

FAMILY COURT OF AUSTRALIA

Section 1: Overview, appropriations and budget measures summary

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 and 46 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 Chief Executive Officer. The purpose of the Family Court of Australia 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.

APPROPRIATIONS AND RESOURCING

The total appropriation for the Department in the 2003–04 Budget is \$112.385m. Table 1.1 shows the total appropriations for the Court for 2003–04 by outcome and by price of departmental outputs.

ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS

The Family Court of Australia does not have an appropriation for an equity injection or loan or an appropriation for administered capital.

FAMILY COURT OF AUSTRALIA — APPROPRIATIONS 2003–04

Table 1.1: Appropriations and other revenue ('000)

Outcome	Departmental (price of outputs)					Administered				
	Revenue from Government (Appropriations)			Revenue from other sources	Price of outputs	Annual Appropriations		Special Appropriations	Total Administered Appropriations	Total Appropriations
	Bill No. 1	Special approps	Total			Bill No. 1	Bill No. 2 (SPPs & NAOs)			
	(A)	(B)	(C = A+B)	(D)	(E = C+D)	(F)	(G)	(H)	(I = F+G+H)	(J=C+I)
Serving the interests of the Australian community by ensuring families and children in need can access effective high quality services.	112,385		112,385 94.3%	6,825	119,210					112,385
Total	112,385		112,385	6,825	119,210					112,385
Departmental capital (equity injections and loans)									-	
Administered capital									-	
Total Appropriations									112,385	

1. Columns C, E and I refer to information provided in Total Resources for Outcome tables.
 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. Refer to Budgeted Statement of Financial Performance for application of agency revenue.
 4. Revenue from other sources includes other revenue from government (for example, resources free of charge) and revenue from other sources (for example, sales of goods and services by agencies). Non-appropriated departmental and administered revenues are detailed in Table 1.3.
 5. Estimated expenses from individual Special Appropriations are shown in Table 1.4.
- Note: Percentage figures indicate the percentage contribution of Revenue from Government (Departmental Appropriations) to the Total Price of Outputs, by outcome.

RECEIPTS FROM INDEPENDENT SOURCES

Table 1.3: Receipts from independent sources

	Estimated Revenue 2002-03 \$'000	Estimated revenue 2003-04 \$'000
Sale of goods and services	500	500
Interest	540	350
Resources received free of charge	70	70
Liabilities assumed by the Attorney-General's Department	5,610	5,905
Total estimated revenue	6,720	6,825

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.

SPECIAL ACCOUNTS

Table 1.5: Estimates of special account flows and balances

Special Accounts	Estimate - 2003-04, Heavy Figures				
	Opening Balance 2003-04 2002-03 \$'000	Receipts 2003-04 2002-03 \$'000	Payments 2003-04 2002-03 \$'000	Adjustments 2003-04 2002-03 \$'000	Closing Balance 2003-04 2002-03 \$'000
Other Trust Money - FMA Act 1997, s20. (A)	52	170	170	0	52
	52	170	170	0	52
Comcare Account - <i>Safety Rehabilitation and Compensation Act 1988</i> . (D)	0	250	250		0
	0	223	223		0
Total Special Accounts	52	420	420	-	52
	52	393	393	-	52

