

FEDERAL MAGISTRATES SERVICE

Section 1: Overview, appropriations and budget measures summary

OVERVIEW

The role of the Federal Magistrates Service is to provide a simple and accessible forum for the resolution of less complex federal law disputes. The Service was established by the *Federal Magistrates Act 1999*.

The jurisdiction of the Federal Magistrates Service includes family law and child support, administrative law, bankruptcy, unlawful discrimination, consumer protection law, privacy law, migration law and trade practices law. The Service shares those jurisdictions with the Family Court of Australia and the Federal Court of Australia.

The Federal Magistrates Service provides services in Adelaide, Brisbane, Canberra, Melbourne, Launceston, Newcastle, Parramatta, Sydney, Townsville, and Darwin, where it shares accommodation with the Federal Court and the Family Court. Regular court circuits are conducted in a number of regional centres. The administrative office of the Service is in Melbourne.

The Federal Magistrates Service encourages people to resolve disputes through primary dispute resolution. The Service provides a range of means to resolve disputes and there is no automatic assumption that every matter will end in a contested hearing. The use of conciliation, counselling and mediation is strongly encouraged in appropriate cases. The Service uses community based counselling and mediation services as well as the counselling and mediation services of the Family and Federal Courts, providing as wide a choice as possible.

APPROPRIATIONS AND RESOURCING

The total appropriation for the Federal Magistrates Service in the 2003–04 Budget is \$15.417m. Table 1.1 shows appropriations (2003–04) and other revenue by outcome.

ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS

The Federal Magistrates Service does not have an appropriation for an equity injection or loan or an appropriation for administered capital.

FEDERAL MAGISTRATES SERVICE — 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 (A)	Special approps (B)	Total (C = A+B)	(D)	(E = C+D)	Bill No. 1 (F)	Bill No. 2 (SPPs & NAOs) (G)	(H)	(I = F+G+H)	(J=C+I)
To provide the Australian community with a simple and accessible forum for the resolution of less complex disputes within the jurisdiction of the Federal Magistrates Service	14,803	-	14,803 100%	-	14,803	614	-	-	614	15,417
Total	14,803	-	14,803	-	14,803	614	-	-	614	15,417
Departmental capital (equity injections and loans)									-	-
Administered capital									-	-
Total Appropriations									614	15,417

- Columns C, E and I refer to information provided in Total Resources for Outcome tables.
- 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.
- Refer to Budgeted Statement of Financial Performance for application of agency revenue.
- Revenue from other sources includes other revenue from government (for example, resources free of charge) and revenue from other sources (for example, sales of goods and services by agencies).

Note: Percentage figures indicate the percentage contribution of Revenue from Government (Departmental Appropriations) to the Total Price of Outputs, by outcome.

MEASURES — DEPARTMENT SUMMARY

Table 1.2: Summary of measures disclosed in the 2003–04 Budget

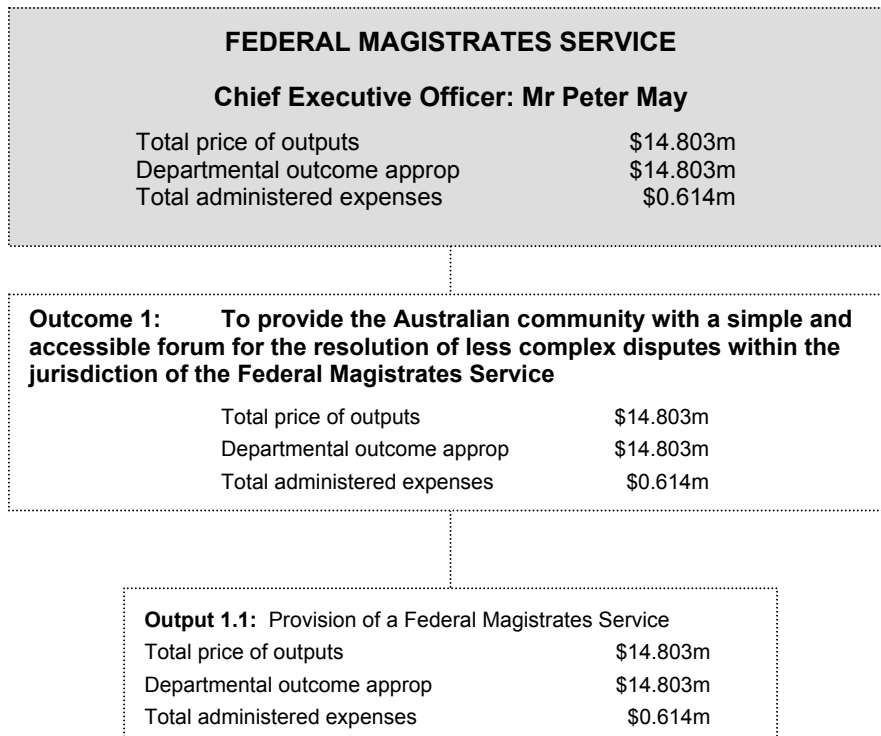
Measure	Outcome	Outputs affected	Appropriations Budget 2003–04 (\$'000)			Appropriations Forward Estimate 2004–05 (\$'000)			Appropriations Forward Estimate 2005–06 (\$'000)			Appropriations Forward Estimate 2006–07 (\$'000)		
			Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total
Additional Magistrates	1	1.1	-	1,049	1,049	-	1,103	1,103	-	1,126	1,126	-	1,157	1,157
Total			-	1,049	1,049	-	1,103	1,103	-	1,126	1,126	-	1,157	1,157

