



BUDGET★
PORTFOLIO BUDGET STATEMENTS 2010-11
BUDGET RELATED PAPER NO. 1.3

BROADBAND, COMMUNICATIONS AND THE
DIGITAL ECONOMY PORTFOLIO

BUDGET INITIATIVES AND EXPLANATIONS OF
APPROPRIATIONS SPECIFIED BY OUTCOMES
AND PROGRAMS BY AGENCY

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SENATOR THE HON STEPHEN CONROY

MINISTER FOR BROADBAND, COMMUNICATIONS AND THE DIGITAL ECONOMY
DEPUTY LEADER OF THE GOVERNMENT IN THE SENATE

President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr President
Dear Mr Speaker

I hereby submit Portfolio Budget Statements in support of the 2010-11 Budget for the Broadband, Communications and the Digital Economy Portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the outcomes for the Portfolio.

I present these statements to provide accountability to the Parliament and, through it, the public.

Yours sincerely

A handwritten signature in black ink that reads 'Stephen Conroy'.

Stephen Conroy
Minister for Broadband
Communications and the Digital Economy

May 2010

Abbreviations and conventions

The following notation may be used:

NEC/nec	not elsewhere classified
-	nil
..	not zero, but rounded to zero
na	not applicable (unless otherwise specified)
nfp	not for publication
\$m	\$ million
\$b	\$ billion

Figures in tables and in the text may be rounded. Figures in text are generally rounded to one decimal place, whereas figures in tables are generally rounded to the nearest thousand. Discrepancies in tables between totals and sums of components are due to rounding.

Enquiries

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A copy of this document can be located on the Australian Government Budget website at: <http://www.budget.gov.au>.

**USER GUIDE
TO THE
PORTFOLIO BUDGET
STATEMENTS**

USER GUIDE

The purpose of the 2010-11 Portfolio Budget Statements (PB Statements) is to inform Senators and Members of Parliament of the proposed allocation of resources to Government outcomes by agencies within the portfolio. Agencies receive resources from the annual appropriations acts, special appropriations (including standing appropriations and special accounts), and revenue from other sources.

A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills No. 1 and No. 2 2010-11 (or Appropriation Bill [Parliamentary Departments] No. 1 2010-11 for the parliamentary departments). In this sense the PB Statements are Budget related papers and are declared by the Appropriation Acts to be 'relevant documents' to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

The PB Statements provide information, explanation and justification to enable Parliament to understand the purpose of each outcome proposed in the Bills. Figures quoted are GST exclusive unless stated otherwise.

As required under section 12 of the *Charter of Budget Honesty Act 1998*, non-general government sector entities are not consolidated into the Commonwealth general government sector fiscal estimates and accordingly, these entities are not reported in the PB Statements.

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PORTFOLIO OVERVIEW

BROADBAND, COMMUNICATIONS AND THE DIGITAL ECONOMY PORTFOLIO OVERVIEW

MINISTER AND PORTFOLIO RESPONSIBILITIES

The Broadband, Communications and the Digital Economy Portfolio includes the following agencies:

- **Department of Broadband, Communications and the Digital Economy** – The Department aims to develop a vibrant, sustainable and internationally competitive broadband, broadcasting and communications sector, through policy development, advice and program delivery, which promotes the digital economy for the benefit of all Australians.
- **Australia Post** – Australia Post is a Government Business Enterprise, wholly owned by the Commonwealth Government. It provides a high-quality mail and delivery service to all Australians and a range of parcel and logistics services.
- **Australian Broadcasting Corporation (ABC)** – The ABC is a national broadcaster. It contributes to and reflects Australia’s national identity, fosters creativity and the arts and encourages cultural diversity. The ABC is an integral part of the radio, television and online production industries and the news and information media.
- **Australian Communications and Media Authority (ACMA)** – The ACMA is responsible for regulating in accordance with legislation related to broadcasting, radio communications, telecommunications and online content. The ACMA works with all stakeholders to maximise the public benefit, including the extent to which the regulatory framework addresses the broad concerns of the community, meets the needs of industry, and maintains community and national interest safeguards.
- **NBN Co Limited (NBN Co)** – The NBN Co is a Government Business Enterprise, wholly owned by the Commonwealth Government. Its responsibilities are to plan, rollout and operate the national broadband network, providing access to high speed broadband to all Australians.
- **Special Broadcasting Service Corporation (SBS)** – The SBS is a national broadcaster. It provides multicultural and multilingual services that inform, educate and entertain all Australians. Its mission is to contribute to a more cohesive, equitable and harmonious Australia through its television, radio and online services.

