

FAMILY COURT OF AUSTRALIA

Section 1: Overview, appropriations and budget measures summary

OVERVIEW

The Family Court of Australia (FCoA) is a Superior Court of record, which has been operating since 5 January 1976. FCoA consists of the Chief Justice and 45 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 2004–05 Budget is \$114.837m. Table 1.1 shows the total appropriations for the Court for 2004–05 by outcome and by price of departmental outputs.

ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS

FCoA does not have an appropriation for an equity injection or loan or an appropriation for administered capital.

FAMILY COURT OF AUSTRALIA — APPROPRIATIONS 2004–05

Table 1.1: Appropriations and other revenue (\$'000)

Outcome	Departmental (price of outputs)					Administered				Total appropriations
	Revenue from Government (appropriations)			Revenue from other sources	Price of outputs	Annual appropriations		Special appropriations	Total administered 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)
Outcome 1 – Serving the interest of the Australian community by ensuring families and children in need can access effective high quality services	114,837	-	114,837 94.0%	7,382	122,219	-	-	-	-	114,837
Total	114,837	-	114,837	7,382	122,219	-	-	-	-	114,837
Departmental capital (equity injections, loans and previous years' outputs)										-
Administered assets and liabilities										-
Total appropriations										114,837

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 sales of goods and services. Non-appropriated departmental and administered revenues are detailed in Table 1.3.

REVENUE FROM INDEPENDENT SOURCES

Table 1.3: Revenue from independent sources

	Estimated Revenue 2003–04 \$'000	Estimated Revenue 2004–05 \$'000
DEPARTMENTAL REVENUE		
Sales of goods and services ¹	500	500
Interest	350	350
Total sales of goods and service and interest	850	850
Resources received free of charge ²	70	70
Liabilities assumed by the Attorney-General's Department ³	6,153	6,462
Total other	6,223	6,532
Total Estimated Departmental Revenue	7,073	7,382
ADMINISTERED REVENUE		
Other sources of non-tax revenue ⁴	3,500	3,200
Total Estimated Administered Revenue	3,500	3,200

Notes

- Note 1. Sale of goods and services revenue includes photocopying charges, copies of decrees and other minor revenue.
- Note 2. Resources received free of charge are for services provided by the Australian National Audit Office in conducting the annual financial statement audit.
- Note 3. Liabilities assumed by the Attorney-Generals Department relate to the *Judges Pensions Act 1968*.
- Note 4. Administered revenue is for Court filing fees.

SPECIAL ACCOUNTS

Table 1.6: Estimates of special account flows and balances

Special Accounts	Estimate – 2004–05, Heavy Figures				
	Opening Balance	Receipts	Payments	Adjustments	Closing Balance
	2004–05	2004–05	2004–05	2004–05	2004–05
	2003–04	2003–04	2003–04	2003–04	2003–04
	\$'000	\$'000	\$'000	\$'000	\$'000
Other Trust Money – FMA Act 1997, s20.A	52	170	170	-	52
	52	170	170	-	52
Comcare Account – <i>Safety Rehabilitation and Compensation Act 1988</i> . (D)	-	250	250	-	-
	-	250	250	-	-
Total Special Accounts	52	420	420	-	52
	52	420	420	-	52

D = Departmental A = Administered

Acts Glossary:

FMA Act = *Financial Management and Accountability Act 1997*

Notes

- Note 1. The Opening Balance for 2003–04 is the same as the closing balance for 2002–03.
 Note 2. Receipts from appropriations and other sources are further specified in the Total Resources for Outcome tables.

