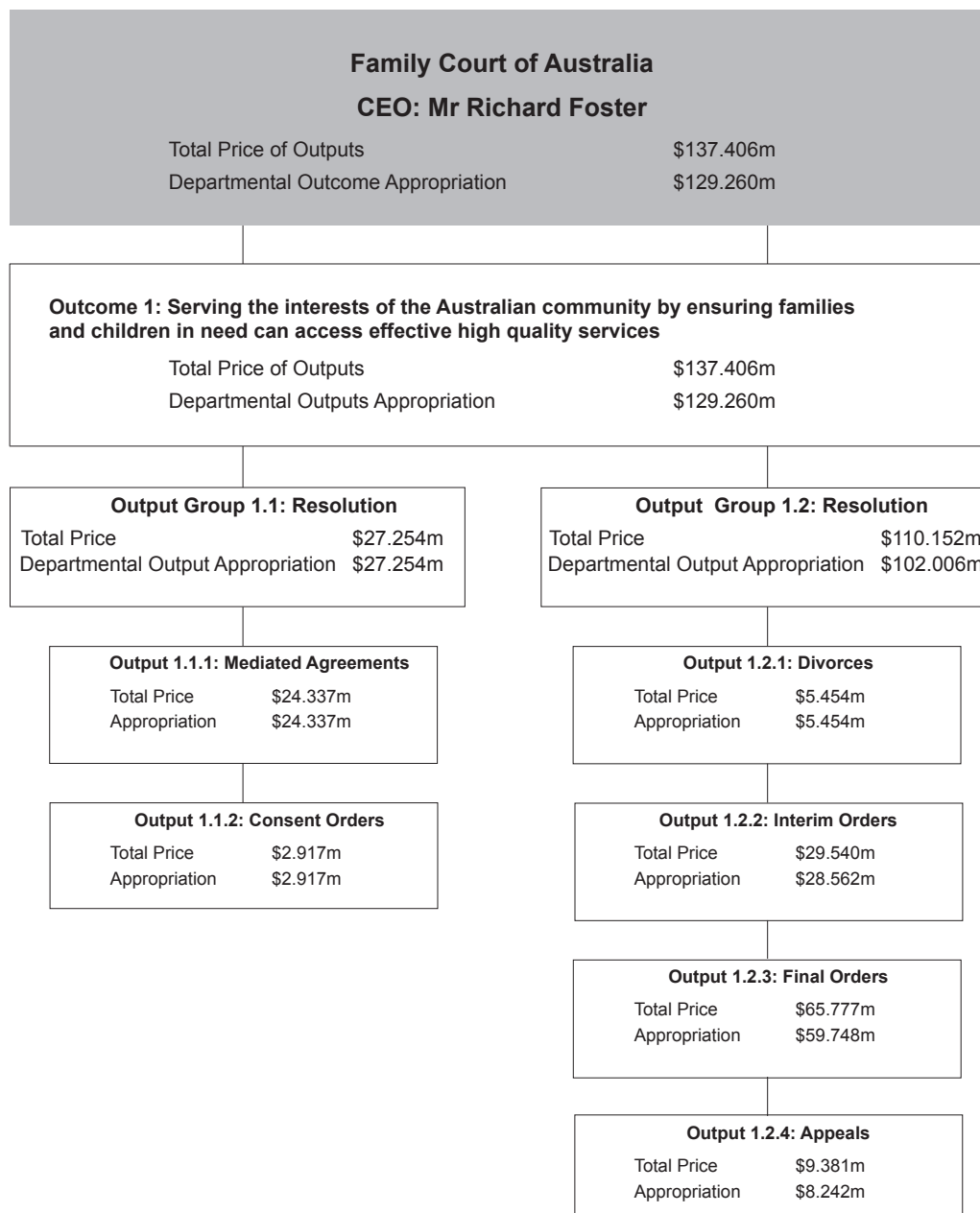
The Family Court of Australia is a Superior Court of record, which has been operating since 5 January 1976. The Court consists of the Chief Justice, Deputy Chief Justice and 44 judges. The Court maintains registries in all capital cities and some major centres except in Western Australia, which has a State Court. The Chief Justice is responsible for the management of the Court, assisted by a Deputy Chief Justice and a Chief Executive Officer. The purpose of the Court is to resolve or determine family disputes. To achieve this, the Court provides a range of services, integrated within a case management environment, and encompassing:

- information about family law and Court services
- dispute resolution services (mediation), and
- Judicial determination of litigated matters.

Accordingly, the Court has identified two key outputs (“resolution” and “determination”) necessary to achieve the outcome under the accrual budgeting framework. In so doing the Court is able to focus on specific services in order to deliver them in the most efficient and effective manner.