Australia Post and NBN Co Limited do not appear in the 2010-11 Portfolio Budget Statements as they are not part of the general government sector.

Senator the Hon Stephen Conroy is the Minister for Broadband, Communications and the Digital Economy. A summary of the Portfolio structure is at Figure 1. Further detail about the responsibilities of each agency appears in individual agency chapters.

Figure 1: Broadband, Communications and the Digital Economy portfolio structure and outcomes



PORTFOLIO RESOURCES

Table 1 shows the total resources provided to the portfolio in the 2010-11 budget year, by agency.

Table 1: Portfolio Resources 2010-11

	Appropriation			Receipts	Total
	Bill No. 1 \$m	Bill No. 2 \$m	Special \$m	\$m	\$m
Department of Broadband, Communications and the Digital Economy (DBCDE)					
Administered appropriations	170.3	300.7	-	2,062.3	2,533.3
Departmental appropriations	113.6	1.1	-	-	114.7
Total:	283.9	301.9	-	2,062.3	2,648.1
Payments to CAC Act bodies:					
Australian Broadcasting Corporation	956.1	16.5	-	210.3	1,182.9
Special Broadcasting Service Corporation	211.4	5.6	-	103.4	320.4
Australian Communications and Media Authority					
Administered appropriations	-	-	0.3	66.9	67.2
Departmental appropriations	118.0	5.4	-	1.5	124.9
Total:	118.0	5.4	0.3	68.4	192.1
Portfolio total					4,343.5
Less amounts transferred within portfolio	-	-	-	-	-
Resources available within Portfolio:					4,343.5

AGENCY RESOURCES AND PLANNED PERFORMANCE

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Department of Broadband, Communications and the Digital Economy

Agency resources and planned performance

DEPARTMENT OF BROADBAND, COMMUNICATIONS AND THE DIGITAL ECONOMY

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DEPARTMENT OF BROADBAND, COMMUNICATIONS AND THE DIGITAL ECONOMY

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Department of Broadband, Communications and the Digital Economy aims to develop a vibrant, sustainable and internationally competitive broadband, broadcasting and communications sector, which promotes the digital economy for the benefit of all Australians.

The Department's strategic functions and responsibilities include:

- facilitating the increased availability of fast, affordable and reliable broadband and communications infrastructure across Australia, including through the NBN Co Limited (NBN Co);
- ensuring the smooth transition to digital television by the end of 2013;
- supporting access to high quality and diverse broadcasting services;
- promoting the benefits of the digital economy to all Australians;
- improving services to regional, rural and remote Australia, including through the Australian Broadband Guarantee Program, Satellite Phone Subsidy Scheme and the Indigenous Communications Program;
- supporting the development, application and innovative use of online technologies, including through funding to National ICT Australia and the Digital Regions Initiative;
- supporting and protecting the interests of consumers through funding of the Australian Communications Consumer Action Network, implementing measures to support the Government's Cyber-safety Plan and measures relating to cyber-security; and
- providing strategic policy advice on spectrum, telephone numbers and internet addresses.

In performing its functions, the Department aims to support and encourage the development of world class communications infrastructure over which consumers can

access a diversity of services that are competitively priced, widely available, provided on fair and just terms and reliable and innovative.

