

## FEDERAL COURT OF AUSTRALIA

### Section 1: Overview, appropriations and budget measures summary

#### OVERVIEW

The Federal Court of Australia was created by the *Federal Court of Australia Act 1976* and began to exercise its jurisdiction on 1 February 1977.

The Court is a superior court of record and a court of law and equity. It sits in all capital cities and elsewhere in Australia from time to time.

The Court's jurisdiction is broad, covering almost all civil matters arising under Australian federal law and some summary criminal matters. Its original jurisdiction is conferred by over 150 statutes of the Parliament. The Court also exercises appellate jurisdiction over decisions of single judges of the Court, decisions of the Federal Magistrates Court, decisions of the Supreme Court of Norfolk Island and certain decisions of State Supreme Courts exercising federal jurisdiction.

#### APPROPRIATIONS AND RESOURCING

The total appropriation for the Federal Court of Australia in the 2004–05 Budget is \$68.735m. Table 2.1.1 shows total resources for the Court's outcome for 2004–05.

#### ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS

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

## FEDERAL 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)
<b>Outcome 1 –</b> Through its jurisdiction, the Court will apply and uphold the rule of law to deliver remedies and enforce rights and in so doing, contribute to the social and economic development and well being of all Australians.	68,735	-	68,735	13,370	82,105	-	-	-	-	68,735
<b>Total</b>	<b>68,735</b>	<b>-</b>	<b>68,735</b>	<b>13,370</b>	<b>82,105</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>68,735</b>
<b>Departmental capital (equity injections, loans and previous years' outputs)</b>										-
<b>Administered assets and liabilities</b>										-
<b>Total appropriations</b>										<b>68,735</b>

- 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 sales of goods and services. Non-appropriated departmental and administered revenues 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
<b>DEPARTMENTAL REVENUE</b>		
Sales of goods and services	1,027	830
Interest	370	380
<b>Total sales of goods and service and interest</b>	<b>1,397</b>	<b>1,210</b>
Liabilities assumed by other agencies <sup>1</sup>	5,762	6,392
Resources received free of charge <sup>2</sup>	5,593	5,722
Other revenue <sup>3</sup>	22	46
<b>Total other</b>	<b>11,378</b>	<b>12,161</b>
<b>Total Estimated Departmental Revenue</b>	<b>12,775</b>	<b>13,370</b>
<b>ADMINISTERED REVENUE</b>		
Court fees, fines and costs	4,958	4,958
<b>Total Estimated Administered Revenue</b>	<b>4,958</b>	<b>4,958</b>

### Notes

- Note 1. Under the *Judges' Pension Act 1968*, Federal Court judges are entitled to a non-contributory pension of 60% of current judicial salary after reaching the age of 60 years and having served 10 years or more as a judge, or upon retirement on the ground of invalidity. Pro rata pension is payable after six years service as a judge upon retirement. As the liability for these pension payments is assumed by the Commonwealth, the Court has not recognised a liability for unfunded superannuation liability. The Court has, however, recognised both an expense and a corresponding revenue item (Liabilities assumed by other agencies) in respect of the notional amount of the employer's superannuation contribution for the year. This has been calculated as 55.3% of the total salary expenditure in respect of Federal Court judges.
- Note 2. This consists of notional rent and outgoings associated with the accommodation occupied by the Court in the Law Courts Building located in Sydney. This building is owned by Law Courts Limited, a joint venture between the NSW and Commonwealth Governments.
- Note 3. Table 2.1.1 – Total Resources for Outcome 1 shows the total estimated departmental revenue receipts from independent sources.