Section 2: Outcomes and outputs information

OUTCOMES AND OUTPUT GROUPS

The Federal Magistrates Service works to achieving the outcome specified by Government. This section provides an agency overview, and then each outcome is discussed in turn. Map 2 shows the relationship between the outcome and output.

Map2: Outcomes and output groups



OUTCOME 1 — TO PROVIDE THE AUSTRALIAN COMMUNITY WITH A SIMPLE AND ACCESSIBLE FORUM FOR THE RESOLUTION OF LESS COMPLEX DISPUTES WITHIN THE JURISDICTION OF THE FEDERAL MAGISTRATES SERVICE

The Federal Magistrates Service was established by the *Federal Magistrates Act 1999*, which enables the Service to:

- operate as a federal court of record under the Constitution;
- operate as informally as possible in the exercise of judicial power;
- use streamlined procedures; and
- encourage the use of a range of appropriate dispute resolution processes.

The Federal Magistrates Service is also a prescribed agency under the *Financial Management and Accountability Act 1997*.

The Federal Magistrates Service relies on the Family Court and Federal Court for significant infrastructure and support, including registry services.

Measures affecting Outcome 1

Federal Magistrates Service - additional magistrates

The Government will provide \$4.4m over four years to the Federal Magistrates Service to fund the appointment of an additional two magistrates to the Service. The additional magistrates will ease workload pressures in Brisbane and Melbourne, improving the timeliness of access to the Service. This measure will fulfil the Government's 2001 election commitment contained in the *Better Law, More Options* commitment.

OUTCOME 1 — RESOURCING

Table 2.1.1 shows how the 2003–04 Budget appropriations translate to total resourcing for outcome 1, including administered expenses, revenue from government (appropriation), revenue from other sources, and the total price of outputs.

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

	Estimated Actual 2002–03 \$'000	Budget Estimate 2003–04 \$'000
Administered appropriations		
Payments to Primary Dispute Resolution service providers	625	614
Total administered appropriations	625	614
Departmental appropriations		
Output Group 1.1 - Provision of a Federal Magistrate Service	12,057	14,803
Total revenue from government (appropriations) contributing to price of departmental outputs	12,057 100%	14,803 100%
Revenue from other sources	-	-
Total revenue from other sources	-	-
Total price from departmental outputs (Total revenue from government and from other sources)	12,057	14,803
Total estimated resourcing for Outcome 1 (Total price of outputs and administered appropriations)	12,682	15,417
Average Staffing Level	78	84

PERFORMANCE INFORMATION FOR OUTCOME 1

Table 2.2.1 provides information on the strategies chosen to deliver the outcome, and shows the link between the output and the outcome.

