

# AUSTRALIAN COMMUNICATIONS AND MEDIA AUTHORITY

<b>Section 1: Agency overview and resources; variations and measures .....</b>	<b>90</b>
Overview .....	90
Additional estimates and variations to outcomes.....	93
Measures — Agency summary.....	70
Breakdown of additional estimates by appropriation bill.....	96
Summary of staffing changes.....	97
Other receipts available to be used.....	97
Estimates of expenses from special appropriations.....	97
Estimates of special account flows .....	97
<b>Section 2: Revisions to agency outcomes .....</b>	<b>98</b>
Outcomes, administered items and outputs.....	98
<b>Section 3: Budgeted financial statements.....</b>	<b>100</b>
Analysis of budgeted financial statements.....	100
Budgeted financial statements .....	103
Notes to the financial statements.....	115



## AUSTRALIAN COMMUNICATIONS AND MEDIA AUTHORITY

### **Section 1: Agency overview and resources; variations and measures**

#### **OVERVIEW**

There have been no significant changes to the Australian Communications and Media Authority (ACMA) objectives and planned achievements since the 2007-08 Portfolio Budget Statements.

**Table 1.1: Agency outcomes and output groups**

Outcome	Description	Output groups
<b>Outcome 1</b> ACMA will provide a regulatory environment that supports an efficient communications sector	The activities undertaken under Outcome 1 reflect the objects and regulatory policy set out in the <i>Broadcasting Services Act 1992</i> , the <i>Radiocommunications Act 1992</i> , the <i>Telecommunications Act 1997</i> , other related legislation and ministerial directions as to government policy.	<b>Output 1.1</b> Effective regulation of the communications industry <b>Output 1.2</b> Planning and licensing of communications services
<b>Outcome 2</b> ACMA will contribute to meeting the communications products and services needs of the Australian community by enabling an effective information, standards and safeguards regime	The activities undertaken under Outcome 2 reflect ACMA's role in ensuring the community is well informed about communication matters and is provided with effective consumer protection.	<b>Output 2.1</b> Ensuring the provision of community standards and safeguards which reflect broad community <b>Output 2.2</b> Facilitating sufficient community information to enable informed decisions about communications products and services

## ADDITIONAL ESTIMATES AND VARIATIONS TO OUTCOMES

### Departmental Outputs

The departmental output appropriation for 2007-08 has been increased by \$2.8m to \$97.2m. The change primarily relates to funding for new measures announced since the 2007-08 Budget. Details of the new measures are outlined in Table 1.2 and Table 1.4 below.

### Administered Expenses

There have been no changes to administered expense appropriations since the 2007-08 Portfolio Budget Statements.

**Table 1.2: Additional estimates and variations to outcomes – measures**

	2007-08 (\$'000)	2008-09 (\$'000)	2009-10 (\$'000)	2010-11 (\$'000)
<b>Outcome 1</b>				
<b>Decrease in departmental appropriations</b>				
Reversal of Digital Action Plan	(1,300)	(1,307)	(1,358)	-
Reversal of Digital Action Plan <sup>1</sup>	(169)	-	-	-
Election Commitment Savings: 2 per cent Efficiency Dividend	(275)	(1,143)	(1,090)	(1,093)
Efficiency dividend - increase in the rate from 1% to 1.25%	-	(150)	(286)	(424)
<b>Outcome 2</b>				
<b>Increase in departmental appropriations</b>				
NetAlert - Protecting Australian Families Online - Outreach Programme	2,312	3,099	3,136	3,173
NetAlert - Protecting Australian Families Online - additional resourcing	2,181	-	-	-
<b>Decrease in departmental appropriations</b>				
Election Commitment Savings: 2 per cent Efficiency Dividend	(153)	(634)	(605)	(607)
Efficiency dividend - increase in the rate from 1% to 1.25%	-	(83)	(159)	(235)

Notes:

Note 1 - Represents a change to the capital appropriation.

**Table 1.3: Additional estimates and variations to outcomes – other variations**

	2007-08 (\$'000)	2008-09 (\$'000)	2009-10 (\$'000)	2010-11 (\$'000)
<b>Outcome 1</b>				
<b>Variations (departmental)</b>				
Parameter adjustments	-	109	103	151
<b>Outcome 2</b>				
<b>Variations (departmental)</b>				
Transfer of NetAlert BEFR funding from DBCDE	24	25	26	26
Parameter adjustments	-	61	57	84

## MEASURES — AGENCY SUMMARY

**Table 1.4: Summary of measures since the 2007-08 Budget**

Measure	Outcome	Output groups affected	2007-08 (\$'000)		2008-09 (\$'000)		2009-10 (\$'000)		2010-11 (\$'000)	
			Admin items	Dept outputs	Admin items	Dept outputs	Admin items	Dept outputs	Admin items	Dept outputs
<b>Expense Measures</b>										
Reversal of Digital Action Plan	1	1.2	-	(1,300)	-	(1,307)	-	(1,358)	-	-
NetAlert - Protecting Australian Families Online - Outreach Programme	2	2.1	-	2,312	-	3,099	-	3,136	-	3,173
NetAlert - Protecting Australian Families Online - additional resourcing	2	2.1	-	2,181	-	-	-	-	-	-
Election Commitment Savings: 2 per cent Efficiency Dividend	All	All	-	(428)	-	(1,777)	-	(1,695)	-	(1,700)
Efficiency dividend - increase in the rate from 1% to 1.25%	All	All	-	-	-	(233)	-	(445)	-	(658)
<b>Total Expense Measures</b>			-	<b>2,765</b>	-	<b>(218)</b>	-	<b>(362)</b>	-	<b>815</b>
<b>Capital Measures</b>										
Reversal of Digital Action Plan	1	1.2	-	(169)	-	-	-	-	-	-
<b>Total Capital Measures</b>			-	<b>(169)</b>	-	-	-	-	-	-
<b>Total of All Measures</b>			-	<b>2,596</b>	-	<b>(218)</b>	-	<b>(362)</b>	-	<b>815</b>

## BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

**Table 1.5: Appropriation Bill (No. 3) 2007-08**

	2006-07 available (\$'000)	2007-08 Budget (\$'000)	2007-08 revised (\$'000)	Additional estimates (\$'000)	Reduced estimates (\$'000)
<b>ADMINISTERED ITEMS</b>					
<b>Outcome 1</b>					
ACMA will provide a regulatory environment that supports an efficient communications sector.	-	-	-	-	-
<b>Outcome 2</b>					
ACMA will contribute to meeting the communications products and services needs of the Australian community by enabling an effective information, standards and safeguards regime.	-	-	-	-	-
<b>Total</b>	-	-	-	-	-
<b>DEPARTMENTAL OUTPUTS</b>					
<b>Outcome 1</b>					
ACMA will provide a regulatory environment that supports an efficient communications sector.	54,268	63,607	62,032	-	(1,575)
<b>Outcome 2</b>					
ACMA will contribute to meeting the communications products and services needs of the Australian community by enabling an effective information, standards and safeguards regime.	23,521	30,833	35,197	4,364	-
<b>Total</b>	<b>77,789</b>	<b>94,440</b>	<b>97,229</b>	<b>4,364</b>	<b>(1,575)</b>
<b>Total administered and departmental</b>	<b>77,789</b>	<b>94,440</b>	<b>97,229</b>	<b>4,364</b>	<b>(1,575)</b>

**Note 1:** 2006-07 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year.

Available appropriation is the amount available to be drawn down, and is equal to:  
*Budget Appropriation + Additional Estimates Appropriation + DIAB + AFM - Savings - Rephasings - Other Reductions +/- Section 32*

**Table 1.6: Appropriation Bill (No. 4) 2007-08**

	2006-07 available (\$'000)	2007-08 Budget (\$'000)	2007-08 revised (\$'000)	Additional Estimates (\$'000)	Reduced estimates (\$'000)
<b>Non-operating</b>					
Equity injections	627	7,748	7,579	-	(169)
Loans					
Previous years' outputs					
Administered assets and liabilities					
<b>Total</b>	<b>627</b>	<b>7,748</b>	<b>7,579</b>	<b>-</b>	<b>(169)</b>

### SUMMARY OF STAFFING CHANGES

There have been no changes to the estimated ASL figures since the 2007-08 Portfolio Budget Statements.

### OTHER RECEIPTS AVAILABLE TO BE USED

There have been no changes to the estimates for other receipts available to be used since the 2007-08 Portfolio Budget Statements.

### ESTIMATES OF EXPENSES FROM SPECIAL APPROPRIATIONS

There have been no changes to the estimates of expenses from special appropriations since the 2007-08 Portfolio Budget Statements.

### ESTIMATES OF SPECIAL ACCOUNT FLOWS

The special account flows have been updated to reflect the impact of the 2006-07 actual closing balances.

**Table 1.10: Estimates of special account flows**

Special Account	Outcome	Opening balance	Credits	Debits	Adjustments	Closing balance
		2007-08 2006-07	2007-08 2006-07	2007-08 2006-07	2007-08 2006-07	2007-08 2006-07
		\$'000	\$'000	\$'000	\$'000	\$'000
Universal Service Account - <i>FMA Act 1997 s21 and TCPSS Act 1999 s21 (A)</i>	2	658	53,689	54,347	-	-
		990	58,242	58,574	-	658
National Relay Service Account - <i>FMA Act 1997 s21 and TCPSS Act 1999 s102 (A)</i>	2	3,286	17,500	16,411	-	4,375
		-	13,830	10,544	-	3,286
Other Trust Moneys - <i>FMA Act 1997 s20 (A)</i>	1	-	50	50	-	-
		6	1,358	1,364	-	-
<b>Total special accounts</b>		<b>3,944</b>	<b>71,239</b>	<b>70,808</b>	<b>-</b>	<b>4,375</b>
		996	73,430	70,482	-	3,944

A = Administered

**Acts Glossary:**

*FMA Act 1997* = Financial Management and Accountability Act 1997

*TCPSS Act 1999* = Telecommunications (Consumer Protection and Service Standards) Act 1999

## **Section 2: Revisions to agency outcomes**

### **OUTCOMES, ADMINISTERED ITEMS AND OUTPUTS**

Table 1.1 'Agency outcomes and outputs groups' lists the outcome statements and output groups for ACMA.

There have been no changes to the outcome and outputs structure since the 2007-08 Portfolio Budget Statements.

### **Outcome 1**

#### **Resourcing - explanation of variations**

Outcome 1 has the following additional estimates variations.

##### **Departmental Outputs**

The departmental output appropriation for Outcome 1 has decreased by \$1.6m to \$62.0m since the 2007-08 Portfolio Budget Statements. The change relates to the *Reversal of the Digital Action Plan* and *Election Commitment Savings: 2 per cent Efficiency Dividend* measures.