The Court also has administered revenue items, which include court filing fees and fines received on behalf of the Commonwealth Government. However, the Court has no material administered expense items. Therefore, administered items are not recognised in Section 2 of the Budget Statements.

**Table 1.1: Agency outcomes and output groups**



## Section 2: Agency resources for 2005–06

### **2.1: APPROPRIATIONS AND OTHER RESOURCES**

Table 2.1 shows the total resources from all origins for 2005–06, including appropriations. The table summarises how revenue will be applied by outcome, administered and departmental classification.

The total appropriation for the Court in the 2005–06 Budget is \$129.260m.

### **2.2: 2005–06 BUDGET MEASURES**

Budget measures relating to the Family Court of Australia as explained in Budget Paper No. 2 are summarised in Table 2.2. The table also identifies the relevant outcome and outputs associated with each measure.

**Table 2.1: Appropriations and other revenue 2005–06<sup>1</sup> ('000)**

Outcome	Appropriations				Revenue from Other Sources <sup>5</sup>	Total Resources <sup>7</sup>
	Bill No. 1	Bill No. 2 <sup>2</sup>	Special approp <sup>3</sup>	Total approp <sup>4</sup>		
<b>Outcome 1</b> Serving the interests of the Australian Community by ensuring families and children in need can access effective high quality services					% <sup>6</sup>	
Departmental	129,260	-	-	129,260	94	137,406
<b>Total resources</b>	<b>129,260</b>	<b>-</b>	<b>-</b>	<b>129,260</b>		<b>137,406</b>

1 This table has been redesigned to correspond with Budget Paper No. 4 'Agency Resourcing'. It now includes (where appropriate) administered revenue from other sources.

2 Under the appropriation structure, Bill No. 2 includes Specific Purpose Payments (SPPs), New Agency Outcomes (NAOs), administered capital and departmental capital via departmental injections and loans.

3 Estimated expenses from individual Special Appropriations are shown at Section 3, Tables 3.1, etc.

4 Total appropriations = Bill No. 1 + Bill No. 2 + Special appropriations.

5 Revenue from other sources includes FMA s.31 revenues, CAC body revenues that are available to be expensed, special accounts (non-appropriation revenues) and resources received free of charge.

6 Percentage figures indicate the percentage contribution of Revenue from Government (departmental appropriations) to the total price of outputs, by outcome, and the percentage contribution of Revenue from other sources (departmental) to the total price of outputs, by outcome.

7 Total resources = Total appropriations + Revenue from other sources.

Note: Refer to Budgeted statement of financial performance for application of agency revenue.

**Table 2.2: Summary of expense measures disclosed in the 2005–06 Budget (impact on fiscal balance)**

Measure	Outcome	Outputs Affected	Appropriations Budget 2005–06 (\$'000)			Appropriations Forward Estimate 2006–07 (\$'000)			Appropriations Forward Estimate 2007–08 (\$'000)			Appropriations Forward Estimate 2008–09 (\$'000)		
			Admin Expenses	Dept Outputs	Total	Admin Expenses	Dept Outputs	Total	Admin Expenses	Dept Outputs	Total	Admin Expenses	Dept Outputs	Total
Court security	1	1.1.1,	-	2,013	2,013	-	2,006	2,006	-	2,006	-	2,006	2,006	
		1.1.2,												
		1.2.1,												
		1.2.2,												
		1.2.3,												
		1.2.4												
Efficiency dividend - increase in the rate from 1 per cent to 1.25 per cent		1.1.1,												
		1.1.2,												
		1.2.1,												
		1.2.2,												
		1.2.3,												
		1.2.4												
<b>Total</b>			-	<b>1,736</b>	<b>1,736</b>	-	<b>1,446</b>	<b>1,446</b>	-	<b>1,162</b>	-	<b>1,162</b>	<b>1,162</b>	

## 2.3: OTHER RECEIPTS AVAILABLE TO BE USED

Relevant receipts for the Court are set out below.

**Table 2.3: Other receipts available to be used**

	Notes	Estimated Receipts 2004-05 \$'000	Budget Estimate 2005-06 \$'000
<b>DEPARTMENTAL OTHER RECEIPTS</b>			
Sale of goods and services	3	500	500
Interest		350	350
Resources received free of charge	2	70	70
Liabilities assumed by the Attorney-General's Department	1	7,226	7,226
<b>Total departmental other receipts available to be used</b>		<b>8,146</b>	<b>8,146</b>
<b>ADMINISTERED OTHER RECEIPTS</b>			
Other sources of non-tax revenue	4	3,200	2,200
<b>Total administered other receipts available to be used</b>		<b>3,200</b>	<b>2,200</b>

**Notes:**

- Liabilities assumed by the Attorney-General's Department relate to the *Judges' Pensions Act 1968*.
- Resources received free of charge are for services provided by the Australian National Audit Office in conducting the annual financial statement audit.
- Sale of goods and services revenue includes photocopying charges, copies of decrees and other minor revenue.
- Administered revenue is for Court filing fees.