Section 2: Outcomes and outputs information

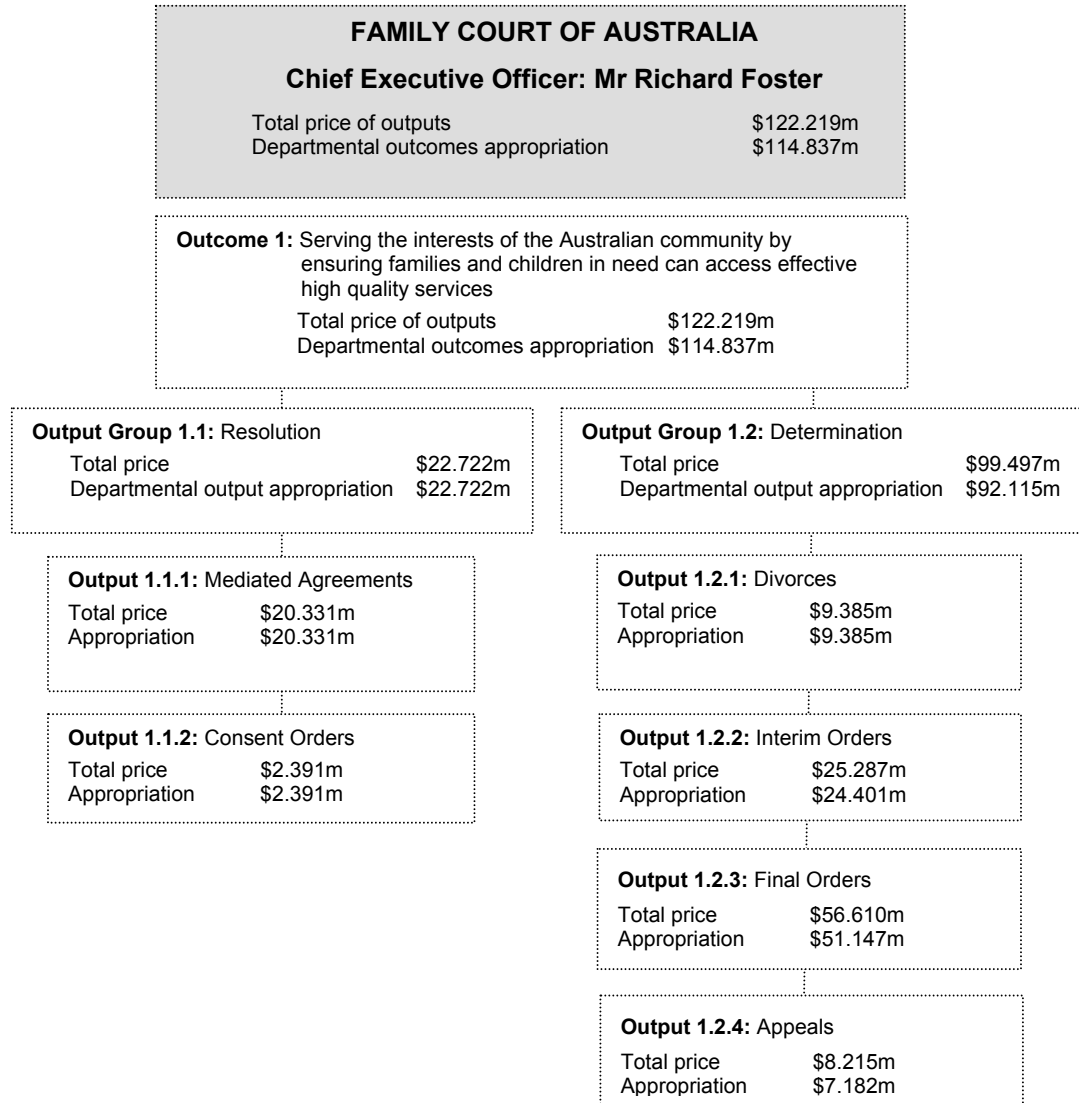
OUTCOMES AND OUTPUT GROUPS

FCoA works to achieve its agreed outcome. The following section provides a departmental overview, and then the outcome is discussed. Outcomes and Outputs Map shows the relationship between the outcome and outputs.

Output cost attribution

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.

Outcomes and Outputs Map



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 FCoA also provides a range of services in support of the Federal Magistrates Court (FMC) under a Memorandum of Understanding between the two courts.

Measures affecting Outcome 1

There are no new measures in the 2004–05 Budget.

Other variations to Outcome 1

The Government will provide an increase in funding of \$0.164m to supplement FCoA's increased Comcover premium for 2004–05.