##### **Administered Expenses**

The estimated administered expenses for Outcome 1 have decreased by \$0.3m to \$175.7m since the 2007-08 Portfolio Budget Statements. The change is due to a decrease in bad and doubtful debts. ACMA does not receive an annual administered appropriation for Outcome 1 and this variation does not impact on the 2007-08 Appropriation Bills.

#### **Revised performance information — 2007-08**

There have been no changes to the performance information for Outcome 1 since the 2007-08 Portfolio Budget Statements.

## **Outcome 2**

### **Resourcing - explanation of variations**

Outcome 2 has the following additional estimates variations.

#### **Departmental Outputs**

The departmental output appropriation for Outcome 2 has increased by \$4.3m to \$35.2m since the 2007-08 Portfolio Budget Statements. The change primarily relates to:

- an increase of \$2.2m for the *NetAlert - Protecting Australian Families Online - additional resourcing* measure;
- an increase of \$2.3m for the *NetAlert - Protecting Australian Families Online - Outreach Programme* measure; and
- a decrease of \$0.2m for the *Election Commitment Savings: 2 per cent Efficiency Dividend* measure.

#### **Administered Expenses**

The estimated administered expenses for Outcome 2 have not changed since the 2007-08 Portfolio Budget Statements.

### **Revised performance information — 2007-08**

There have been no changes to the performance information for Outcome 2 since the 2007-08 Portfolio Budget Statements.

### **Section 3: Budgeted financial statements**

#### **ANALYSIS OF BUDGETED FINANCIAL STATEMENTS**

An analysis of the primary causes of movements in the ACMA financial statements from those published in the 2007-08 Portfolio Budget Statements (PBS) is provided below.

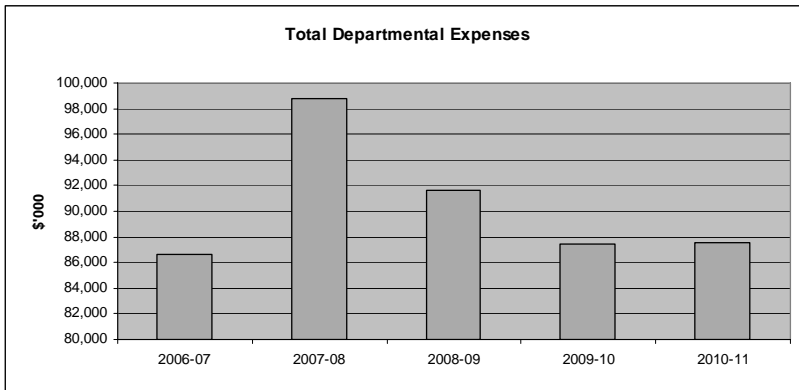
#### **Departmental**

##### **Income Statement**

ACMA is budgeting to incur an approved loss of \$0.049m in 2007-08. The loss relates to depreciation and timing differences associated with prior year appropriation expenses. Total revenue is estimated to be \$98.709m and expenses are estimated to be \$98.758m. The \$2.8m increase in the revenue and expense figures from the 2007-08 PBS estimates is primarily due to:

- an increase of \$2.2m in funding for the *NetAlert - Protecting Australian Families Online - additional resourcing* measure;
- an increase of \$2.3m for the *NetAlert - Protecting Australian Families Online - Outreach Programme* measure;
- a decrease of \$1.3m for the *Reversal of the Digital Action Plan* measure with effect from 1 January 2008; and
- a decrease of \$0.4m for the *Election Commitment Savings: 2 per cent Efficiency Dividend* measure.

The following chart shows the trend in ACMA expenses over the forward estimates period. The increase in expenses from 2006-07 is primarily related to the funding patterns associated with government measures and the application of economic parameters to the expense estimates.



### Balance Sheet

The budgeted net asset position for 2007-08 of \$35.3m represents a decrease of \$8.4m from the 2007-08 PBS estimates. The decrease is primarily attributable to adjustments to the opening balances to reflect the actual 2006-07 results and the return of \$4.3m received for the implementation of the Do Not Call Register.

The structure of ACMA’s balance sheet is typical of an organisation where the key attributes are its employees, computer software (included in intangibles), computer hardware (included in infrastructure, plant and equipment) and leasehold fit-outs. The information technology platform is an intrinsic component of the successful operations of the agency.

### Administered

#### Revenues and Expenses

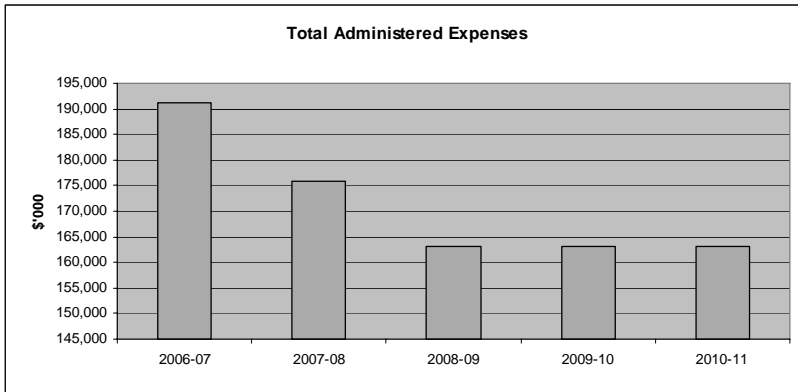
It is estimated that ACMA will receive non-appropriation revenue on behalf of the Government of \$691.6m, a decrease of \$11.7m from the 2007-08 PBS estimate. The change is primarily due to:

- a decrease of \$10.6m in broadcasting licence fees; and
- a decrease of \$1.1m in radio communications charges.