## 2.6: SPECIAL ACCOUNTS

Special Accounts	Estimate - 2005-06, Heavy Figures				
	Opening <sup>1</sup> Balance 2005-06 2004-05 \$'000	Receipts <sup>2</sup> 2005-06 2004-05 \$'000	Payments 2005-06 2004-05 \$'000	Adjustments 2005-06 2004-05 \$'000	Closing Balance 2005-06 2004-05 \$'000
Other Trust Money - FMA Act 1997, s20.(A)	428	400	400	-	428
	428	400	400	-	428
<i>Comcare Account Safety Rehabilitation and Compensation Act 1988. (D)</i>	-	250	250	-	-
	-	250	250	-	-
<b>Total Special Accounts 2005-06 Budget Estimate</b>	<b>428</b>	<b>650</b>	<b>650</b>	<b>-</b>	<b>428</b>
<i>Total Special Accounts 2004-05 Estimate Actual</i>	428	650	650	-	428

D = Departmental A = Administered

**Acts Glossary:** FMA Act = *Financial Management and Accountability Act 1997*

**Notes:**

- The Opening Balance for 2005-06 is the same as the closing balance for 2004-05.
- Receipts from appropriations and other sources are further specified in the Total Resources for Outcome tables.

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

The Court does not have an appropriation for an equity injection, or loan or an appropriation for administered capital.

## **Section 3: Agency outcomes**

This section explains how the resources identified in Section 2 will be used to deliver outputs and administered items to contribute to the outcome of the Court.

### **3.1: SUMMARY OF OUTCOMES, OUTPUTS AND ADMINISTERED ITEMS**

#### **Output cost attribution**

The Court 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.

### **3.3: OUTCOMES RESOURCING**

#### **Outcome 1 resourcing**

Table 3.1 shows how the 2005–06 Budget appropriations translate to total resourcing for the Court's Outcome, including revenue from government (appropriation), revenue from other sources (departmental) and the total price of outputs.

Table 3.1 Total resources for Outcome 1

	Estimated Actual 2004–05 \$'000	Budget Estimate 2005–06 \$'000
<b>from Special Accounts (estimated payments from Special Account balances)<sup>2</sup></b>		
Other trust Money- s20 FMA Act	400	400
<b>Total Special Account outflows</b>	<b>400</b>	<b>400</b>
<b>DEPARTMENTAL APPROPRIATIONS</b>		
<b>Output Group 1.1 - Resolution</b>		
Output 1.1.1 - Mediated Agreements	21,663	24,337
Output 1.1.2 - Consent Orders	2,548	2,917
<b>Sub total Output Group 1.1</b>	<b>24,211</b>	<b>27,254</b>
<b>Output Group 1.2 - Determination</b>		
Output 1.2.1 - Divorces	10,000	5,454
Output 1.2.2 - Interim Orders	25,967	28,562
Output 1.2.3 - Final Orders	54,292	59,748
Output 1.2.4 - Appeals	7,631	8,242
<b>Sub total Output Group 1.2</b>	<b>97,872</b>	<b>102,006</b>
<b>Total departmental appropriations</b>	<b>122,083</b>	<b>129,260</b>
<b>Total revenue from Government (appropriations) Contributing to price of departmental outputs</b>	<b>122,083</b>	<b>129,260</b>
<b>REVENUE FROM OTHER SOURCES</b>		
Output 1.2.2 - Interim Orders	948	948
Output 1.2.3 - Final Orders	5,843	5,843
Output 1.2.4 - Appeals	1,105	1,105
Output 1.2.2, 1.2.3 & 1.2.4 - ( to Comcare Special Account )	250	250
<b>Total revenue from other sources</b>	<b>8,146</b>	<b>8,146</b>
<b>Total price from departmental outputs (Total revenue from government and from other sources)</b>	<b>130,229</b>	<b>137,406</b>
<b>from Special Accounts (estimated payments from Special Account balances)<sup>2</sup></b>		
Comcare special account	250	250
<b>Total departmental Special Account outflows</b>	<b>250</b>	<b>250</b>
<b>Total estimated resourcing for Outcome 1 (Total price of outputs and administered appropriations)</b>	<b>130,229</b>	<b>137,406</b>
	2004–05	2005–06
<b>Average staffing level (number)</b>	<b>680</b>	<b>680</b>

- Flows into Special Accounts are also shown in the receipts column of the Special Accounts table in Table 2.6.
- Special Account outflows are shown in the payments column of the Special Account table in Table 2.6. The estimated payments from special account balances are provided by way of note only and do not form part of the total estimated resourcing.
- Where names of Acts have been abbreviated, the full name of the Act can be found in the Acts Glossary at the end of Table 2.6.