Table 2.2.1: Performance information for Outcome 1

Performance information for departmental outputs	
<i>Output description</i>	<i>Performance measure</i>
Output 1: Provision of a Federal Magistrates Service	<p>Price: \$14.803m</p> <p>Quality: Less than 1% of cases litigated or divorces processed are subject to complaint</p> <p>The time taken from filing to disposition is less than six months in 90% of cases</p> <p>Primary dispute resolution services resolve disputes for people who are referred to them by the court in more than 60% of cases</p> <p>Feedback from clients as to whether they are satisfied that their disputes have been handled quickly and simply</p> <p>Feedback from clients regarding the simplicity and effectiveness of court rules</p> <p>Feedback from clients regarding the availability of information about the service</p> <p>Quantity: Number of cases litigated and divorce cases processed - estimated at approximately 45,000</p> <p>Number of counselling, mediation, conciliation and other primary dispute resolution services delivered - estimated at approximately 3,600</p> <p>Number of presentations to organisations representing clients regarding the Service, and publications issued</p>

EVALUATIONS

A review of the Federal Magistrates Service was conducted in 2002–03 by the Department of Prime Minister and Cabinet, Department of Finance and Administration and the Attorney-General's Department.

Section 3: Budgeted financial statements

ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

During the first two years of operation, revenues from government for the operation of the Federal Magistrates Service exceeded expenses incurred, resulting in relatively significant retained earnings. This surplus was largely a consequence of lower than anticipated start-up costs.

The major change to estimates in the 2003-04 budget is a consequence of the Government's decision to fund two additional federal magistrates and support costs, to be offset by the repayment of \$4.4m in retained earnings. This change is reflected in the Statement of Financial Performance as higher revenues from government in 2003-04 and future years, with a corresponding increase in expenses. The repayment in 2002-03 of retained earnings from prior years is reflected in the Statement of Financial Performance as an equity adjustment.

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	12,057	14,803	15,089	15,318	15,567
Resources received free of charge	9,891	9,892	9,891	9,892	9,891
Other	-	-	-	-	-
Revenues from ordinary activities	21,948	24,695	24,980	25,210	25,458
EXPENSE					
Expenses from ordinary activities (excluding borrowing costs expense)					
Employees	8,033	9,265	9,737	10,106	10,465
Suppliers	14,466	14,546	14,463	14,562	14,609
Depreciation and amortisation	274	329	352	297	298
Other	-	-	-	-	-
Expenses from ordinary activities (excluding borrowing costs expense)	22,773	24,140	24,552	24,965	25,372
Borrowing costs expense	-	-	-	-	-
Operating surplus or deficit from ordinary activities	(825)	555	428	245	86
Gain or loss on extraordinary items	-	-	-	-	-
Net surplus or deficit	(825)	555	428	245	86
Capital use charge paid *	406	-	-	-	-
Net surplus or deficit after CUC	(1,231)	555	428	245	86

* The Capital Use Charge will be discontinued 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	4,373	4,941	5,624	6,507	7,245
Receivables	38	39	38	39	39
Total financial assets	4,411	4,980	5,662	6,546	7,284
Non-financial assets					
Land and buildings	-	-	-	-	-
Infrastructure, plant and equipment	707	1,014	949	689	429
Intangibles	54	18	131	94	56
Other	48	48	48	48	48
Total non-financial assets	809	1,080	1,128	831	533
Total assets	5,220	6,060	6,790	7,377	7,817
LIABILITIES					
Provisions					
Employees	1,766	1,993	2,255	2,537	2,840
Total Provisions	1,766	1,993	2,255	2,537	2,840
Payables					
Suppliers	476	534	574	634	685
Total Payables	476	534	574	634	685
Total liabilities	2,242	2,527	2,829	3,171	3,525
EQUITY					
Parent entity interest					
Contributed Equity	(4,400)	-	-	-	-
Reserves	-	-	-	-	-
Retained surpluses or accumulated deficits	7,378	3,533	3,961	4,206	4,292
Total parent entity interest	2,978	3,533	3,961	4,206	4,292
Total equity	2,978	3,533	3,961	4,206	4,292
Total assets and liabilities by maturity					
Current assets	4,459	5,028	5,710	6,594	7,332
Non-current assets	761	1,032	1,080	783	485
Current liabilities	1,292	1,307	1,339	1,411	1,495
Non-current liabilities	950	1,220	1,490	1,760	2,030

