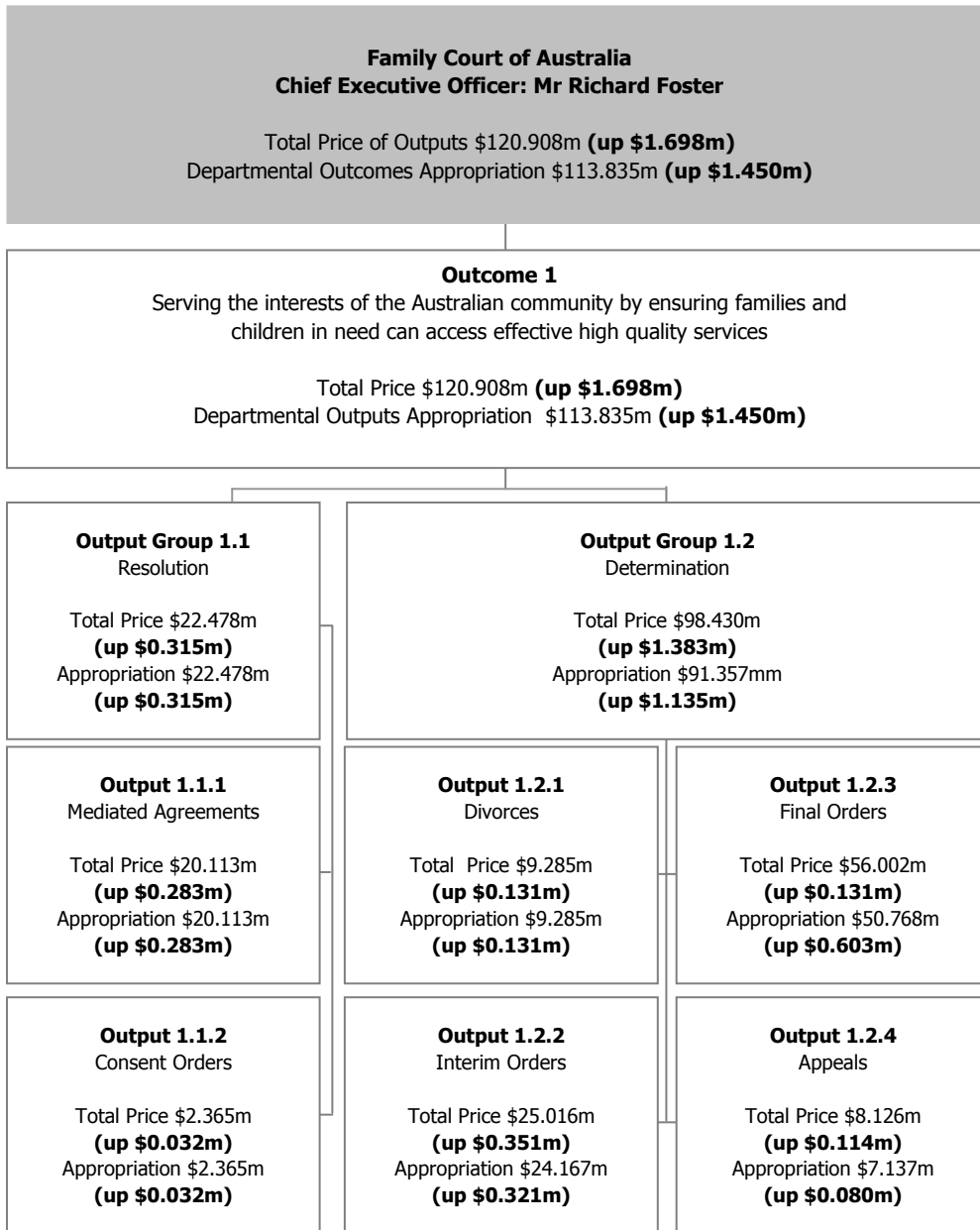


FAMILY COURT OF AUSTRALIA

Outcomes and Output Groups



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

	2003-04 (\$'000)	2004-05 (\$'000)	2005-06 (\$'000)	2006-07 (\$'000)
Outcome 1				
Variations in departmental appropriations				
Change in wage cost indices	-	(399)	(707)	(817)
Agency Banking Incentive Scheme adjustment	393	-	-	-
Comcover premium rate increase	164	-	-	-
Judicial pay increase	893	893	893	893
Total	1,450	494	186	76

BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

Table 1.2: Appropriation Bill (No 3) 2003-04

	2002-03 Available \$'000	2003-04 Budget \$'000	2003-04 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
DEPARTMENTAL OUTPUTS					
Outcome 1					
Serving the interest of the Australian community by ensuring families and children in need can access effective high quality services	111,643	112,385	113,835	1,450	-
Total	111,643	112,385	113,835	1,450	-

SUMMARY OF STAFFING CHANGES

Table 1.4: Average Staffing Level (ASL)

	2003-04 Budget	2003-04 Revised	Variation
Outcome 1			
Serving the interest of the Australian community by ensuring families and children in need can access effective high quality services	680	680	-
Total	680	680	-

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 2003-04 Budget \$'000	Total Approp 2003-04 Revised \$'000	Receipts from Independent Sources Budget \$'000	Receipts from Independent Sources Revised \$'000	Variation in Non-Govt Revenue \$'000
Outcome 1					
Serving the interest of the Australian community by ensuring families and children in need can access effective high quality services	112,385	113,835	850	850	-
Total	112,385	113,835	850	850	-

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 – 2003–04

The performance information that the Family Court of Australia will use to assess the level of its achievement against Outcome 1 during 2003–04 is shown below:

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

Output	Performance Information 2003–04 Budget	Performance Information 2003–04 Revised
Output 1.1.1		
Mediated Agreements	<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: 15,520</p> <p><i>Price:</i> Average cost of achieving mediated agreements: \$1,274</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: 15,520</p> <p><i>Price:</i> Average cost of achieving mediated agreements: \$1,296</p>

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

Output	Performance Information 2003–04 Budget	Performance Information 2003–04 Revised
Output 1.1.2		
Consent Orders	<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: 11,700</p> <p><i>Price:</i> Average cost of consent orders processed: \$199</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: 11,700</p> <p><i>Price:</i> Average cost of consent orders processed: \$202</p>
Output 1.2.1		
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: 25,500 (This quantity reflects the number of Divorces finalised in the Family Court. In addition to this, of Divorce Applications filed at the FCoA Registries, approximately 60% are matters filed for determination by the Federal Magistrates Service (FMS) – The FCoA however undertakes a range of operational support activities with respect to FMS applications).</p> <p><i>Price:</i> Average cost: \$359</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: 11,264 (This quantity reflects the number of Divorces finalised in the Family Court. In addition to this, of Divorce Applications filed at the FCoA Registries, approximately 78% are matters filed for determination by the Federal Magistrates Service (FMS) – The FCoA however undertakes a range of operational support activities with respect to FMS applications).</p> <p><i>Price:</i> Average cost: \$824</p>

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

Output	Performance Information 2003–04 Budget	Performance Information 2003–04 Revised
Output 1.2.2		
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: 17,900</p> <p>(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: \$1,378</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: 17,900</p> <p>(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: \$1,398</p>

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

Output	Performance Information 2003–04 Budget	Performance Information 2003–04 Revised
Output 1.2.3		
Final Orders	<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>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>
	<i>Quantity:</i> Number of final orders determined: 3,800	<i>Quantity:</i> Number of final orders determined: 3,800
	<i>Price:</i> Average cost: \$14,531	<i>Price:</i> Average cost: \$14,737
Output 1.2.4		
Appeals	<p><i>Quality:</i> Timeliness – target 75% of appeals are finalised within six months</p>	<p><i>Quality:</i> Timeliness – target 75% of appeals are finalised within six months</p>
	<i>Quantity:</i> Number of appeals finalised: 340	<i>Quantity:</i> Number of appeals finalised: 340
	<i>Price:</i> Average cost: \$23,565	<i>Price:</i> Average cost: \$23,901

Section 3: Budgeted financial statements

Revisions to the budgeted departmental and administered financial statements for the department since the 2003-04 Portfolio Budget Statements are presented in this section.

ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

Departmental

Statement of Financial Performance

Departmental appropriation revenue has increased by \$1.45m and other revenue by \$0.248m whilst suppliers and employees expenses have also increased by \$1.698m. 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 an 30 June 2003 "actual" operating surplus. The 2002-03 surplus was \$2.219m higher than the budget as a result of underspends in several Court projects of \$1.1m and other Court wide savings of \$1m.

Administered

Schedule of budgeted revenues and expenses

Estimated revenue has been reduced by \$0.5m, as a result of the continuing downward trend in court filings.

Schedule of budgeted assets and liabilities

The change from Budget reflects the flow through impact of the 30 June 2003 actuals.