Table 3.2: Performance information for Outcome 1

Performance information for departmental outputs	
<i>Output description</i>	<i>Performance measure</i>
<b>Output group 1.1: Resolution</b>	
Output 1.1.1 Mediated Agreements	<p><i>Price:</i> Average cost of achieving mediated agreements: \$2,614</p> <p><i>Quality:</i> Proportion of total matters filed which are resolved through mediated agreement between the parties — target 75%</p> <p>Timeliness of Court events — target 90% of the matters resolved through mediated agreement are resolved within 6 months of filing</p> <p>Client satisfaction — target 75% of clients are satisfied with Court resolution processes</p> <p><i>Quantity:</i> Number of mediated agreements reached: 9,309</p>
Output 1.1.2 Consent Orders	<p><i>Price:</i> Average cost of consent orders processed: \$293</p> <p><i>Quality:</i> Timeliness of Court events - target 90% of compliant consent orders filed are finalised within 4 weeks of filing</p> <p><i>Quantity:</i> Total number of consent orders processed: 9,963</p>
<b>Output group 1.2: Determination</b>	
Output 1.2.1 Divorces	<p><i>Price:</i> Average cost: \$1,165</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: 4,680</p> <p>(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>

**Table 3.2: Performance information for Outcome 1 (continued)**

Output 1.2.2 Interim Orders	<p><i>Price:</i> Average cost: \$2,317</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: 12,750</p> <p>(This quantity reflects the number of Interim Orders made in the Family Court. In addition to this, of the Applications made, approximately 46% are matters for determination by the FMC – the FCoA however undertakes a range of operational support activities with respect to FMC applications).</p>
Output 1.2.3 Final Orders	<p><i>Price:</i> Average cost: \$20,620</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</p> <p>(This quantity reflects the number of Final Orders made in the Family Court. In addition to this, of the Applications made, approximately 50% are matters for determination by the FMC. The FCoA however undertakes a range of operational support activities with respect to FMC applications).</p>
Output 1.2.4 Appeals	<p><i>Quantity:</i> Number of final orders determined: 3,190</p> <p><i>Price:</i> Average cost: \$27,592</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>

### Measures affecting Outcome 1

A summary of measures in the 2005–06 Budget is at Table 2.2.

### Performance information for Outcome 1

The Family Court of Australia's outputs of *resolution* and *determination* reflect the Government's commitment to helping families to resolve their disputes by agreement rather than proceeding to trial and having their disputes determined by a judge.

## **Output group 1.1 - Resolution**

The provision of services to assist clients to resolve their family disputes without proceeding to determination, ie to resolve disputes without commencing a hearing before a Judge, Judicial Registrar or Senior Registrar. Services include mediation in children's matters by Court Mediators and in property matters by Registrars, and joint conferences by a Court Mediator and Registrar in matters where there are enmeshed parenting and property issues. Pre-filing mediation is available in some Court locations primarily in rural and regional locations prior to filing a formal application with the Court. In other locations potential clients are referred to these services within the Community.

A combined first return date event is provided after filing of an application for final orders in parenting and financial cases. This event comprises an information session, case assessment conference and directions hearing. The information session early in the court process presents information about the full range of options available to assist in the resolution of a dispute. The case assessment conference identifies the issues in dispute between the parties, considers appropriate dispute resolution interventions and provides an early opportunity to negotiate and, if the case is not able to be resolved, adopts a case management pathway for each case. If agreement can be reached, development of parenting plans and consent orders assist separated families to reach and formalise agreements, without proceeding to a judicial determination.

At all events along the Court's case management pathway there is an attempt made to resolve the issues in dispute. Events in this category include case assessment conferences, directions hearings, conciliation conferences, mediation and pre trial conferences. Registry services include filing of applications, listing of resolution events and provision of information to clients in person and by phone.

### **Output 1.1.1 Mediated Agreements**

In some locations clients may seek pre-filing mediation services (voluntary counselling) without filing a formal application with the Family Court. Some of these clients subsequently reach a private agreement which is never formalised by the Family Court, others submit consent orders and others proceed to file an application for interim and/or final orders. Mediation is conducted in children's matters by Court Mediators who are trained in social work or psychology. In financial matters, conciliation conferences are conducted by legally trained Registrars. Where there are combined children's and financial matters a joint session with a Registrar and a Mediator is organised, where possible. Clients may file an application for final orders but resolve their dispute at some point between filing the application and commencing a final hearing before a Judge or Judicial Registrar. For example, after case assessment conference, a conciliation conference or at the pre-trial conference.