Achievement of the Department's outcome is supported through measures within the 2010-11 Budget, together with significant initiatives continuing from previous years. The major initiatives include:

- The Government will provide \$375.4m over 12 years under the **Digital Television Switchover** program to assist commercial and national broadcasters to provide a digital television satellite service for those Australians unable to receive digital terrestrial transmission. This funding will be provided to the Department, the ACMA and the two national broadcasters and will be used to:
 - support the provision of a new digital satellite television broadcasting service for viewers who are unable to receive digital television through terrestrial facilities;
 - assist a number of communities to upgrade existing regional analog 'self-help' transmission facilities to transmit national broadcasting services in a digital format; and
 - provide assistance for installation of satellite reception equipment to eligible households currently served by analog television self-help retransmission sites that are not converted to digital.
- The reallocation of \$40.8m of existing **Cyber-safety** funding to enhance Cyber-safety education, awareness and counselling programs and the Government will introduce legislative amendments to the *Broadcasting Services Act 1992* to require all Internet Service Providers (ISPs) to filter overseas hosted Refused Classification (RC) material on a RC content list to be maintained by the ACMA.
- \$21.3m over five years starting from 2009-10 for support of the implementation and regulation of the **National Broadband Network** including: policy and regulatory support for the rollout; overseeing construction of the regional backbone transmission links; managing the Government's shareholding in NBN Co; and for a national communications campaign, focused on raising public awareness of the value of superfast broadband to Australian households, businesses and organisations.
- The **Australian Broadband Guarantee** program will now focus on the two per cent of premises where adequate broadband services are not available commercially. This follows independent testing of the Telstra Next G broadband service, which found that Next G broadband offers services that meet the program's requirements everywhere except at the margins of the 3G network.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all sources. The table summarises how resources will be applied by outcome and by administered and departmental classification.

Table 1.1: DBCDE Resource Statement — Budget Estimates for 2010-11 as at Budget May 2010

	Estimate of prior year amounts available in 2010-11 \$'000	Proposed at Budget 2010-11 \$'000	Total estimate 2010-11 \$'000	Actual available appropriation 2009-10 \$'000
Ordinary annual services¹				
Departmental appropriation				
Prior year Departmental appropriation ²	61,768	-	61,768	62,284
Departmental appropriation ³	-	113,605	113,605	153,798
s31 Relevant agency receipts ⁴	-	-	-	1,780
Total	61,768	113,605	175,373	217,862
Administered expenses				
Prior year Administered appropriation	6,432	-	6,432	8,851
Outcome 1	-	170,342	170,342	204,721
Payments to CAC Act bodies	-	1,167,518	1,167,518	1,122,731
Total	6,432	1,337,860	1,344,292	1,336,303
Total ordinary annual services	A 68,200	1,451,465	1,519,665	1,554,165
Other services⁵				
Departmental non-operating				
Prior year Departmental appropriation	-	-	-	707
Equity injections	-	1,144	1,144	1,513
Previous years' programs	-	-	-	1,851
Total	-	1,144	1,144	4,071
Administered non-operating				
Administered assets and liabilities	-	300,726	300,726	-
Payments to CAC Act bodies - non-operating	-	22,119	22,119	22,446
Total	-	322,845	322,845	22,446
Total other services	B -	323,989	323,989	26,517
Total available annual appropriations	68,200	1,775,454	1,843,654	1,580,682
Total appropriations excluding Special Accounts	68,200	1,775,454	1,843,654	1,580,682

Table 1.1: DBCDE Resource Statement — Budget Estimates for 2010-11 as at Budget May 2010 (continued)

	Estimate of prior year amounts available in 2010-11 \$'000	+ Proposed at Budget = 2010-11 \$'000	Total estimate 2010-11 \$'000	Actual available appropriation 2009-10 \$'000
Special Accounts				
Opening balance ⁶	-	-	-	-
Non-appropriation receipts to Special Accounts	-	2,062,274	2,062,274	335,000
Total Special Account C	-	2,062,274	2,062,274	335,000
Total resourcing				
A+B+C	68,200	3,837,728	3,905,928	1,915,682
Less appropriations drawn from and credited to special accounts	-	(1,189,637)	(1,189,637)	(1,145,177)
Total net resourcing for DBCDE	68,200	2,648,091	2,716,291	770,505

1. Appropriation Bill (No.1) 2010-11.
2. Estimated adjusted balance carried from previous year for annual appropriations.
3. Includes an amount of \$4.1m in 2010-11 for the Departmental Capital Budget (refer to table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.
4. s31 Relevant Agency receipts – estimate.
5. Appropriation Bill (No.2) 2010-11.
6. Estimated opening balance for special accounts. For further information on special accounts see Table 3.1.2.