D = Departmental A = Administered

Section 2: Outcomes and outputs information

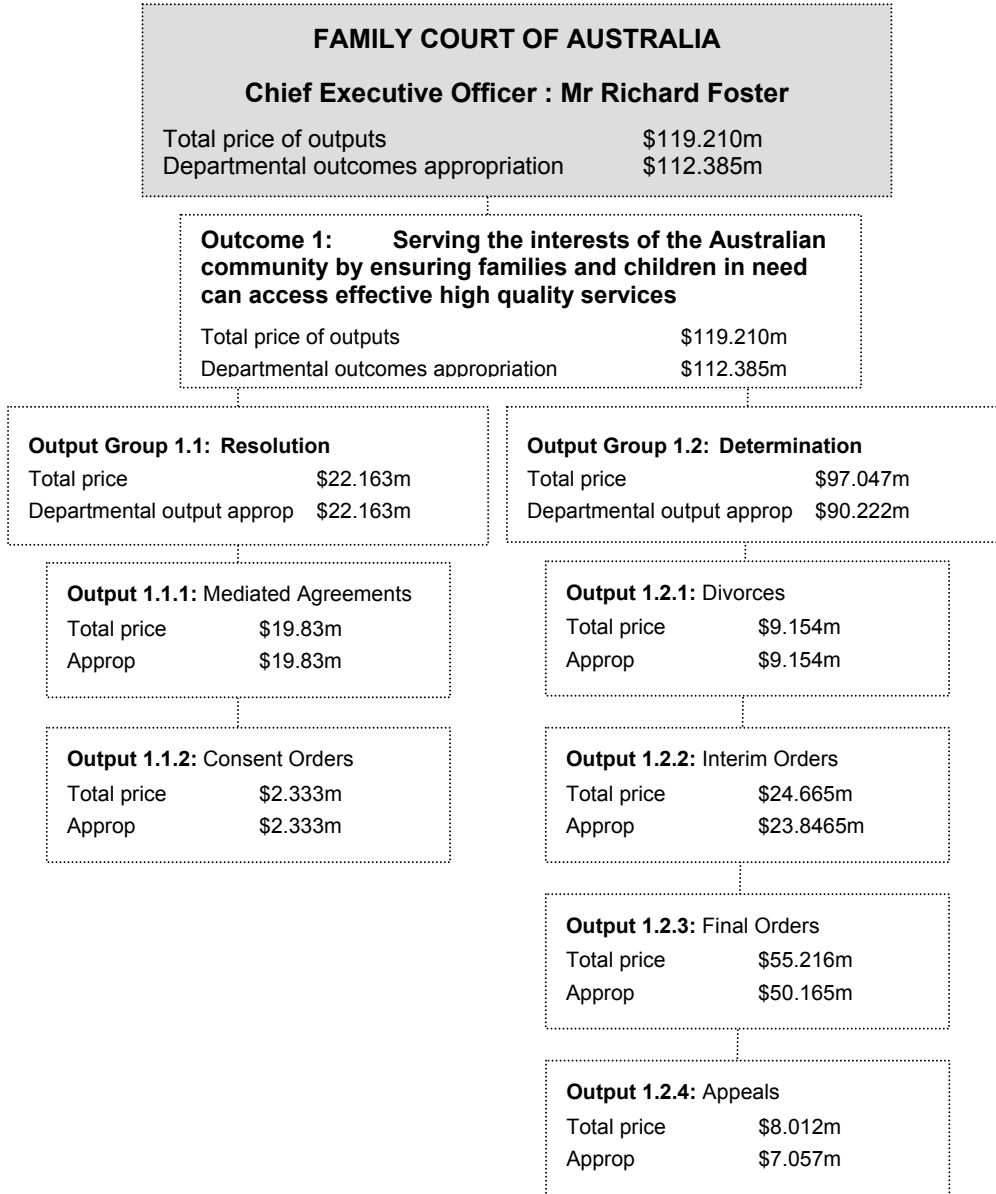
OUTCOMES AND OUTPUT GROUPS

The Family Court of Australia works to achieving its agreed outcome. This section provides a agency overview, and then the outcome is discussed. Map 2 shows the relationship between the outcome and outputs.

Output cost attribution

The Family Court of Australia 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 Court's outputs.

Map 2: Outcomes and output groups



OUTCOME 1 — SERVING THE INTERESTS OF THE AUSTRALIAN COMMUNITY BY ENSURING FAMILIES AND CHILDREN IN NEED CAN ACCESS EFFECTIVE HIGH QUALITY SERVICES

In achieving its outcome of “*Serving the interests of the Australian community by ensuring families and children in need can access effective high quality services*” the Court wants to be known for its vision of:

- putting children and families first in the design and delivery of services;
- promoting functional family relationships after separation;
- displaying independence and impartiality in the judicial process;
- having staff who are valued for providing quality services for families;
- providing cost effective dispute resolution for families; and
- being at the forefront of the development of innovative services for families in conflict.

This vision is supported by five key result areas outlined below and within these the detailed strategies work towards achieving the Courts outputs:

1. Better targeted services.
2. Improved relationships and communication.
3. Improved judge and staff capability.
4. Improved systems and management.
5. Influence in shaping the family law system.

The Family Court of Australia also provides a range of services in support of the Federal Magistrates Service under a Memorandum of Understanding between the two courts.

OUTCOME 1 — RESOURCING

Table 2.1.1 shows how the 2003-04 appropriations translate to total resourcing for the Court for outcome 1: revenue from government (appropriations), revenue from other sources and the total price of the outputs.