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

Note	Actual 2002-03 \$'000	Revised Budget 2003-04 \$'000	Forward Estimate 2004-05 \$'000	Forward Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000
Revenues from ordinary activities					
Revenues from Government	113,777	113,835	115,783	117,396	118,968
Goods and Services	1,025	500	500	500	500
Interest	624	350	350	350	350
Revenue from sales of assets	40	-	-	-	-
Other	5,742	6,223	6,532	6,532	6,532
Revenues from ordinary activities	121,208	120,908	123,165	124,778	126,350
Expenses from ordinary activities (excluding borrowing costs expense)					
Employees	64,929	63,706	65,786	66,077	66,619
Suppliers	44,861	49,735	49,715	50,545	51,088
Depreciation and amortisation	6,194	7,467	7,664	8,156	8,643
Write-down of assets	1	-	-	-	-
Net losses from sale of assets	177	-	-	-	-
Expenses from ordinary activities (excluding borrowing costs expense)	116,160	120,908	123,165	124,778	126,350
Borrowing cost expense	-	-	-	-	-
Operating surplus or deficit from ordinary activities	5,048	-	-	-	-
Net surplus or deficit	5,048	-	-	-	-
Adjustment on initial application of Australian Accounting Standards Board (AASB) 1044 Provisions, Contingent Liabilities and Contingent Assets	1,425	-	-	-	-
Capital Use Charge*	-	-	-	-	-
Net surplus or deficit attributable to Commonwealth	3,623	-	-	-	-

*The Capital Use Charge was discontinued from 1 July 2003

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

	Note	Actual 2002-03 \$'000	Revised Budget 2003-04 \$'000	Forward Estimate 2004-05 \$'000	Forward Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000
ASSETS						
Financial assets						
Cash		2,609	3,855	4,832	7,261	8,704
Receivables		5,415	5,415	5,415	5,415	5,415
Other		2,134	2,134	2,134	2,134	2,134
Total financial assets		10,158	11,404	12,381	14,810	16,253
Non-financial assets						
Land and buildings		6,546	8,290	11,541	12,070	13,011
Infrastructure, plant and equipment		6,037	5,349	5,665	6,271	6,137
Inventories		730	730	730	730	730
Intangibles		7,930	6,406	4,175	1,884	934
Other		9,786	9,786	8,786	8,786	8,786
Total non-financial assets		31,029	30,561	30,897	29,741	29,598
Total assets		41,187	41,965	43,278	44,551	45,851
LIABILITIES						
Provisions						
Employees		21,016	21,794	23,107	24,380	25,680
Other		1,425	1,425	1,425	1,425	1,425
Total provisions		22,441	23,219	24,532	25,805	27,105
Payables						
Suppliers		3,504	3,504	3,504	3,504	3,504
Other		258	258	258	258	258
Total payables		3,762	3,762	3,762	3,762	3,762
Total liabilities		26,203	26,981	28,294	29,567	30,867
EQUITY						
Parent equity interest						
Contributed equity		2,753	2,753	2,753	2,753	2,753
Reserves		2,046	2,046	2,046	2,046	2,046
Retained surpluses or accumulated deficits		10,185	10,185	10,185	10,185	10,185
Total equity		14,984	14,984	14,984	14,984	14,984
Current liabilities		12,339	12,705	13,323	13,923	14,535
Non-current liabilities		13,865	14,276	14,971	15,644	16,332
Current assets		20,675	19,786	19,763	22,192	23,635
Non-current assets		20,512	22,179	23,515	22,359	22,216

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

	Actual 2002-03 \$'000	Revised Budget 2003-04 \$'000	Forward Estimate 2004-05 \$'000	Forward Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	107,043	113,835	115,783	117,396	118,968
Goods and services	1,075	500	500	500	500
Interest	649	-	-	-	-
Other	5,286	4,197	4,251	4,335	4,376
Total cash received	114,053	118,532	120,534	122,231	123,844
Cash used					
Employees	57,425	56,774	58,011	58,342	58,857
Suppliers	51,143	53,512	52,546	54,460	55,044
Total cash used	108,568	110,286	110,557	112,802	113,901
Net cash from/(used by) operating activities	5,485	8,246	9,977	9,429	9,943
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	40	-	-	-	-
Total cash received	40	-	-	-	-
Cash used					
Purchase of property, plant and equipment	2,494	7,000	9,000	7,000	8,500
Purchase of Intangibles	917	-	-	-	-
Total cash used	3,411	7,000	9,000	7,000	8,500
Net cash from/(used by) investing activities	(3,371)	(7,000)	(9,000)	(7,000)	(8,500)
FINANCIAL ACTIVITIES					
Cash used					
Capital use charge	(1,623)	-	-	-	-
Total cash used	(1,623)	-	-	-	-
Net cash from/(used by) financing activities	(1,623)	-	-	-	-
Net increase in cash held	491	1,246	977	2,429	1,443
Cash at the beginning of the reporting period	2,118	2,609	3,855	4,832	7,261
Cash at the end of the reporting period	2,609	3,855	4,832	7,261	8,704