## 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 Moneys – s20 FMA Act (A)	111	76	155	-	32
	157	736	782	-	111
Services on behalf of other governments and non-public bodies – s20 FMA Act (A)	3	25	16	-	12
	36	48	81	-	3
<b>Total Special Accounts</b>	<b>114</b>	<b>101</b>	<b>171</b>	<b>-</b>	<b>44</b>
	193	784	863	-	114

D = Departmental A = Administered

**Acts Glossary:**

FMA Act = *Financial Management and Accountability Act 1997*

**Notes**

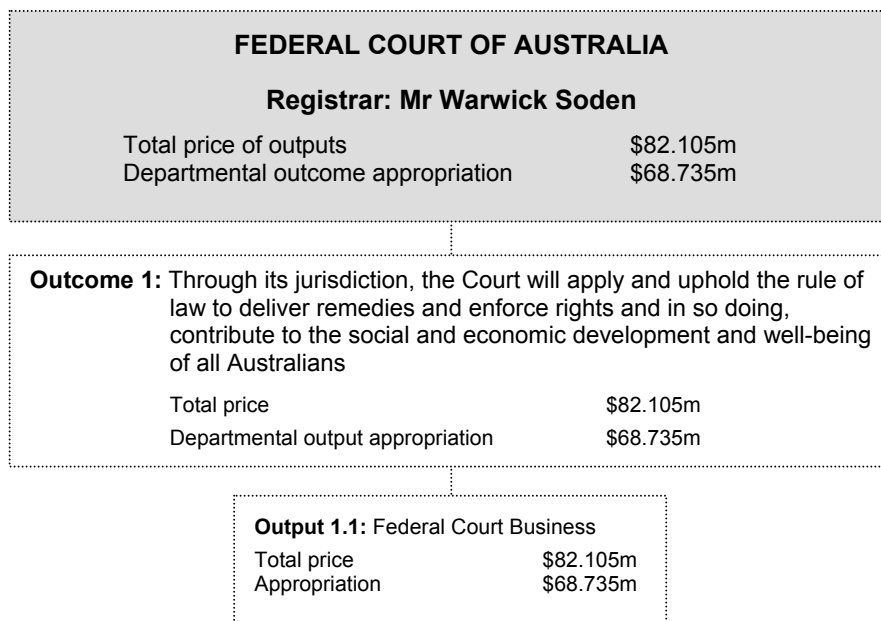
- Note 1. The Opening Balance for 2003–04 is the same as the closing balance for 2002–03.
- Note 2. Receipts from appropriations and other sources are further specified in the Total Resources for Outcome tables.
- Note 3. Other Trust Moneys consist of private funds held by the Commonwealth pending direction from the Court.
- Note 4. Services for other Government and non-agency bodies relate to the Comcare Trust Account where moneys held in trust and advanced to the Federal Court by Comcare for the purpose of distributing compensation payments made in accordance with the *Safety Rehabilitation and Compensation Act 1988*.

## Section 2: Outcomes and outputs information

### OUTCOMES AND OUTPUTS

The Federal Court of Australia works to achieving the outcome specified below. The following section provides an overview. The map below shows the relationship between the outcome and output.

### Outcomes and Outputs Map



### **OUTCOME 1 – THROUGH ITS JURISDICTION, THE COURT WILL APPLY AND UPHOLD THE RULE OF LAW TO DELIVER REMEDIES AND ENFORCE RIGHTS AND IN SO DOING, CONTRIBUTE TO THE SOCIAL AND ECONOMIC DEVELOPMENT AND WELL-BEING OF ALL AUSTRALIANS.**

The objectives of the Court are to:

- decide disputes according to law – promptly, courteously and effectively; and in so doing to interpret the statutory law and develop the general law of the Commonwealth, so as to fulfil the role of a court exercising the judicial power of the Commonwealth under the Constitution
- provide an effective registry service to the community, and
- manage the resources allotted by Parliament efficiently.

#### **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 \$0.070m to supplement the Court'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 outcome 1, including revenue from government (appropriation), revenue from other sources, and the total price of outputs. Table 1.1 the Appropriations and Other Revenue Table and Table 1.3 Receipts from independent sources show departmental appropriations and revenues from other sources respectively.