OUTCOME 1 — RESOURCING

Table 2.1.1 shows how the 2004–05 Budget 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 2003–04 \$'000	Budget estimate 2004–05 \$'000
ADMINISTERED APPROPRIATIONS	-	-
Total 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	20,113	20,331
Output 1.1.2 - Consent orders	2,365	2,391
Subtotal Output Group 1.1	22,478	22,722
Output Group 1.2 - Determination		
Output 1.2.1 - Divorces	9,285	9,385
Output 1.2.2 - Interim orders	24,167	24,401
Output 1.2.3 - Final orders	50,768	51,147
Output 1.2.4 - Appeals	7,137	7,182
Subtotal Output Group 1.2	91,357	92,115
Total revenue from government (appropriations) Contributing to price of departmental outputs	113,835	114,837
REVENUE FROM OTHER SOURCES		
Output 1.2.2 - Interim orders	819	856
Output 1.2.3 - Final orders	5,049	5,278
Output 1.2.4 - Appeals	955	998
Output 1.2.2, 1.2.3, & 1.2.4 (to Comcare Special Account)	250	250
Total revenue from other sources	7,073	7,382
Total price from departmental outputs (Total revenue from government and from other sources)	120,908	122,219
from Special Accounts (estimated payments from Special Account balances)		
Comcare Account	250	250
Total Departmental Special Account outflows	250	250
Total estimated resourcing for Outcome 1 (Total price of outputs and administered appropriations)	120,908	122,219
Average staffing level (number)	680	680

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:

- Outcomes and Outputs Map – 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, and
- Table 2.2.1 – details non-financial information for outcome 1.

PERFORMANCE INFORMATION FOR OUTCOME 1

The FCoA 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 emeshed 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 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 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

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 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 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

Performance information for departmental outputs	
<i>Output description</i>	<i>Performance measure</i>
<p>Output group 1.1: Resolution</p> <p>Output 1.1.1 Mediated Agreements</p>	<p><i>Price:</i> Average cost of achieving mediated agreements: \$1,361</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: 14,935</p>
<p>Output 1.1.2 Consent Orders</p>	<p><i>Price:</i> Average cost of consent orders processed: \$210</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: 11,400</p>
<p>Output group 1.2: Determination</p> <p>Output 1.2.1 Divorces</p>	<p><i>Price:</i> Average cost: \$1,844</p> <p><i>Quality:</i> Timeliness – target 90% of divorces filed are determined within three months</p> <p>Client satisfaction – target 75% of clients are satisfied with Court divorce processes</p> <p><i>Quantity:</i> Total number of divorces (form 4) finalised: 5,090</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 2.2.1: Performance information for Outcome 1

Performance information for departmental outputs	
Output description	Performance measure
Output 1.2.2 Interim Orders	<p><i>Price:</i> Average cost: \$1,569</p> <p><i>Quality:</i> Timeliness – target 90% of applications for interim orders are finalised within three months</p> <p>Client satisfaction – target 75% of clients are satisfied with Court processes</p> <p><i>Quantity:</i> Total number of applications for interim orders finalised: 16,120</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 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: \$15,616</p> <p><i>Quality:</i> Timeliness – target 75% of applications which have not been resolved are finalised within six months of issue of trial notice.</p> <p>Client satisfaction – target 75% of clients are satisfied with litigation processes</p> <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 FMC. The FCoA however undertakes a range of operational support activities with respect to FMC applications).</p> <p><i>Quantity:</i> Number of final orders determined: 3,625</p>
Output 1.2.4 Appeals	<p><i>Price:</i> Average cost: \$24,160</p> <p><i>Quality:</i> Timeliness – target 75% of appeals are finalised within six months</p> <p><i>Quantity:</i> Number of appeals finalised: 340</p>

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 2004-05.

Departmental appropriation revenue has increased \$1.311m (or 1.1%) compared to 2003-04 actuals. This is net of a further funding shift to the FMC, for 2 Judges replaced by Federal Magistrates, and an agreed divorce workload shift, of \$1.110m.

Employees expenses has increased \$1.525m, depreciation expenses has increased \$0.197m. Offsetting these increases is a \$0.411m reduction in suppliers expenses to achieve a balanced budget.