### **Output 1.1.2 Consent Orders**

Clients may file an application for consent orders for approval by a Registrar in chambers, without seeking recourse to any other Family Court services including pre-filing mediation. Alternatively, parties may seek to register a parenting plan or enter into a binding financial arrangement (part VIII(A) Family Law Act). Those matters that proceed with an application can be finalised at any stage by the filing of consent orders.

## **Output group 1.2 - Determination**

Matters determined by Judges, Judicial Registrars and Senior Registrars include divorces, applications for interim orders, applications for final orders and appeals. These matters mostly include, but are not limited to, those involving financial disputes between parties to a marriage and disputes involving residence, contact and specific issues related to the children whether the parents have married or not. The vast majority of matters commenced in the court, resolve before reaching a final hearing. In addition, a very large number of parties file applications seeking interim orders.

Activities undertaken by Family Court staff include preparing matters for determination by Judicial officers, such as provision of registry services to process applications for court proceedings, listing of matters for trial, provision of pre-trial conferences, provision of family reports, and resolving taxation of costs. Client services teams proactively manage individual files to ensure that parties and their lawyers are prepared and available for court events. These managers are the parties' and lawyers' first point of reference in any case pending in the court.

### **Output 1.2.1 Divorces**

The Family Court of Australia (FCoA) and the FMC have concurrent jurisdiction to determine applications for divorce. The divorce application is a separate procedure from any application relating to the matrimonial property or the residence, contact or specific issues relating to children.

All divorce applications are received at FCoA Registries but filed with the FMC. However the FCoA provides all the operational support activities, including basic procedural advice.

The FCoA hears 10% of all such filings.

### **Output 1.2.2 Interim Orders**

Clients may seek to have their family dispute determined by a Judge, Judicial Registrar or Senior Registrar on an interim basis pending progress of their application for final orders. Disputes may include financial, children or other matters. Activities undertaken by Court staff include services to assist judicial decision making such as provision of registry services to process applications for court proceedings and listing of matters for trial.

### **Output 1.2.3 Final Orders**

The determination of family disputes, including children, financial and other matters are required to be decided by a judicial officer on a final basis. All final orders, after a hearing, are followed by a Judgement which explains reasons for a decision.

### **Output 1.2.4 Appeals**

The Family Law Act allows an appeal against the decision of an individual Judge to the Full Court. Decisions by Judicial Registrars and Senior Registrars are reviewed by a single Judge and are treated as an event contributing the outputs *Interim Orders* or

*Final Orders*, not to the *Appeals* output. Fewer than 2% of interim orders made by Senior Registrars are sent on review to a Judge. The Family Law Act allows an appeal against the decision of a Federal Magistrate to the Full Court. A further provision in the Family Law Act permits the Chief Justice to determine whether that appeal is heard by the Full Court or by a single Judge constituting a Full Court.

### **Evaluations for Outcome 1**

Information on planned evaluation activity is included in Table 3.2. The results will be reported on in the Annual Report and will include details of operational audits undertaken by the Court's internal auditor Acumen Alliance.

## **Section 4: Other reporting requirements**

### **4.1: PURCHASER-PROVIDER ARRANGEMENTS**

The Court has no purchaser provider arrangements.

### **4.2: COST RECOVERY ARRANGEMENTS**

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

### **4.3: AUSTRALIAN GOVERNMENT INDIGENOUS EXPENDITURE (AGIE)**

The current ATSI Family Consultants Programme (the FC Programme) promotes access to justice for Indigenous Australians and assists the Court and other agencies in the family law system to adapt their processes and operations to address the barriers that exist for Indigenous people in accessing services.

The Programme objectives are delivered through:

- Culturally appropriate mediation for Indigenous clients, by the Consultants themselves or together with Court mediators, as appropriate
- Working with Indigenous communities to make links to other appropriate family law services
- Assistance to the communities themselves to develop programmes for families experiencing conflict and family breakdown, and
- Provision of cultural awareness programmes to Court staff and other personnel and assistance to Court through input to Family Reports, should proceedings reach the determination phase.

## Section 5: Budgeted financial statements

### **5.1: ANALYSIS OF BUDGETED FINANCIAL STATEMENTS**

#### **Departmental**

##### **Statement of financial performance**

The Court is budgeting for a balanced budget in 2005–06.