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

	Estimated actual 2003–04 \$'000	Budget estimate 2004–05 \$'000
<b>from Special Accounts (estimated payments from Special Account balances)</b>		
Other Trust Moneys - s20 FMA Act	782	155
Services for other Government and non-agency bodies – s20 FMA Act	81	16
<b>Total Special Account Outflows</b>	<b>863</b>	<b>171</b>
<b>DEPARTMENTAL APPROPRIATIONS</b>		
<b>Output Group 1.1 - Federal Court Business</b>	<b>67,278</b>	<b>68,735</b>
<b>Total revenue from government (appropriations) Contributing to price of departmental outputs</b>	<b>67,278</b>	<b>68,735</b>
<b>REVENUE FROM OTHER SOURCES</b>		
<b>Output 1.1 - Federal Court Business</b>	<b>12,775</b>	<b>13,370</b>
<b>Total revenue from other sources</b>	<b>12,775</b>	<b>13,370</b>
<b>Total price from departmental outputs (Total revenue from government and from other sources)</b>	<b>80,053</b>	<b>82,105</b>
<b>Total estimated resourcing for Outcome 1 (Total price of outputs and administered appropriations)</b>	<b>80,053</b>	<b>82,105</b>
<b>Average staffing level (number)</b>	<b>319</b>	<b>319</b>

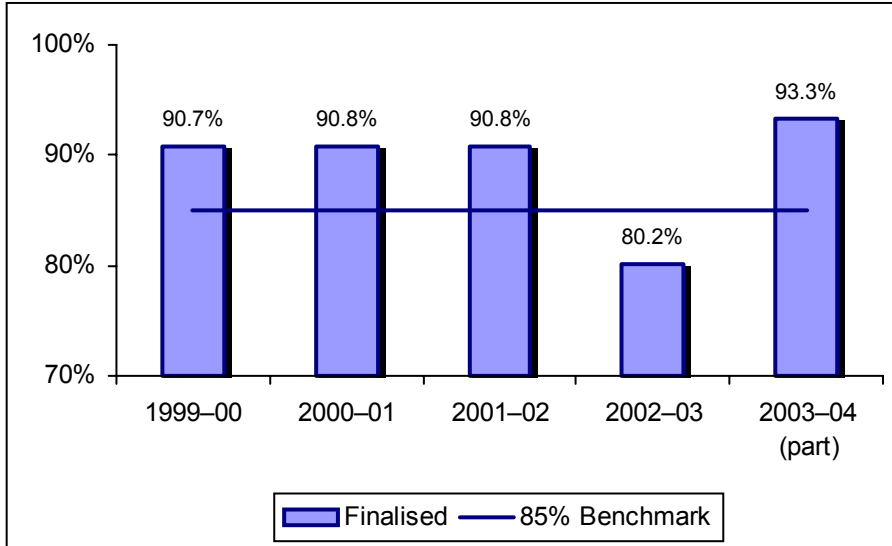
## EVALUATIONS

The Court continues to maintain its performance strategies, which include:

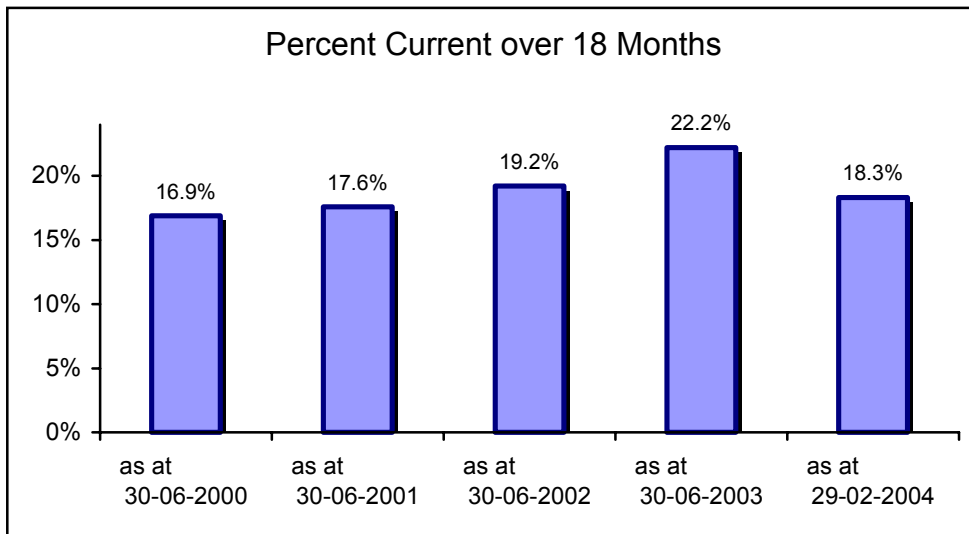
**Table 2.2.1: Performance information for Outcome 1**