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

	Estimated Actual 2002-03 \$'000	Budget Estimate 2003-04 \$'000
Administered appropriations	-	-
from Special Accounts (estimated payments from Special Account balances)		
Other Trust Money - s20 FMA Act	170	170
Total Special Account Outflows	170	170
Departmental appropriations		
Output Group 1.1 - Resolution		
Output 1.1.1 - Mediated agreements	19,689	19,830
Output 1.1.2 - Consent Orders	2,316	2,333
Subtotal Output Group 1.1	22,005	22,163
Departmental appropriations		
Output Group 1.2 - Determination		
Output 1.2.1 - Divorces	9,089	9,154
Output 1.2.2 - Interim Orders	23,683	23,846
Output 1.2.3 - Final Orders	49,851	50,165
Output 1.2.4 - Appeals	7,015	7,057
Subtotal Output Group 1.2	89,638	90,222
Total revenue from government (appropriations) contributing to price of departmental outputs	111,643	112,385
Revenue from other sources		
Output 1.2.2 -Interim Orders	780	789
Output 1.2.3 -Final Orders	4,808	4,866
Output 1.2.4 - Appeals	909	920
Output 1.2.2, 1.2.3 & 1.2.4 (to Comcare Special Account)	223	250
Total revenue from other sources	6,720	6,825
Total price from departmental outputs (Total revenue from government and from other sources)	118,363	119,210
from Special Accounts (estimated payments from Special Account balances)		
Comcare Account	223	250
Total Departmental Special Account outflows	223	250
Total estimated resourcing for Outcome 1 (Total price of outputs and administered appropriations)	118,363	119,210
Average Staffing Level	680	680

Note 1. Flows into Special Accounts are also shown in the receipts column of the Special Accounts table in Table 1.5

Note 2. Special Account outflows are shown in the payments column of the Special Account table in Table 1.5

OUTCOME 1 — CONTRIBUTION OF OUTPUTS

The Family Court of Australia has one outcome:

Serving the interests of the Australian community by ensuring families and children in need can access effective high quality services

As part of this overall outcome there are two output groups which are then split into a number of individual outputs:

- Resolution
 - Mediated Agreements
 - Consent Orders
- Determination
 - Divorces
 - Interim Orders
 - Final Orders
 - Appeals

Financial and non-financial information is provided as follows:

Map 2 - details outcome and output resourcing and illustrates the relationship between the outcomes and contributing outputs.

Table 2.1.1 - details financial information for outcome 1.

Table 2.2.1 - details non-financial information for outcome 1.

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 Registrar. Services include mediation in children's matters by Court Mediators and in property matters by Deputy Registrars, and joint conferences by a Court Mediator and Deputy 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 Deputy Registrars. Where there are combined children's and financial matters a joint session with a Deputy Registrar and a Mediator is organised, where possible. Clients may file an application for final orders (form 3) 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 (form 12A) 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 (Form 26A) 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 (Order 14 rule 7).

Output group 1.2 - Determination

Matters determined by Judges, Judicial Registrars and 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 pro-actively 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 divorce application is a separate procedure from any application relating to the matrimonial property or the residence, contact or specific issues relating to children. Divorces are usually dealt with by Deputy Registrars, although in certain circumstances they will come before a Judge, Judicial Registrar or Registrar.

Output 1.2.2 Interim Orders

Clients may seek to have their family dispute determined by a Judge, Judicial Registrar or 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 Registrars are reviewed by a single Judge and are treated as an event contributing to the outputs *Interim Orders* or *Final Orders*, not to the *Appeals* output. Fewer than 2% of interim orders made by 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.

Table 2.2.1: Performance information for Outcome 1

Effectiveness – overall achievement of the outcome	
<i>Effectiveness indicators</i>	<i>Measures</i>
The delivery of the Courts outputs are undertaken in a timely, cost effective and client focused manner	A combination of the quantity, quality and price of outputs as outlined below for each output
Performance information for departmental outputs	
<i>Output description</i>	<i>Performance measure</i>
Output group 1.1: Resolution	
Output 1.1.1 Mediated Agreements	<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>
Output 1.1.2 Consent Orders	<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>
Output group 1.2: Determination	
Output 1.2.1 Divorces	<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:</p>

Performance information for departmental outputs	
<i>Output description</i>	<i>Performance measure</i>
Output 1.2.2 Interim Orders	<p>25,500</p> <p>(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 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 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>
Output 1.2.3 Final Orders	<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: \$14,531</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. Client satisfaction – target 75% of clients are satisfied with litigation processes</p>
Output 1.2.4 Appeals	<p>(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: 3,800</p> <p><i>Price:</i> Average cost: \$23,565</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>

EVALUATIONS

Information on planned evaluation activity is included in Table 2.2.1. 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 3: Budgeted financial statements

ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

Departmental

Statement of Financial Performance

The Court is budgeting for a balanced budget in 2003-04.