Departmental appropriation revenue has increased \$7.177m (or 5.8%) compared to 2004–05 estimated actuals. The increase reflects additional funding received for the new Adelaide Commonwealth Law Courts building operating costs and the Court's improved security new measure. Employees expenses and supplier expenses have increased \$1.890m and \$4.516m respectively due to the increased funding whilst depreciation expenses have increased \$0.771m.

##### **Statement of financial position**

The Court is budgeting for a \$1.273m increase in assets over 2004–05, primarily in receivables of \$2.708m offset by a reduction in non financial assets of \$1.435m. The increase in receivables and the decrease in non current assets is driven by delay in several large assets replacements now due to occur in early 2005–06.

Employee liabilities are budgeted to increase by \$1.273m and represent the Court's major liability.

#### **Administered**

##### **Statement of financial performance**

The Court is budgeting for a \$1.0m reduction in revenue in 2005–06 compared to 2004–05, resulting directly from the increasing number of matters filed with the FMC.

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

The Court is budgeting for the 2004–05 level of assets (cash unremitted to OPA at 30 June) to be maintained in 2005–06.

## 5.2: BUDGETED FINANCIAL STATEMENTS TABLES

**Table 5.1: Budgeted Departmental Statement of Financial Performance for the period ended 30 June**

	Estimated Actual 2004-05 \$'000	Budget Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000
<b>REVENUE</b>					
<b>Revenues from ordinary activities</b>					
Revenues from Government	122,083	129,260	129,996	130,984	132,222
Goods and services	500	500	500	500	500
Interest	350	350	350	350	350
Other	7,296	7,296	7,296	7,296	7,296
<b>Revenues from ordinary activities</b>	<b>130,229</b>	<b>137,406</b>	<b>138,142</b>	<b>139,130</b>	<b>140,368</b>
<b>EXPENSE</b>					
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>					
Employees	70,807	72,697	74,340	75,230	76,390
Suppliers	51,758	56,274	54,880	54,978	55,056
Depreciation and amortisation	7,664	8,435	8,922	8,922	8,922
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>	<b>130,229</b>	<b>137,406</b>	<b>138,142</b>	<b>139,130</b>	<b>140,368</b>
Borrowing costs expense	-	-	-	-	-
Share of net profits or (losses) of associates and joint ventures accounted for using the equity method	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
<b>Operating surplus or (deficit) from ordinary activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Table 5.2: Budgeted Departmental Statement of Financial Position as at 30 June

	Estimated Actual 2004–05 \$'000	Budget Estimate 2005–06 \$'000	Forward Estimate 2006–07 \$'000	Forward Estimate 2007–08 \$'000	Forward Estimate 2008–09 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	1,480	1,480	1,480	1,480	1,480
Receivables	10,570	12,428	14,150	15,872	17,594
Other financial assets	873	873	873	873	873
<b>Total financial assets</b>	<b>12,923</b>	<b>14,781</b>	<b>16,503</b>	<b>18,225</b>	<b>19,947</b>
<b>Non-financial assets</b>					
Land and buildings	13,277	13,806	14,747	14,188	13,629
Infrastructure, plant and equipment	7,511	8,688	8,275	7,862	7,449
Inventories	786	786	786	786	786
Intangibles	4,425	2,134	1,184	1,734	2,284
Other non-financial assets	10,521	10,521	10,521	10,521	10,521
<b>Total non-financial assets</b>	<b>36,520</b>	<b>35,935</b>	<b>35,513</b>	<b>35,091</b>	<b>34,669</b>
<b>Total assets</b>	<b>49,443</b>	<b>50,716</b>	<b>52,016</b>	<b>53,316</b>	<b>54,616</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
Loans	-	-	-	-	-
<b>Total interest bearing liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provisions</b>					
Employees	22,059	23,332	24,632	25,932	27,232
Other provisions	2,225	2,225	2,225	2,225	2,225
<b>Total provisions</b>	<b>24,284</b>	<b>25,557</b>	<b>26,857</b>	<b>28,157</b>	<b>29,457</b>
<b>Payables</b>					
Suppliers	5,250	5,250	5,250	5,250	5,250
Other payables	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>29,867</b>	<b>31,140</b>	<b>32,440</b>	<b>33,740</b>	<b>35,040</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	4,456	4,456	4,456	4,456	4,456
Reserves	4,728	4,728	4,728	4,728	4,728
Statutory funds	-	-	-	-	-
Retained surpluses or accumulated deficits	10,392	10,392	10,392	10,392	10,392
<b>Total parent entity interest</b>	<b>19,576</b>	<b>19,576</b>	<b>19,576</b>	<b>19,576</b>	<b>19,576</b>
<b>Outside equity interest</b>					
Contributed equity	-	-	-	-	-
<b>Total outside equity interest</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>19,576</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 assets</b>	<b>13,709</b>	<b>15,567</b>	<b>17,289</b>	<b>19,011</b>	<b>20,733</b>
<b>Non-current assets</b>	<b>35,734</b>	<b>35,149</b>	<b>34,727</b>	<b>34,305</b>	<b>38,883</b>
<b>Current liabilities</b>	<b>6,686</b>	<b>6,750</b>	<b>6,815</b>	<b>6,880</b>	<b>6,945</b>
<b>Non-current liabilities</b>	<b>23,181</b>	<b>24,390</b>	<b>25,625</b>	<b>26,860</b>	<b>28,095</b>