Statement of Financial Position

The Court is budgeting for an \$1.313m increase in Assets over 2003-04, primarily in receivables of \$3.182m and non-financial assets of \$0.336m offset by a reduction in cash of \$2.205m. The bulk of the increase in receivables and the decrease in cash is driven by the "just in time" cash appropriations draw down arrangements introduced from 1 July 2003, by the Department of Finance and Administration.

Employee Liabilities are budgeted to increase by \$1.313m and represent the Courts major liability.

Administered

Statement of Financial Performance

The Court is budgeting for a \$0.300m reduction in 2004-05 Revenue, over 2003-04 levels, resulting directly from the increasing number of matters filed with the FMC.

Statement of Financial Position

The Court is budgeting for the 2003-04 level of Assets (cash unremitted to OPA at 30 June) to be maintained in 2004-05.

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

	Estimated Actual 2003-04 \$'000	Budget Estimate 2004-05 \$'000	Forward Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000
REVENUE					
Revenues from ordinary activities					
Revenues from government	113,835	114,837	116,264	117,611	118,762
Goods and services	500	500	500	500	500
Interest	350	350	350	350	350
Other	6,223	6,532	6,532	6,532	6,532
Total	120,908	122,219	123,646	124,993	126,144
EXPENSE					
Expenses from ordinary activities (excluding borrowing costs expense)					
Employees	63,706	65,231	65,511	65,940	66,516
Suppliers	49,735	49,324	49,979	50,410	50,985
Depreciation and amortisation	7,467	7,664	8,156	8,643	8,643
Expenses from ordinary activities (excluding borrowing costs expense)	120,908	122,219	123,646	124,993	126,144
Borrowing costs expense	-	-	-	-	-
Operating surplus or deficit from ordinary activities	-	-	-	-	-
Gain or loss on extraordinary items	-	-	-	-	-
Net surplus or deficit	-	-	-	-	-

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

	Estimated Actual 2003–04	Budget Estimate 2004–05	Forward Estimate 2005–06	Forward Estimate 2006–07	Forward Estimate 2007–08
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Cash	3,855	1,650	1,650	1,650	1,650
Receivables	5,415	8,597	11,026	12,469	13,912
Other	2,134	2,134	2,134	2,134	2,134
Total financial assets	11,404	12,381	14,810	16,253	17,696
Non-financial assets					
Land and buildings	8,290	11,541	12,070	13,011	12,452
Infrastructure, plant and equipment	5,349	5,665	6,271	6,137	6,003
Inventories	730	730	730	730	730
Intangibles	6,406	4,175	1,884	934	1,484
Other	9,786	8,786	8,786	8,786	8,786
Total non-financial assets	30,561	30,897	29,741	29,598	29,455
Total assets	41,965	43,278	44,551	45,851	47,151
LIABILITIES					
Interest bearing liabilities					
	-	-	-	-	-
Provisions					
Employees	21,794	23,107	24,380	25,680	26,980
Other	1,425	1,425	1,425	1,425	1,425
Total provisions	21,794	23,107	24,380	25,680	26,980
Payables					
Suppliers	3,504	3,504	3,504	3,504	3,504
Other	258	258	258	258	258
Total payables	1,683	1,683	1,683	1,683	1,683
Total liabilities	26,981	28,294	29,567	30,867	32,167
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	10,185	10,185	10,185	10,185	10,185
Total parent entity interest	14,984	14,984	14,984	14,984	14,984
Total equity	14,984	14,984	14,984	14,984	14,984
TOTAL ASSETS AND LIABILITIES BY MATURITY					
Current assets	12,134	13,111	15,540	16,983	18,426
Non-current assets	29,831	30,167	29,011	28,868	28,725
Current liabilities	4,852	4,917	4,981	5,046	5,111
Non-current liabilities	22,129	23,377	24,586	25,821	27,056