The reductions in revenue outlined above are a result of lower than expected receipts in 2006-07.

Administered expenses are estimated to be \$175.7m, a decrease of \$0.3m from the 2007-08 PBS estimates. The change is due to a decrease in bad and doubtful debts.

The following chart shows the trend in administered expenses over the forward estimates period. The decrease in the forward estimates is primarily due to decreases in the Universal Service Levy.



### Assets and Liabilities

Administered assets as at 30 June 2008 are estimated to be \$326.4m, a decrease of \$4.4m from the 2007-08 PBS estimate. The change is primarily due to a decrease in accrued revenue.

Administered liabilities as at 30 June 2008 are estimated to be \$7.8m, an increase of \$4.7m from the 2007-08 PBS estimate. The change is primarily attributable to adjustments to the opening balances to reflect the actual 2006-07 results.

## BUDGETED FINANCIAL STATEMENTS

### Departmental financial statements

**Table 3.1: Budgeted departmental income statement for the period ended 30 June**

	Actual	Revised budget	Forward estimate	Forward estimate	Forward estimate
	2006-07	2007-08	2008-09	2009-10	2010-11
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>INCOME</b>					
<b>Revenues</b>					
Revenues from Government	82,089	97,229	90,131	85,929	86,065
Goods and services	2,437	1,480	1,482	1,484	1,484
Fees and fines	-	-	-	-	-
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Rents	-	-	-	-	-
Royalties	-	-	-	-	-
Other	-	-	-	-	-
<b>Total Revenue</b>	<b>84,526</b>	<b>98,709</b>	<b>91,613</b>	<b>87,413</b>	<b>87,549</b>
<b>Gains</b>					
Net foreign exchange gains	-	-	-	-	-
Reversals of previous asset write-downs	-	-	-	-	-
Revenue from sales of assets	21	-	-	-	-
Other	96	-	-	-	-
<b>Total Gains</b>	<b>117</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Income</b>	<b>84,643</b>	<b>98,709</b>	<b>91,613</b>	<b>87,413</b>	<b>87,549</b>
<b>EXPENSE</b>					
Employees	45,001	53,709	52,911	54,537	56,399
Suppliers	34,732	39,589	32,064	25,634	23,240
Grants	-	-	-	-	-
Subsidies	-	-	-	-	-
Depreciation and amortisation	5,011	5,415	6,593	7,197	7,865
Finance costs	45	45	45	45	45
Write-down of assets and impairment of assets	1,760	-	-	-	-
Net losses from sale of assets	34	-	-	-	-
Net foreign exchange losses	-	-	-	-	-
Other	-	-	-	-	-
<b>Total expenses</b>	<b>86,583</b>	<b>98,758</b>	<b>91,613</b>	<b>87,413</b>	<b>87,549</b>
Share of operating results of associates and joint ventures accounted for using the equity method	-	-	-	-	-
<b>Surplus (Deficit) before Income Tax</b>	<b>(1,940)</b>	<b>(49)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Income Tax expense	-	-	-	-	-
<b>Surplus (Deficit)</b>	<b>(1,940)</b>	<b>(49)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Monitory interest in net surplus (or deficit)	-	-	-	-	-
<b>Net surplus (or deficit) attributable to the Australian Government</b>	<b>(1,940)</b>	<b>(49)</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 3.2: Budgeted departmental balance sheet as at 30 June**

	Actual 2006-07 \$'000	Revised budget 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000	Forw ard estimate 2010-11 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	2,586	4,296	4,296	4,296	4,296
Trade and other receivables	31,680	26,202	27,472	25,730	25,791
Investments accounted for under the equity method	-	-	-	-	-
Investments	-	-	-	-	-
Other investments	-	-	-	-	-
Tax assets	-	-	-	-	-
Accrued revenues	537	537	537	537	537
Other	-	-	-	-	-
<b>Total financial assets</b>	<b>34,803</b>	<b>31,035</b>	<b>32,305</b>	<b>30,563</b>	<b>30,624</b>
<b>Non-financial assets</b>					
Land and buildings	12,106	11,754	12,372	11,967	13,443
Infrastructure, plant and equipment	3,007	2,871	2,938	3,005	3,004
Investment properties	-	-	-	-	-
Heritage and cultural assets	-	-	-	-	-
Inventories	-	-	-	-	-
Intangibles	4,884	10,683	12,565	15,409	14,643
Deferred tax asset	-	-	-	-	-
Biological assets	-	-	-	-	-
Other	954	954	954	954	954
<b>Total non-financial assets</b>	<b>20,951</b>	<b>26,262</b>	<b>28,829</b>	<b>31,335</b>	<b>32,044</b>
Assets held for sale	-	-	-	-	-
<b>Total assets</b>	<b>55,754</b>	<b>57,297</b>	<b>61,134</b>	<b>61,898</b>	<b>62,668</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
Loans	-	-	-	-	-
Leases	802	802	802	802	802
Deposits	-	-	-	-	-
Overdraft	-	-	-	-	-
Other	2,567	2,567	2,567	2,567	2,567
<b>Total interest bearing liabilities</b>	<b>3,369</b>	<b>3,369</b>	<b>3,369</b>	<b>3,369</b>	<b>3,369</b>
<b>Provisions</b>					
Employees	14,057	14,381	15,024	15,692	16,387
Other	1,253	1,253	1,253	1,253	1,253
<b>Total provisions</b>	<b>15,310</b>	<b>15,634</b>	<b>16,277</b>	<b>16,945</b>	<b>17,640</b>
<b>Payables</b>					
Suppliers	5,011	3,000	3,000	3,000	3,000
Grants	-	-	-	-	-
Dividends	-	-	-	-	-
Finance costs	-	-	-	-	-
Tax liabilities	-	-	-	-	-
Deferred tax liabilities	-	-	-	-	-
Other	22	22	22	22	22
<b>Total payables</b>	<b>5,033</b>	<b>3,022</b>	<b>3,022</b>	<b>3,022</b>	<b>3,022</b>
Liabilities included in disposal groups held for sale	-	-	-	-	-
<b>Total liabilities</b>	<b>23,712</b>	<b>22,025</b>	<b>22,668</b>	<b>23,336</b>	<b>24,031</b>
<b>Net Assets</b>	<b>32,042</b>	<b>35,272</b>	<b>38,466</b>	<b>38,562</b>	<b>38,637</b>