\* 'Equity' is the residual interest in assets after deduction of liabilities.

**Table 5.3: Budgeted Departmental Statement of Cash Flows for the period ended 30 June**

	Estimated Actual 2004–05 \$'000	Budget Estimate 2005–06 \$'000	Forward Estimate 2006–07 \$'000	Forward Estimate 2007–08 \$'000	Forward Estimate 2008–09 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	500	500	500	500	500
Appropriations	118,901	127,402	128,274	129,262	130,500
Other	4,251	4,335	4,376	4,396	4,396
<b>Total cash received</b>	<b>123,652</b>	<b>132,237</b>	<b>133,150</b>	<b>134,158</b>	<b>135,396</b>
<b>Cash used</b>					
Employees	64,088	64,218	65,834	66,724	67,884
Suppliers	50,318	55,834	54,440	54,538	54,616
Other	4,251	4,335	4,376	4,396	4,396
<b>Total cash used</b>	<b>118,657</b>	<b>124,387</b>	<b>124,650</b>	<b>125,658</b>	<b>126,896</b>
<b>Net cash from or (used by) operating activities</b>	<b>4,995</b>	<b>7,850</b>	<b>8,500</b>	<b>8,500</b>	<b>8,500</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	10,703	7,850	8,500	8,500	8,500
Extraordinary items	-	-	-	-	-
<b>Total cash used</b>	<b>10,703</b>	<b>7,850</b>	<b>8,500</b>	<b>8,500</b>	<b>8,500</b>
<b>Net cash from or (used by) investing activities</b>	<b>(10,703)</b>	<b>(7,850)</b>	<b>(8,500)</b>	<b>(8,500)</b>	<b>(8,500)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	1703	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>1703</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Dividends paid	-	-	-	-	-
Extraordinary items	-	-	-	-	-
<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>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>	<b>(4,005)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash at the beginning of the reporting period	5,485	1,480	1,480	1,480	1,480
<b>Cash at the end of the reporting period</b>	<b>1,480</b>	<b>1,480</b>	<b>1,480</b>	<b>1,480</b>	<b>1,480</b>

**Table 5.4: Departmental Capital Budget Statement for the period ended 30 June**

	Estimated Actual 2004–05 \$'000	Budget Estimate 2005–06 \$'000	Forward Estimate 2006–07 \$'000	Forward Estimate 2007–08 \$'000	Forward Estimate 2008–09 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	1,703	-	-	-	-
Total loans	-	-	-	-	-
<b>Total capital appropriations</b>	<b>1,703</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Represented by:</b>					
Purchase of non-financial assets	10,703	7,850	8,500	8,500	8,500
Other	-	-	-	-	-
<b>Total represented by</b>	<b>10,703</b>	<b>7,850</b>	<b>8,500</b>	<b>8,500</b>	<b>8,500</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation	1,703	-	-	-	-
Funded internally by Departmental resources	9,000	7,850	8,500	8,500	8,500
<b>Total</b>	<b>10,703</b>	<b>7,850</b>	<b>8,500</b>	<b>8,500</b>	<b>8,500</b>

**Table 5.5: Departmental Property, Plant, Equipment and Intangibles — Summary of Movement (Budget year 2005–06)**

	Investment Property \$'000	Other Infrastructure Plant and Equipment \$'000	Other Intangibles \$'000	Total \$'000
<b>As at 1 July 2005</b>				
Gross book value	26,891	15,843	12,765	55,499
Accumulated depreciation	13,614	8,332	8,340	30,286
<b>Opening net book value</b>	<b>13,277</b>	<b>7,511</b>	<b>4,425</b>	<b>25,213</b>
<b>Additions:</b>				
by purchase	3,000	4,350	500	7,850
by finance lease	-	-	-	-
from acquisitions of entities or operations (including restructuring)	-	-	-	-
Net revaluation increment/decrement	-	-	-	-
Reclassifications	-	-	-	-
Depreciation/amortisation expense	2,472	3,173	2,790	8,435
Recoverable amount write-downs	-	-	-	-
Other movements (Gross value of disposals)	2,199	2,000	200	4,399
Disposals:				
from disposal of entities or operations (including restructuring)	-	-	-	-
other disposals (accumulated depreciation)	2,200	2,000	199	4,399
<b>As at 30 June 2006</b>				
Gross book value	27,692	18,193	13,065	58,950
Accumulated depreciation	13,886	9,505	10,931	34,322
<b>Closing net book value</b>	<b>13,806</b>	<b>8,688</b>	<b>2,134</b>	<b>24,628</b>