Revenue has increased \$2.25m or 1.9% over 2002-03 (excluding the impact of the removal of the Capital User Charge funding from 1 July 2003). In addition a further funding shift of \$1.2m from the Court to the Federal Magistrates Service occurs in 2003-04.

Expenses have increased \$2.25m over 2002-03, primarily within employee expenses \$2.5m (includes \$0.611m increase in superannuation expenses for APS staff) and depreciation expenses of \$0.933m .

The Court has targeted cuts of \$1.2m in its supplier expenses (in travel and general administrative items) to offset the above expense increases and achieve a balanced budget.

Statement of Financial Position

The Court is budgeting for an \$0.778m increase in Assets over 2002-03, primarily cash (\$1.246m) offset by a reduction in property plant and equipment (\$0.469m).

Employee liabilities are budgeted to increased by \$0.778m and represent the Court's major liability.

Administered

Statement of Financial Performance

The Court is budgeting for the 2002-03 level of Revenue to again occur in 2003-04.

Statement of Financial Position

The Court is budgeting for the 2002-03 level of Assets (cash unremitted to OPA at 30 June) to be maintained in 2003-04.

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

	Estimated Actual 2002-03 \$'000	Budget Estimate 2003-04 \$'000	Forward Estimate 2004-05 \$'000	Forward Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000
REVENUE					
Revenues from ordinary activities					
Revenues from government	111,643	112,385	115,289	117,210	118,892
Goods and services	500	500	500	500	500
Interest	540	350	350	350	350
Other	5,680	5,975	6,284	6,284	6,284
Revenues from ordinary activities	118,363	119,210	122,423	124,344	126,026
EXPENSES					
Expenses from ordinary activities (excluding borrowing costs expense)					
Employees	60,046	62,565	64,844	65,289	65,886
Suppliers	50,379	49,178	49,915	50,899	51,497
Depreciation and amortisation	6,534	7,467	7,664	8,156	8,643
Expenses from ordinary activities (excluding borrowing costs expense)	116,959	119,210	122,423	124,344	126,026
Operating surplus or deficit from ordinary activities	1,404	-	-	-	-
Net surplus or deficit	1,404	-	-	-	-
Capital Use Charge Paid *	1,404	-	-	-	-
Net Surplus or deficit after CUC	-	-	-	-	-

* The Capital Use Charge has been abolished from 1 July 2003.

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

	Estimated Actual 2002-03 \$'000	Budget Estimate 2003-04 \$'000	Forward Estimate 2004-05 \$'000	Forward Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000
ASSETS					
Financial assets					
Cash	1,829	3,075	4,052	6,481	7,924
Receivables	971	971	971	971	971
Total financial assets	2,800	4,046	5,023	7,452	8,895
Non-financial assets					
Land and buildings	7,723	9,467	12,718	13,247	14,188
Infrastructure, plant and equipment	8,926	8,238	8,554	9,160	9,026
Inventories	223	223	223	223	223
Intangibles	7,790	6,266	4,035	1,744	794
Other	7,880	7,880	6,880	6,880	6,880
Total non-financial assets	32,542	32,074	32,410	31,254	31,111
Total assets	35,342	36,120	37,433	38,706	40,006
LIABILITIES					
Interest bearing liabilities					
	-	-	-	-	-
Provisions					
Employees	20,151	20,929	22,242	23,515	24,815
Other					
Payables					
Suppliers	2,111	2,111	2,111	2,111	2,111
Other	315	315	315	315	315
Total Payables	2,426	2,426	2,426	2,426	2,426
Total liabilities	22,577	23,355	24,668	25,941	27,241
EQUITY					
Parent entity interest					
Contributed equity	2,753	2,753	2,753	2,753	2,753
Reserves	2,046	2,046	2,046	2,046	2,046
Statutory funds					
Retained surpluses or accumulated deficits	7,966	7,966	7,966	7,966	7,966
Total parent entity interest	12,765	12,765	12,765	12,765	12,765
Total equity	12,765	12,765	12,765	12,765	12,765
Total assets and liabilities by maturity					
Current assets	3,023	4,269	5,246	7,675	9,118
Non-current assets	32,319	31,851	32,187	31,031	30,888
Current liabilities	3,434	3,472	3,538	3,602	3,667
Non-current liabilities	19,143	19,883	21,130	22,339	23,574