**Table 3.2: Budgeted departmental balance sheet as at 30 June (continued)**

	Actual	Revised	Forw ard	Forw ard	Forw ard
	2006-07	budget	estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	20,243	23,522	26,716	26,812	26,887
Reserves	10,709	10,709	10,709	10,709	10,709
Retained surpluses or accumulated deficits	1,090	1,041	1,041	1,041	1,041
<b>Total parent entity interest</b>	<b>32,042</b>	<b>35,272</b>	<b>38,466</b>	<b>38,562</b>	<b>38,637</b>
<b>Minority interest</b>					
Contributed equity	-	-	-	-	-
Reserves	-	-	-	-	-
Retained surpluses or accumulated deficits	-	-	-	-	-
<b>Total minority interest</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>32,042</b>	<b>35,272</b>	<b>38,466</b>	<b>38,562</b>	<b>38,637</b>
<b>Current assets</b>	35,757	31,989	33,259	31,517	31,578
<b>Non-current assets</b>	19,997	25,308	27,875	30,381	31,090
<b>Current liabilities</b>	18,246	16,518	17,081	17,665	18,273
<b>Non-current liabilities</b>	5,466	5,507	5,587	5,671	5,758

\*Note: "equity" is the residual interest in assets after deduction of liabilities.

**Table 3.3: Budgeted departmental statement of cash flows for the period ended 30 June**

	Actual 2006-07 \$'000	Revised budget 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000	Forw ard estimate 2010-11 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	2,184	1,470	1,476	1,480	1,484
Appropriations	77,612	98,012	88,462	87,271	85,599
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Net GST received	119	4,307	3,354	2,712	2,472
Other	-	-	-	-	-
<b>Total cash received</b>	<b>79,915</b>	<b>103,789</b>	<b>93,292</b>	<b>91,463</b>	<b>89,555</b>
<b>Cash used</b>					
Employees	47,138	53,385	52,268	53,869	55,704
Suppliers	32,208	41,600	32,064	25,635	23,240
Grants	-	-	-	-	-
Borrowing costs	-	45	45	45	45
Net GST paid	-	4,307	3,354	2,712	2,472
Other	-	-	-	-	-
<b>Total cash used</b>	<b>79,346</b>	<b>99,337</b>	<b>87,731</b>	<b>82,261</b>	<b>81,461</b>
<b>Net cash from or (used by) operating activities</b>	<b>569</b>	<b>4,452</b>	<b>5,561</b>	<b>9,202</b>	<b>8,094</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	21	-	-	-	-
Proceeds from sales of financial instruments	-	-	-	-	-
Repayments of loans made	-	-	-	-	-
Investments	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	1,895	10,321	8,755	9,298	8,169
Purchase of financial instruments	-	-	-	-	-
Loans made	-	-	-	-	-
Investments	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>1,895</b>	<b>10,321</b>	<b>8,755</b>	<b>9,298</b>	<b>8,169</b>
<b>Net cash from or (used by) investing activities</b>	<b>(1,874)</b>	<b>(10,321)</b>	<b>(8,755)</b>	<b>(9,298)</b>	<b>(8,169)</b>

**Table 3.3: Budgeted departmental statement of cash flows for the period ended 30 June (continued)**

	Actual 2006-07 \$'000	Revised budget 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000	Forw ard estimate 2010-11 \$'000
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	-	7,579	3,194	96	75
Proceeds from issuing financial instruments	-	-	-	-	-
Proceeds from loans	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>7,579</b>	<b>3,194</b>	<b>96</b>	<b>75</b>
<b>Cash used</b>					
Repayments of debt	-	-	-	-	-
Dividends paid	-	-	-	-	-
Other	201	-	-	-	-
<b>Total cash used</b>	<b>201</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from/(used by) financing activities</b>	<b>(201)</b>	<b>7,579</b>	<b>3,194</b>	<b>96</b>	<b>75</b>
<b>Net increase or (decrease) in cash held</b>	<b>(1,506)</b>	<b>1,710</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash at the beginning of the reporting period	4,092	2,586	4,296	4,296	4,296
Effect of exchange rate movements on cash at the beginning of reporting period	-	-	-	-	-
<b>Cash at the end of the reporting period</b>	<b>2,586</b>	<b>4,296</b>	<b>4,296</b>	<b>4,296</b>	<b>4,296</b>