**Table 5.6: Schedule of Budgeted Revenues and Expenses Administered on behalf of Government for the period ended 30 June**

	Estimated Actual 2004-05 \$'000	Budget Estimates 2005-06 \$'000	Forward Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000
<b>REVENUES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Taxation</b>					
Income tax	-	-	-	-	-
<b>Total taxation</b>	-	-	-	-	-
<b>Non-taxation (revenues from Government)</b>					
Other sources of non-taxation revenues	3,200	2,200	2,200	2,200	2,200
<b>Total non-taxation</b>	<b>3,200</b>	<b>2,200</b>	<b>2,200</b>	<b>2,200</b>	<b>2,200</b>
<b>Total revenues administered on behalf of Government</b>	<b>3,200</b>	<b>2,200</b>	<b>2,200</b>	<b>2,200</b>	<b>2,200</b>
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Grants	-	-	-	-	-
Other	-	-	-	-	-
<b>Total expenses administered on behalf of Government</b>	-	-	-	-	-

**Table 5.7: Schedule of Budgeted Assets and Liabilities Administered on behalf of Government as at 30 June**

	Estimated Actual 2004-05 \$'000	Budget Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Cash	9	9	9	9	9
Receivables	-	-	-	-	-
Other financial assets	-	-	-	-	-
<b>Total financial assets</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>
<b>Non-financial assets</b>					
Intangibles	-	-	-	-	-
Other non-financial assets	-	-	-	-	-
<b>Total non-financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets administered on behalf of Government</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Interest bearing liabilities</b>					
Loans	-	-	-	-	-
Other	-	-	-	-	-
<b>Total interest bearing liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provisions</b>					
Employees	-	-	-	-	-
Other provisions	-	-	-	-	-
<b>Total provisions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payables</b>					
Suppliers	-	-	-	-	-
Grants and subsidies	-	-	-	-	-
<b>Total payables</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities administered on behalf of Government</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 5.8: Schedule of Budgeted Administered Cash Flows for the period ended 30 June**

	Estimated Actual 2004-05 \$'000	Budget Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Other taxes, fees and fines	3,200	2,200	2,200	2,200	2,200
Sales of goods	-	-	-	-	-
<b>Total cash received</b>	<b>3,200</b>	<b>2,200</b>	<b>2,200</b>	<b>2,200</b>	<b>2,200</b>
<b>Cash used</b>					
Borrowing costs	-	-	-	-	-
Employees	-	-	-	-	-
Other (Cash to Official Public Account)	3,200	2,200	2,200	2,200	2,200
<b>Total cash used</b>	<b>3,200</b>	<b>2,200</b>	<b>2,200</b>	<b>2,200</b>	<b>2,200</b>
<b>Net cash from/(used by) operating activities</b>	<b>-</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 and intangibles	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from/(used by) investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from borrowing	-	-	-	-	-
Cash from Official Public Account	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Cash to Official Public Account	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from/(used by) financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 5.8: Schedule of budgeted administered cash flows for the period ended 30 June (continued)**

	Estimated Actual 2004–05 \$'000	Budget Estimate 2005–06 \$'000	Forward Estimate 2006–07 \$'000	Forward Estimate 2007–08 \$'000	Forward Estimate 2008–09 \$'000
<b>Net increase or (decrease) in cash held</b>	-	-	-	-	-
Cash at beginning of reporting period	9	9	9	9	9
Cash from Official Public Account for Appropriations	-	-	-	-	-
Special accounts	400	400	400	400	400
Cash to Official Public Account for Appropriations	-	-	-	-	-
Special accounts	400	400	400	400	400
<b>Cash at end of reporting period</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>

### 5.3: 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 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 fund the majority of payments from the Consolidated Revenue Fund (especially those that are entitlement driven or involve transfers to state governments).

### **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 FMC**

The Family Court of Australia provides resources free of charge to the FMC 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 FMC, and
- accommodation, including access to courtrooms.

It is estimated that the cost of resources provided free of charge by the Family Court to the FMC during 2005–06 will be \$12.5m. It is expected that similar levels of support will be provided by the Family Court to the FMC in all other financial years shown in these budgeted financial statements.