<b>Effectiveness – overall achievement of the outcome</b>	
<i>Effectiveness indicators</i>	<i>Measures</i>
Increase in the percentage of matters disposed of in less than 18 months	<p>The Federal Court has set the period of 18 months from commencement as the goal within which it should dispose of at least 85% of its cases.</p> <p><b>Figure 1</b> shows the percentage of matters completed within 18 months for the period from 1997–98 to 2002–03. During 2004–05, the Court plans to continue to perform well above its benchmark of 85%. This indicator excludes Native Title cases, which, by virtue of their nature, can take in excess of three years to dispose.</p>
Reduce the number of cases over 18 months old	<p><b>Figure 2</b> shows the current trend in relation to the number of cases over 18 months old. With less complex matters referred to the Federal Magistrates Court in 2002–03 the shift in the proportion of complex cases heard by the Federal Court impacted upon the Court's ability to meet its goal of disposing of 85% of matters within 18 months. However projected results for 2003–04 indicate achievement of this target in 2003–04. During 2004–05, the Court plans to continue to minimise the caseload over 18 months old, through the continued enhancement of the individual docket system and variations/or changes to the Court's practices and procedures. This indicator also excludes Native Title cases.</p>
Maintain an annual disposition rate of greater than 4000 cases	<p>The Court plans to maintain a disposition rate of greater than 4000 cases during the 2004–05 financial year. Simple and quick cases (such as bankruptcy) continue to be filed in the Federal Magistrates Court. This enables the Federal Court to focus on longer and more complex cases.</p>

**Figure 1: Time span to complete cases 1999–00 to 2003–04  
(including bankruptcy matters but excluding Native Title matters)**



**Figure 2: Current matters over 18 months as at 30 June 2000 to February 2004**



## 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. There is an increase of \$1.457m in the Court's appropriation over 2003–04, arising from the transfer of funds from the Attorney-General's Department for the provision of library services in Sydney and increases to judicial remuneration.

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

The Court's budgeted net asset position of \$29.027m remains unchanged from the 2003–04 estimated actual position.

##### **Statement of Cash Flows**

The Court is estimating a net cash deficit of \$0.703m in 2004–05. Funds will be drawn from the Court's appropriation receivable held in the official public account.