**Table 3.4: Departmental statement of changes in equity — summary of movement (Budget 2007-08)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balances as at 1 July 2007</b>					
Balance carried forward from previous period	1,090	10,709	-	20,243	32,042
Adjustment for changes in accounting policies	-	-	-	-	-
<b>Adjusted opening balances</b>	<b>1,090</b>	<b>10,709</b>	<b>-</b>	<b>20,243</b>	<b>32,042</b>
<b>Income and expenses</b>					
Income and expenses recognised directly in equity:					
Gain/loss on revaluation of property	-	-	-	-	-
<b>Sub-total income and expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Surplus (Deficit) for the period	(49)	-	-	-	(49)
<b>Total income and expenses recognised directly in equity</b>	<b>(49)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(49)</b>
<b>Transactions with owners</b>					
Distribution to owners					
Returns on capital					
Dividends	-	-	-	-	-
Returns of capital					
Restructuring	-	-	-	-	-
Other	-	-	-	(4,300)	(4,300)
Contribution by owners					
Appropriation (equity injection)	-	-	-	7,579	7,579
Other:					
Restructuring	-	-	-	-	-
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,279</b>	<b>3,279</b>
Transfers between equity components	-	-	-	-	-
<b>Estimated closing balance as at 30 June 2008</b>	<b>1,041</b>	<b>10,709</b>	<b>-</b>	<b>23,522</b>	<b>35,272</b>

**Table 3.5: Departmental capital budget statement**

	Actual	Revised budget	Forward estimate	Forward estimate	Forward estimate
	2006-07	2007-08	2008-09	2009-10	2010-11
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	627	7,579	3,194	96	75
Total loans	-	-	-	-	-
<b>Total capital appropriations</b>	<b>627</b>	<b>7,579</b>	<b>3,194</b>	<b>96</b>	<b>75</b>
<b>Represented by:</b>					
Purchase of non-financial assets	627	7,579	3,194	96	75
Other	-	-	-	-	-
<b>Total represented by</b>	<b>627</b>	<b>7,579</b>	<b>3,194</b>	<b>96</b>	<b>75</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
<b>ASSETS</b>					
Funded by capital appropriation	627	7,579	3,194	96	75
Funded internally by	1,268	2,742	5,561	9,202	8,094
Departmental resources					
<b>Total</b>	<b>1,895</b>	<b>10,321</b>	<b>8,755</b>	<b>9,298</b>	<b>8,169</b>

**Table 3.6: Departmental property, plant, equipment and intangibles — summary of movement (Budget year 2007-08)**

	Land investment property	Buildings	Specialist military equipment	Other infrastructure and plant and equipment	Heritage and cultural assets	Computer software	Other intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2007</b>								
Gross book value	7,910	4,196	-	5,048	-	17,022	-	34,176
Accumulated depreciation	-	-	-	2,041	-	12,138	-	14,179
<b>Opening net book value</b>	<b>7,910</b>	<b>4,196</b>	<b>-</b>	<b>3,007</b>	<b>-</b>	<b>4,884</b>	<b>-</b>	<b>19,997</b>
Additions:								
by purchase	-	545	-	616	-	-	-	1,161
by finance lease	-	-	-	405	-	-	-	405
internally developed	-	-	-	-	-	9,160	-	9,160
from acquisitions of entities or operations (including restructuring)	-	-	-	-	-	-	-	-
Revaluations and impairment through equity	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	897	-	1,157	-	3,361	-	5,415
Impairments recognised in operating result	-	-	-	-	-	-	-	-
Other movements	-	-	-	-	-	-	-	-
Disposals:								
from disposal of entities or operations (including restructuring)	-	-	-	-	-	-	-	-
other disposals	-	-	-	-	-	-	-	-
<b>As at 30 June 2008</b>								
Gross book value	7,910	4,741	-	6,069	-	26,182	-	44,902
Accumulated depreciation	-	897	-	3,198	-	15,499	-	19,594
<b>Estimated closing net book value</b>	<b>7,910</b>	<b>3,844</b>	<b>-</b>	<b>2,871</b>	<b>-</b>	<b>10,683</b>	<b>-</b>	<b>25,308</b>

## Schedule of administered activity

**Table 3.7: Schedule of budgeted income and expenses administered on behalf of government for the period ended 30 June**

	Actual	Revised	Forw ard	Forw ard	Forw ard
	2006-07	budget	estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Revenue</b>					
<b>Taxation</b>					
Income tax	-	-	-	-	-
Indirect tax	-	-	-	-	-
Other taxes, fees and fines	465,974	479,689	494,569	510,023	526,072
<b>Total taxation</b>	<b>465,974</b>	<b>479,689</b>	<b>494,569</b>	<b>510,023</b>	<b>526,072</b>
<b>Non-taxation</b>					
Goods and services	1,244	1,427	1,913	2,368	2,850
Fees and fines	-	-	-	-	-
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Other sources of non-taxation revenues	224,501	210,527	199,261	199,672	199,658
Rents	-	-	-	-	-
Royalties	-	-	-	-	-
<b>Total non-taxation</b>	<b>225,745</b>	<b>211,954</b>	<b>201,174</b>	<b>202,040</b>	<b>202,508</b>
<b>Total revenues administered on behalf of Government</b>	<b>691,719</b>	<b>691,643</b>	<b>695,743</b>	<b>712,063</b>	<b>728,580</b>
<b>Gains</b>					
Net foreign exchange gains	-	-	-	-	-
Net gains from sale of assets	5,746	-	-	-	-
Other gains	-	-	-	-	-
Reversal of previous asset writedown	-	-	-	-	-
<b>Total gains administered on behalf of Government</b>	<b>5,746</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total income administered on behalf of Government</b>	<b>697,465</b>	<b>691,643</b>	<b>695,743</b>	<b>712,063</b>	<b>728,580</b>
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Grants	-	-	-	-	-
Subsidies	171,980	157,692	145,076	145,076	145,076
Personal benefits	-	-	-	-	-
Employees	-	-	-	-	-
Suppliers	13,511	18,000	18,000	18,000	18,000
Depreciation and amortisation	-	-	-	-	-
Write down and impairment of assets	5,626	-	-	-	-
Finance costs	-	-	-	-	-
Interest	-	-	-	-	-
Asset sales	-	-	-	-	-
Foreign exchange	-	-	-	-	-
Other	-	50	50	50	50
<b>Total expenses administered on behalf of Government</b>	<b>191,117</b>	<b>175,742</b>	<b>163,126</b>	<b>163,126</b>	<b>163,126</b>

**Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of government as at 30 June**

	Actual 2006-07 \$'000	Revised budget 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000	Forw ard estimate 2010-11 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Cash and cash equivalents	3,959	-	-	-	-
Receivables	35,203	38,109	39,481	39,892	39,878
Taxation receivables	421	-	-	-	-
Investments - equity	-	-	-	-	-
Investments - other	-	-	-	-	-
Accrued revenues	273,616	288,283	300,535	313,308	326,623
Other financial assets	-	-	-	-	-
<b>Total financial assets</b>	<b>313,199</b>	<b>326,392</b>	<b>340,016</b>	<b>353,200</b>	<b>366,501</b>
<b>Non-financial assets</b>					
Land and buildings	-	-	-	-	-
Infrastructure, plant and equipment	-	-	-	-	-
Investment properties	-	-	-	-	-
Heritage and cultural assets	-	-	-	-	-
Inventories	-	-	-	-	-
Intangibles	-	-	-	-	-
Biological assets	-	-	-	-	-
Assets held for sale	-	-	-	-	-
Other	-	-	-	-	-
<b>Total non-financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets administered on behalf of Government</b>	<b>313,199</b>	<b>326,392</b>	<b>340,016</b>	<b>353,200</b>	<b>366,501</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Interest bearing liabilities</b>					
Australian Government securities	-	-	-	-	-
Loans	-	-	-	-	-
Leases	-	-	-	-	-
Deposits	-	-	-	-	-
Overdrafts	-	-	-	-	-
Other	-	-	-	-	-
<b>Total interest bearing liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provisions</b>					
Employees	-	-	-	-	-
Taxation refunds provided	-	-	-	-	-
Australian currency on issue	-	-	-	-	-
Other provisions	3,300	3,467	3,467	3,467	3,467
<b>Total provisions</b>	<b>3,300</b>	<b>3,467</b>	<b>3,467</b>	<b>3,467</b>	<b>3,467</b>
<b>Payables</b>					
Suppliers	-	-	-	-	-
Grants and subsidies	-	-	-	-	-
Dividends	-	-	-	-	-
Borrowing costs	-	-	-	-	-
Personal benefits payable	-	-	-	-	-
Taxation refunds due	-	-	-	-	-
Other payables	4,136	4,375	4,375	4,375	4,375
<b>Total payables</b>	<b>4,136</b>	<b>4,375</b>	<b>4,375</b>	<b>4,375</b>	<b>4,375</b>
Liabilities included in disposal groups held for sale	-	-	-	-	-
<b>Total liabilities administered on behalf of Government</b>	<b>7,436</b>	<b>7,842</b>	<b>7,842</b>	<b>7,842</b>	<b>7,842</b>

**Table 3.9: Schedule of budgeted administered cash flows for the period ended 30 June**

	Actual 2006-07 \$'000	Revised budget 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000	Forw ard estimate 2010-11 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Tax	469,369	465,022	482,317	497,250	512,757
Fees	-	-	-	-	-
Sales of goods and rendering of service	-	-	-	-	-
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Net GST received	6,426	7,169	6,739	6,739	6,739
Other	113,176	109,831	104,120	105,947	106,840
<b>Total cash received</b>	<b>588,971</b>	<b>582,022</b>	<b>593,176</b>	<b>609,936</b>	<b>626,336</b>
<b>Cash used</b>					
Borrowing costs	-	-	-	-	-
Employees	-	-	-	-	-
Grant payments	-	-	-	-	-
Interest paid	-	-	-	-	-
Subsidies paid	58,574	54,347	49,394	49,394	49,394
Personal benefits	-	-	-	-	-
Suppliers	13,517	16,911	18,000	18,000	18,000
Net GST paid	6,426	7,169	6,739	6,739	6,739
Other	5,883	50	50	50	50
<b>Total cash used</b>	<b>84,400</b>	<b>78,477</b>	<b>74,183</b>	<b>74,183</b>	<b>74,183</b>
<b>Net cash from or (used by) operating activities</b>	<b>504,571</b>	<b>503,545</b>	<b>518,993</b>	<b>535,753</b>	<b>552,153</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment and intangibles	5,890	-	-	-	-
Proceeds from sales of equity instruments	-	-	-	-	-
Proceeds from sales of investments	-	-	-	-	-
Repayments of advances	-	-	-	-	-
Transfers from other entities	-	-	-	-	-
Investments	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>5,890</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	-	-	-	-	-
Purchase of equity instruments	-	-	-	-	-
Advances and loans made	-	-	-	-	-
Transfers to other entities	-	-	-	-	-
Investments	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) investing activities</b>	<b>5,890</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 3.9: Schedule of budgeted administered cash flows for the period ended 30 June (continued)**