**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	17,557	14,803	15,089	15,318	15,567
Sales of goods and services	129	-	-	-	-
Interest	11	-	-	-	-
Other	463	462	455	464	470
Total cash received	18,160	15,265	15,544	15,782	16,037
Cash used					
Employees	7,757	9,038	9,475	9,824	10,162
Suppliers	4,882	5,509	4,986	5,075	5,137
Total cash used	12,639	14,097	14,461	14,899	15,299
Net cash from operating activities	5,521	1,168	1,083	883	738
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	-	600	400	-	-
Total cash used	-	600	400	-	-
Net cash from investing activities	-	(600)	(400)	-	-
FINANCING ACTIVITIES					
Cash used					
Capital use and dividends paid	406	-	-	-	-
Return of capital	4,400	-	-	-	-
Total cash used	4,806	-	-	-	-
Net cash from financing activities	(4,806)	-	-	-	-
Net increase/(decrease) in cash held	715	568	683	883	738
Cash at beginning of reporting period	3,658	4,373	4,941	5,624	6,507
Cash at end of reporting period	4,373	4,941	5,624	6,507	7,245

Table 3.4: Departmental Capital Budget Statement

	Estimate d 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					
Total equity injections	-	-	-	-	-
Total loans	-	-	-	-	-
Represented by:					
Purchase of non-financial assets	-	-	-	-	-
Other	-	-	-	-	-
Total	-	-	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	-	-	-	-	-
Funded internally by departmental resources	-	600	400	-	-
Total	-	600	400	-	-

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

	Land \$'000	Buildings \$'000	Total land and buildings \$'000	Other Infrastructure Plant and Equipment \$'000	Total infrastructure plant and equipment \$'000	Computer software \$'000	Other intangibles \$'000	Total \$'000
Carrying amount at the start of year				707	707	54	54	761
Additions	-	-	-	600	600	-	-	600
Disposals	-	-	-	-	-	-	-	-
Revaluation increments	-	-	-	-	-	-	-	-
Recoverable amount write-downs	-	-	-	-	-	-	-	-
Net transfers free of charge	-	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	-	-	293	293	36	36	329
Write-off of assets	-	-	-	-	-	-	-	-
Carrying amount at the end of year	-	-	-	1,014	1,014	18	18	1,032
Total additions								
Self funded	-	-	-	600	600	-	-	600
Appropriations	-	-	-	-	-	-	-	-
Total	-	-	-	600	600	-	-	600

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					
Revenues from government	625	614	628	642	656
Other sources of non-taxation revenues	9,600	9,600	9,600	9,600	9,600
Total non-taxation	10,225	10,214	10,228	10,242	10,256
Total revenues administered on behalf of the Government	10,225	10,214	10,228	10,242	10,256
EXPENSES					
Suppliers	572	614	628	642	656
Other	-	-	-	-	-
Total expenses administered on behalf of the Government	572	614	628	642	656
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	-	-	-	-	-
Receivables	51	51	51	51	51
Total financial assets	51	51	51	51	51
Non-financial assets					
Other non-financial assets	-	-	-	-	-
Total non-financial assets	-	-	-	-	-
Total assets administered on behalf of the Government	51	51	51	51	51
LIABILITIES					
Payables					
Suppliers	5	5	-	-	-
Other payables	-	-	-	-	-
Total payables	5	5	-	-	-
Total liabilities administered on behalf of the Government	5	5	-	-	-

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					
Appropriations	625	614	628	642	656
Other	9,600	9,600	9,600	9,600	9,600
Total cash received	10,225	10,214	10,228	10,242	10,256
Cash used					
Suppliers	625	614	633	642	656
Cash to Official Public Account	9,600	9,600	9,595	9,600	9,600
Total cash used	10,225	10,214	10,228	10,242	10,256
Net cash from operating activities	-	-	-	-	-
Net increase in cash held	-	-	-	-	-
Cash at the beginning of the reporting period	-	-	-	-	-
Cash at the end of the reporting period	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS**Basis of accounting**

The agency budget statements are prepared in compliance with Australian Accounting Standards, Accounting Guidance Releases and having regard to Statements of Accounting Concepts.

Departmental

The Federal Magistrates Service receives resources free of charge from the Family Court and Federal Court. These are included in the Statement of Financial Performance based on estimates provided by those Courts in 2001-02.

Section 4: Purchaser/Provider and Cost Recovery arrangements**SUMMARY OF COST RECOVERY IMPACT STATEMENT**

The Federal Magistrates Service is not anticipating any receipts from independent sources.