Table 3.4: Departmental Capital Budget Statement

	Actual 2002-03 \$'000	Revised Budget 2003-04 \$'000	Forward Estimate 2004-05 \$'000	Forward Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections	-	-	-	-	-
Total loans	-	-	-	-	-
Appropriation of previous year's carryover	-	-	-	-	-
Total	-	-	-	-	-
Represented by					
Purchase of non-financial assets	3,411	7,000	9,000	7,000	8,500
Other	-	-	-	-	-
Total	3,411	7,000	9,000	7,000	8,500
PURCHASE OF NON-CURRENT ASSETS					
Funded by capital appropriations	-	-	-	-	-
Funded internally by departmental resources	3,411	7,000	9,000	7,000	8,500
Total	3,411	7,000	9,000	7,000	8,500

Table 3.5: Departmental Non-financial Assets — Summary of Movement (Budget Year 2003-04)

	Buildings \$'000	Other Infrastructure Plant and Equipment \$'000	Computer Software \$'000	Total \$'000
Carrying amount at the start of year	6,546	6,037	7,930	20,513
Additions	3,800	2,200	1,000	7,000
Depreciation/amortisation expense	2,055	2,888	2,524	7,467
Other movements	(1)	-	-	(1)
Carrying amount at the end of year	8,290	5,349	6,406	20,045
Total additions				
Self funded	3,800	2,200	1,000	7,000
Appropriations	-	-	-	-
Total	3,800	2,200	1,000	7,000

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

	Actual 2002-03 \$'000	Revised Budget 2003-04 \$'000	Forward Estimate 2004-05 \$'000	Forward Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000
REVENUES					
Non-taxation					
Other sources of non-taxation revenues	3,485	3,500	3,500	3,500	3,500
Total non-taxation	3,485	3,500	3,500	3,500	3,500
Total revenues administered on behalf of the Government	3,485	3,500	3,500	3,500	3,500
EXPENSES					
Total expenses administered on behalf of the Government	-	-	-	-	-

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

	Actual 2002-03 \$'000	Revised Budget 2003-04 \$'000	Forward Estimate 2004-05 \$'000	Forward Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000
ASSETS					
Financial assets					
Cash	20	20	20	20	20
Receivables	-	-	-	-	-
Total financial assets	20	20	20	20	20
Total assets administered on behalf of the Government	20	20	20	20	20
Current liabilities					
Non-current liabilities	-	-	-	-	-
Current assets	20	20	20	20	20
Non-current assets	-	-	-	-	-

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

	Actual 2002-03 \$'000	Revised Budget 2003-04 \$'000	Forward Estimate 2004-05 \$'000	Forward Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000
OPERATING ACTIVITIES					
Cash received					
Other taxes, fees and fines	3,485	3,500	3,500	3,500	3,500
Cash from Official Public Account	-	-	-	-	-
Total cash received	3,485	3,500	3,500	3,500	3,500
Cash used					
Cash to Official Public Account	3,509	3,500	3,500	3,500	3,500
Total cash used	3,509	3,500	3,500	3,500	3,500
Net cash from operating activities	(24)	-	-	-	-
INVESTING ACTIVITIES					
Net cash from investing activities	-	-	-	-	-
FINANCING ACTIVITIES					
Net cash from financing activities	-	-	-	-	-
Net increase/decrease in cash held	(24)	-	-	-	-
Cash at the beginning of the reporting period	44	20	20	20	20
Cash at the end of the reporting period	20	20	20	20	20

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.

Capital Use Charge

The Government has agreed to discontinue the Capital Use Charge from 1 July 2003.

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 Service

The Family Court of Australia provides resources free of charge to the Federal Magistrates Service 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 Service, and
- Accommodation, including access to the Court's courtrooms.

It is estimated that the cost of resources provided free of charge by the Family Court to the Federal Magistrates Service during 2003-04 will be \$8.0m. It is expected that similar levels of support will be provided by the Family Court to the Federal Magistrates Service 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.