	Actual 2006-07 \$'000	Revised budget 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000	Forw ard estimate 2010-11 \$'000
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from borrowing	-	-	-	-	-
Cash from Official Public Account	6,426	7,169	6,739	6,739	6,739
Other	-	-	-	-	-
<b>Total cash received</b>	<b>6,426</b>	<b>7,169</b>	<b>6,739</b>	<b>6,739</b>	<b>6,739</b>
<b>Cash used</b>					
Net repayment of borrowings	-	-	-	-	-
Dividends paid	-	-	-	-	-
Cash to Official Public Account	6,426	7,169	6,739	6,739	6,739
Other	-	-	-	-	-
<b>Total cash used</b>	<b>6,426</b>	<b>7,169</b>	<b>6,739</b>	<b>6,739</b>	<b>6,739</b>
<b>Net cash from or (used by) financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>	<b>510,461</b>	<b>503,545</b>	<b>518,993</b>	<b>535,753</b>	<b>552,153</b>
Cash at beginning of reporting period	1,084	3,959	-	-	-
Cash from Official Public Account for:					
Appropriations	12,309	7,669	7,239	7,239	7,239
Special accounts	72,091	70,808	66,944	66,944	66,944
Other	-	-	-	-	-
Transfers from other entities (Finance - Whole of Government)	-	-	-	-	-
Cash to Official Public Account for:					
Appropriations	-	-	-	-	-
Special accounts	72,072	71,239	66,944	66,944	66,944
Other	519,914	514,742	526,232	542,992	559,392
Transfers from other entities (Finance - Whole of Government)	-	-	-	-	-
Effect of exchange rate movements on cash at beginning of reporting period	-	-	-	-	-
<b>Cash at end of reporting period</b>	<b>3,959</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## **NOTES TO THE FINANCIAL STATEMENTS**

### **Departmental**

#### **Revenues from Government**

Revenues from Government represent the purchase of outputs from ACMA by the Government.

#### **Revenue from the Sale of Goods and Services**

Revenue from the sale of goods and services is recognised upon the delivery of goods and services to customers.

#### **Employees Expenses**

Represents payments made and net increases or decreases in entitlements owed to employees for their services provided in the financial year.

#### **Suppliers Expenses**

Represents payments to suppliers for goods and services.

#### **Depreciation and Amortisation**

Depreciable infrastructure, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the agency using, in all cases, the straight line method of depreciation. Leasehold improvements are depreciated on a straight line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease. Intangibles (computer software) are depreciated over their useful lives of between three and ten years.

Forward estimates of depreciation and amortisation expense are made using forecasts of net capital acquisition requirements over the forward years.

#### **Finance Costs**

Finance costs relate to ACMA's IT outsourcing finance lease and lease incentives associated with property leases.

#### **Receivables**

Represents amounts owing to ACMA for goods and services that it has provided to external parties and cash reserves held in the Official Public Account which are recorded as a receivable.

#### **Non-financial Assets**

Represents future economic benefits that the agency will consume in producing outputs. Apart from revalued assets, the reported value represents the purchase price paid less depreciation incurred to date in using that asset.

Land and buildings, and infrastructure, plant and equipment are initially brought to account at cost, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

Intangibles include purchased and internally developed software such as ACMA's radiocommunications planning tools software and licences, numbering auction system and financial information management system.

#### **Lease Liabilities**

ACMA has entered into a sale and lease-back transaction of certain IT assets. The IT equipment provided to and used by ACMA includes desktop computers, mid-range and other equipment. The IT outsourcing contract is accounted for as a finance lease in accordance with AAS 17, Leases. Lease liability estimates also include lease incentives associated with ACMA's property leases.

#### **Employee Provisions**

Provision has been made for the agency's liability for employee entitlements arising from services rendered by employees. This liability encompasses unpaid wages and salaries, annual and long service leave. No provision is made for sick leave.

The liability for leave expected to be settled within twelve months is measured at the nominal amount. Other employee entitlements payable later than one year have been estimated at the present value of the expected future cash outflows in relation to those entitlements.

#### **Supplier Payables**

Represents amounts payable to trade creditors. Settlement is usually made within 30 days.

### **Administered**

#### **Taxation Revenue**

Represents the collection of taxes and fees on behalf of the Government. It includes Broadcasting Licence Fees, Radiocommunications Taxes and the Annual Numbering Charge. These funds are remitted to the Official Public Account and are not available to be used by ACMA for its own purposes.

Radiocommunication and telecommunication taxes and fees are recognised as revenue when the economic activity of the fee payer takes place that gives rise to the Commonwealth's right to levy the charges.

**Non-taxation Revenue**

Represents non-taxation fees and charges collected by ACMA. These include Telecommunication Licence Charges, USO levies and non-taxation Radiocommunication charges.

**Revenues from the Sale of Assets**

Represents the proceeds from radio spectrum, radio apparatus and telephone numbering auctions. Estimates of the expected revenue from future auctions are not disclosed as they could potentially affect the revenue raised from the auctions.

**Subsidies**

Represents the USO levy.

**Suppliers**

Represents payments to suppliers for goods and services. It includes expenses for NRS service providers and the development of consumer codes by participants in the telecommunications industry.