**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
<b>REVENUE</b>					
<b>Revenues from ordinary activities</b>					
Revenues from government	67,278	68,735	67,855	69,272	70,026
Goods and services	1,027	829	884	891	909
Interest	370	380	350	300	320
Sale of Assets	22	47	63	85	87
Other	11,356	12,114	12,548	12,933	13,052
<b>Total</b>	<b>80,053</b>	<b>82,105</b>	<b>81,700</b>	<b>83,481</b>	<b>84,394</b>
<b>EXPENSE</b>					
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>					
Employees	41,806	41,422	42,553	44,061	44,291
Suppliers	35,033	38,072	36,759	36,821	37,280
Depreciation and amortisation	1,995	2,230	2,331	2,549	2,773
Other	119	381	57	50	50
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>	<b>78,953</b>	<b>82,105</b>	<b>81,700</b>	<b>83,481</b>	<b>84,394</b>
Borrowing costs expense	-	-	-	-	-
<b>Operating surplus / (deficit) from ordinary activities</b>	<b>1,100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Gain or loss on extraordinary items	-	-	-	-	-
<b>Net surplus or deficit</b>	<b>1,100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**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
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	1,000	1,000	1,000	1,000	1,000
Receivables	12,969	12,266	12,599	12,643	12,909
Other	334	343	352	360	370
<b>Total financial assets</b>	<b>14,303</b>	<b>13,609</b>	<b>13,951</b>	<b>14,003</b>	<b>14,279</b>
<b>Non-financial assets</b>					
Land and buildings	3,408	2,723	2,425	2,861	2,437
Infrastructure, plant and equipment	9,124	9,834	9,967	10,189	10,083
Intangibles	2,059	2,015	1,742	1,213	893
Other	15,335	15,725	16,089	16,406	16,787
<b>Total non-financial assets</b>	<b>29,926</b>	<b>30,297</b>	<b>30,223</b>	<b>30,669</b>	<b>30,200</b>
<b>Total assets</b>	<b>44,229</b>	<b>43,906</b>	<b>44,174</b>	<b>44,672</b>	<b>44,479</b>
<b>LIABILITIES</b>					
<b>Provisions</b>					
Employees	14,850	14,521	14,784	15,276	15,077
Other	-	-	-	-	-
<b>Total provisions</b>	<b>14,850</b>	<b>14,521</b>	<b>14,784</b>	<b>15,276</b>	<b>15,077</b>
<b>Payables</b>					
Suppliers	351	357	362	368	374
Other	-	-	-	-	-
<b>Total payables</b>	<b>351</b>	<b>357</b>	<b>362</b>	<b>368</b>	<b>374</b>
<b>Total liabilities</b>	<b>15,201</b>	<b>14,878</b>	<b>15,146</b>	<b>15,644</b>	<b>15,451</b>
<b>EQUITY</b>					
<b>Parent entity interest</b>					
Contributed equity	4,635	4,635	4,635	4,635	4,635
Reserves	1,245	1,245	1,245	1,245	1,245
Retained surpluses	23,148	23,148	23,148	23,148	23,148
<b>Total parent entity interest</b>	<b>29,028</b>	<b>29,028</b>	<b>29,028</b>	<b>29,028</b>	<b>29,028</b>
<b>Outside equity interest</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>29,028</b>	<b>29,028</b>	<b>29,028</b>	<b>29,028</b>	<b>29,028</b>
<b>TOTAL ASSETS AND LIABILITIES BY MATURITY</b>					
<b>Current assets</b>	<b>24,406</b>	<b>23,885</b>	<b>24,240</b>	<b>24,309</b>	<b>24,646</b>
<b>Non-current assets</b>	<b>19,823</b>	<b>20,021</b>	<b>19,934</b>	<b>20,363</b>	<b>19,833</b>
<b>Current liabilities</b>	<b>4,999</b>	<b>4,472</b>	<b>4,532</b>	<b>4,818</b>	<b>4,408</b>
<b>Non-current liabilities</b>	<b>10,202</b>	<b>10,406</b>	<b>10,614</b>	<b>10,826</b>	<b>11,043</b>

**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
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations for outputs	67,595	68,735	67,855	69,272	70,026
Sales of goods and services	1,021	830	884	891	909
Interest	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>68,616</b>	<b>69,565</b>	<b>68,739</b>	<b>70,163</b>	<b>70,935</b>
<b>Cash used</b>					
Employees	35,434	35,359	35,579	36,589	37,510
Suppliers	29,461	32,364	30,939	30,888	31,272
Interest	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>64,896</b>	<b>67,723</b>	<b>66,518</b>	<b>67,477</b>	<b>68,782</b>
<b>Net cash from operating activities</b>	<b>3,721</b>	<b>1,842</b>	<b>2,221</b>	<b>2,686</b>	<b>2,152</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash Received</b>					
Proceeds from sale of property, plant and equipment	22	47	63	85	87
Other	-	703	-	-	-
<b>Total cash received</b>	<b>22</b>	<b>750</b>	<b>63</b>	<b>85</b>	<b>87</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	2,923	2,592	1,951	2,727	1,973
Other	1,747	-	333	44	266
<b>Total cash used</b>	<b>4,670</b>	<b>2,592</b>	<b>2,284</b>	<b>2,771</b>	<b>2,239</b>
<b>Net cash from investing activities</b>	<b>4,648</b>	<b>1,842</b>	<b>2,221</b>	<b>2,686</b>	<b>2,152</b>
<b>Net increase (decrease) in cash held</b>	<b>(927)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash at the beginning of the reporting period	1,927	1,000	1,000	1,000	1,000
<b>Cash at the end of the reporting period</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>

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
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	50	-	-	-	-
Total loans	-	-	-	-	-
Appropriation for previous year's outputs	267	-	-	-	-
<b>Represented by:</b>					
Purchase of non-financial assets	50	-	-	-	-
Other	267	-	-	-	-
<b>Total</b>	<b>317</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations	-	-	-	-	-
Funded internally by departmental resources	2,873	2,592	1,951	2,727	1,973
<b>Total</b>	<b>2,923</b>	<b>2,592</b>	<b>1,951</b>	<b>2,727</b>	<b>1,973</b>