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

	Estimated Actual 2003–04 \$'000	Budget Estimate 2004–05 \$'000	Forward Estimate 2005–06 \$'000	Forward Estimate 2006–07 \$'000	Forward Estimate 2007–08 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations for outputs	113,835	113,455	113,835	116,168	117,319
Sales of goods and services	500	500	500	500	500
GST Input Credits and Receipts	4,154	4,208	4,292	4,333	4,353
Other	-	-	-	-	-
Total cash received	118,532	118,206	118,670	121,044	122,215
Cash used					
Employees	56,744	59,526	57,776	58,178	58,754
Suppliers	49,315	47,904	49,559	49,990	50,565
GST Payments	4,154	4,208	4,292	4,333	4,353
Other	-	-	-	-	-
Total cash used	110,286	111,411	111,670	112,544	113,715
Net cash from operating activities	8,246	6,795	7,000	8,500	8,500
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	7,000	9,000	7,000	8,500	8,500
Total cash used	(7,000)	(9,000)	(7,000)	(8,500)	(8,500)
Net cash from investing activities	(7,000)	(9,000)	(7,000)	(8,500)	(8,500)
FINANCING ACTIVITIES					
Cash used					
Capital use and dividends paid	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from financing activities	-	-	-	-	-
Net increase (decrease) in cash held	1,246	(2,205)	-	-	-
Cash at the beginning of the reporting period	2,609	3,855	1,650	1,650	1,650
Cash at the end of the reporting period	3,855	1,650	1,650	1,650	1,650

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

	Estimated Actual 2003-04 \$'000	Budget Estimate 2004-05 \$'000	Forward Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000
CAPITAL APPROPRIATIONS					
Total	-	-	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	-	-	-	-	-
Funded internally by departmental resources	7,000	9,000	7,000	8,500	8,500
Total	7,000	9,000	7,000	8,500	8,500

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

	Land	Buildings	Specialist military equipment	Other infrastructure plant and equipment	Heritage and cultural assets	Computer software	Other intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the start of year	-	8,290	-	5,349	-	6,406	-	20,045
Additions	-	5,500	-	3,000	-	500	-	9,000
Disposals	-	-	-	-	-	-	-	-
Revaluation increments	-	-	-	-	-	-	-	-
Recoverable amount write-downs	-	-	-	-	-	-	-	-
Net transfers free of charge	-	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	(2,250)	-	(2,684)	-	(2,730)	-	(7,664)
Write-off of assets	-	-	-	-	-	-	-	-
Carrying amount at the end of year	-	11,541	-	5,665	-	4,175	-	21,381
Total additions								
Self funded	-	5,500	-	3,000	-	500	-	9,000
Appropriations	-	-	-	-	-	-	-	-
Total	-	5,500	-	3,000	-	500	-	9,000

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

	Estimated Actual 2003-04	Budget Estimate 2004-05	Forward Estimate 2005-06	Forward Estimate 2006-07	Forward Estimate 2007-08
	\$'000	\$'000	\$'000	\$'000	\$'000
REVENUES					
Non-taxation					
Revenue from government	3,500	3,200	3,200	3,200	3,200
Total non-taxation	3,500	3,200	3,200	3,200	3,200
Total revenues administered on behalf of the Government	3,500	3,200	3,200	3,200	3,200
EXPENSES					
Expenses	-	-	-	-	-
Subsidies	-	-	-	-	-
Grants	-	-	-	-	-
Personal Benefits	-	-	-	-	-
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

	Estimated Actual 2003-04	Budget Estimate 2004-05	Forward Estimate 2005-06	Forward Estimate 2006-07	Forward Estimate 2007-08
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Cash	20	20	20	20	20
Total financial assets	20	20	20	20	20
Total assets administered on behalf of the Government	20	20	20	20	20
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 2003-04 \$'000	Budget Estimate 2004-05 \$'000	Forward Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000
OPERATING ACTIVITIES					
Cash received					
Other	3,500	3,200	3,200	3,200	3,200
Total cash received	3,500	3,200	3,200	3,200	3,200
Cash used					
Cash to Official Public Account	3,500	3,200	3,200	3,200	3,200
Total cash used	3,500	3,200	3,200	3,200	3,200
Net cash from operating activities	-	-	-	-	-
FINANCING ACTIVITIES					
Net increase in cash held	-	-	-	-	-
Cash at the beginning of the reporting period	20	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 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 the Court's courtrooms.

It is estimated that the cost of resources provided free of charge by the Family Court to the FMC during 2004–05 will be \$8.000m. 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.

Section 4: Purchaser/Provider and Cost Recovery arrangements

COST RECOVERY ARRANGEMENTS

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