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

	Estimated Actual 2002–03 \$'000	Budget Estimate 2003–04 \$'000	Forward Estimate 2004–05 \$'000	Forward Estimate 2005–06 \$'000	Forward Estimate 2006–07 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations for outputs	111,643	112,385	115,289	117,210	118,892
Sales of goods and services	500	500	500	500	500
Interest	190	0	0	0	0
GST Input Credits and Receipts	4,312	4,197	4,251	4,335	4,376
Other					
Total cash received	116,645	117,082	120,040	122,045	123,768
Cash used					
Employees	53,541	55,881	57,317	57,802	58,372
Suppliers	49,959	48,758	48,495	50,479	51,077
GST Payments	4,312	4,197	4,251	4,335	4,376
Other					
Total cash used	107,812	108,836	110,063	112,616	113,825
Net cash from operating activities	8,833	8,246	9,977	9,429	9,943
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	7,500	7,000	9,000	7,000	8,500
Total cash used	7,500	7,000	9,000	7,000	8,500
Net cash from investing activities	(7500)	(7000)	(9000)	(7000)	(8500)
FINANCING ACTIVITIES					
Cash used					
Capital use and dividends paid	1,623	-	-	-	-
Total cash used	(1,623)	-	-	-	-
Net cash from financing activities	(1,623)	-	-	-	-
Net increase in cash held	(290)	1,246	977	2,429	1,443
Cash at the beginning of the reporting period	2,119	1,829	3,075	4,052	6,481
Cash at the end of the reporting period	1,829	3,075	4,052	6,481	7,924

Table 3.4: Departmental Capital Budget Statement

	Estimated Actual 2002-03 \$'000	Budget Estimate 2003-04 \$'000	Forward Estimate 2004-05 \$'000	Forward Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000
CAPITAL APPROPRIATIONS	-	-	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	-	-	-	-	-
Funded internally by departmental resources	7,500	7,000	9,000	7,000	8,500
Total	7,500	7,000	9,000	7,000	8,500

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

	Land	Buildings	Total land and buildings	Other infrastructure plant and equipment	Total infrastructure plant and equipment	Computer software	Other intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the start of year		7,723	8,926	8,926	8,926	7,790		24,439
Additions		3,800	3,800	2,200	2,200	1,000		7,000
Disposals								
Revaluation increments								
Recoverable amount write-downs								
Net transfers free of charge								
Depreciation/amortisation expense		2,055	2,055	2,888	2,888	2,524		7,467
Write-off of assets								
Other movements		(1)	(1)			(1)		(2)
Carrying amount at the end of year		9,467	9,467	8,238	8,238	6,266		23,970
Total additions								
Self funded		3,800	3,800	2,200	2,200	1,000		7,000
Appropriations								
Total		3,800	3,800	2,200	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

	Estimated Actual 2002-03 \$'000	Budget Estimate 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	4,000	4,000	4,000	4,000	4,000
Total non-taxation	4,000	4,000	4,000	4,000	4,000
Total revenues administered on behalf of the Government	4,000	4,000	4,000	4,000	4,000
EXPENSES					
Subsidies	-	-	-	-	-
Grants	-	-	-	-	-
Personal Benefits	-	-	-	-	-
Total expenses administered on behalf of the Government	-	-	-	-	-
Extraordinary items	-	-	-	-	-

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

	Estimated Actual 2002-03 \$'000	Budget Estimate 2003-04 \$'000	Forward Estimate 2004-05 \$'000	Forward Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000
ASSETS					
Financial assets					
Cash	44	44	44	44	44
Total financial assets	44	44	44	44	44
Total assets administered on behalf of the Government	44	44	44	44	44
LIABILITIES					
Total liabilities administered on behalf of the Government	-	-	-	-	-

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

	Estimated Actual 2002–03 \$'000	Budget Estimate 2003–04 \$'000	Forward Estimate 2004–05 \$'000	Forward Estimate 2005–06 \$'000	Forward Estimate 2006–07 \$'000
OPERATING ACTIVITIES					
Cash received					
Other	4,000	4,000	4,000	4,000	4,000
Total cash received	4,000	4,000	4,000	4,000	4,000
Cash used					
Cash to Official Public Account	4,000	4,000	4,000	4,000	4,000
Total cash used	4,000	4,000	4,000	4,000	4,000
Net cash from operating activities	-	-	-	-	-
Net increase in cash held	-	-	-	-	-
Cash at the beginning of the reporting period	44	44	44	44	44
Cash at the end of the reporting period	44	44	44	44	44

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 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 \$6.7m. 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