**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	-	3,408	-	8,884	239	2,059	-	14,591
Additions	-	200	-	1,940	-	452	-	2,592
Disposals	-	(238)	-	(144)	-	-	-	(381)
Revaluation increments	-	-	-	-	-	-	-	-
Recoverable amount write-downs	-	-	-	-	-	-	-	-
Net transfers free of charge	-	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	(648)	-	(1,086)	-	(496)	-	(2,230)
Write-off of assets	-	-	-	-	-	-	-	-
Carrying amount at the end of year	-	2,723	-	9,595	239	2,015	-	14,572
<b>Total additions</b>								
Self funded	-	200	-	1,940	-	452	-	2,592
Appropriations	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>200</b>	<b>-</b>	<b>1,940</b>	<b>-</b>	<b>452</b>	<b>-</b>	<b>2,592</b>

**Table 3.6: Schedule of Budgeted Revenues and Expenses Administered on behalf of Government 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
<b>REVENUES</b>					
<b>Taxation</b>					
Other taxes, fees and fines	4,843	4,843	4,843	4,843	4,843
<b>Total taxation</b>	<b>4,843</b>	<b>4,843</b>	<b>4,843</b>	<b>4,843</b>	<b>4,843</b>
<b>Non taxation</b>					
Other	115	115	115	115	115
<b>Total non taxation</b>	<b>115</b>	<b>115</b>	<b>115</b>	<b>115</b>	<b>115</b>
<b>Total revenues administered on behalf of the Government</b>	<b>4,958</b>	<b>4,958</b>	<b>4,958</b>	<b>4,958</b>	<b>4,958</b>
<b>EXPENSES</b>					
Other	41	41	41	41	41
<b>Total expenses administered on behalf of the Government</b>	<b>4,917</b>	<b>4,917</b>	<b>4,917</b>	<b>4,917</b>	<b>4,917</b>

**Table 3.7: Schedule of Budgeted Assets and Liabilities Administered on behalf of Government as at 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
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	33	33	33	33	33
Receivables	132	132	132	132	132
<b>Total financial assets</b>	<b>165</b>	<b>165</b>	<b>165</b>	<b>165</b>	<b>165</b>
<b>Total assets administered on behalf of the Government</b>	<b>165</b>	<b>165</b>	<b>165</b>	<b>165</b>	<b>165</b>
<b>LIABILITIES</b>					
<b>Total liabilities administered on behalf of the Government</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**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
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Other taxes, fees and fines	4,958	4,958	4,958	4,958	4,958
<b>Total cash received</b>	<b>4,958</b>	<b>4,958</b>	<b>4,958</b>	<b>4,958</b>	<b>4,958</b>
<b>Cash used</b>					
Cash to Official Public Account	4,958	4,958	4,958	4,958	4,958
<b>Total cash used</b>	<b>4,958</b>	<b>4,958</b>	<b>4,958</b>	<b>4,958</b>	<b>4,958</b>
<b>Net cash from operating activities</b>	-	-	-	-	-
<b>Net increase in cash held</b>	-	-	-	-	-
Cash at the beginning of the reporting period	33	33	33	33	33
<b>Cash at the end of the reporting period</b>	<b>33</b>	<b>33</b>	<b>33</b>	<b>33</b>	<b>33</b>

## NOTES TO THE FINANCIAL STATEMENTS

### Departmental Financial Statements and Administered Items

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 on 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. Differences are:

- Departmental items are those assets, liabilities, revenues and expenses in relation to an agency or authority that 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, and
- Administered items are revenues, expenses, assets and liabilities that 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).

## **Resources provided free of charge**

The Court provides resources free of charge to the Federal Magistrates Court in accordance with sections 90, 92 and 99 of the *Federal Magistrates Act 1999*. Resources provided free of charge include:

- work performed by Court staff on behalf of the Federal Magistrates Court, and
- accommodation, including access to the courtrooms.

## **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.

## Section 4: Purchaser/Provider and Cost Recovery arrangements

### **COST RECOVERY ARRANGEMENTS**

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