Third Party Payments from and on behalf of other agencies

	2010-11 \$'000	2009-10 \$'000
Payments made to CAC Act bodies within the Portfolio		
Australian Broadcasting Corporation	972,609	932,059
Special Broadcasting Service Corporation	217,028	213,118

1.3 BUDGET MEASURES

Budget measures relating to the Department are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Agency 2010-11 Budget measures

	Program	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
Expense measures						
Cyber-safety enhancement	1.2					
Administered expenses		(25,828)	760	(1,388)	(1,444)	(3,102)
Departmental expenses		-	2,078	1,016	704	110
Total		(25,828)	2,838	(372)	(740)	(2,992)
Community broadcasters' transition to digital television	1.3					
Administered expenses		-	-	-	-	-
Departmental expenses		-	-	-	-	-
Total		-	-	-	-	-
Department of Broadband, Communications and the Digital Economy - program efficiencies	1.2					
Administered expenses		-	(1,899)	(435)	(666)	-
Total		-	(1,899)	(435)	(666)	-
Australian Broadband Guarantee - refocusing	1.2					
Administered expenses		(4,128)	(8,351)	(3,950)	-	-
Departmental expenses		-	3,496	-	-	-
Total		(4,128)	(4,855)	(3,950)	-	-
Digital Television Switchover - Regional Blackspot Solution	1.3					
Administered expenses		12,086	15,050	37,035	33,984	42,271
Departmental expenses		1,464	4,935	4,778	4,754	3,348
Total		13,550	19,985	41,813	38,738	45,619
National Broadband Network - implementation	1.1					
Administered expenses		6,666	9,210	-	-	-
Departmental expenses		(7,559)	4,771	3,866	2,574	1,809
Total		(893)	13,981	3,866	2,574	1,809
Total expense measures						
Administered		(11,204)	14,770	31,262	31,874	39,169
Departmental		(6,095)	15,280	9,660	8,032	5,267
Total		(17,299)	30,050	40,922	39,906	44,436

Prepared on a Government Financial Statistics (fiscal) basis.

DBCDE Budget Statements

Measures announced between 2009-10 Budget and 2010-11 Budget but not yet reported in a subsequent portfolio statement

	Program	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
Capital measures						
Cyber-safety enhancement	1.2	-	136	-	-	-
Departmental capital		-	136	-	-	-
Total		-	136	-	-	-
Digital Television Switchover						
- Regional Blackspot Solution	1.3					
Departmental capital		482	310	90	45	38
Total		482	310	90	45	38
Total capital measures						
Administered		-	-	-	-	-
Departmental		482	446	90	45	38
Total		482	446	90	45	38

Prepared on a Government Financial Statistics (fiscal) basis.

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government agencies achieve the intended results of their outcome statements. Agencies are required to identify the programs which contribute to Government outcomes over the Budget and forward years.

The Department's outcome is described below together with its related programs, specifying the performance indicators and targets used to assess and monitor the performance of the Department of Broadband, Communications, and the Digital Economy in achieving Government outcomes.

Outcome 1: Develop a vibrant, sustainable and internationally competitive broadband, broadcasting and communications sector, through policy development, advice and program delivery, which promotes the digital economy for all Australians

Outcome 1 Strategy

The Department has structured its activities into three program areas designed to support the efficient, effective and transparent management of its responsibilities in achieving its outcome.

1. The **Broadband and Communications Infrastructure** program supports the efficient investment in fast and reliable broadband and communications infrastructure across Australia. The program will be assessed by the extent to which the availability of fast, affordable and reliable broadband increases and telecommunications infrastructure improves and the effectiveness of the regulatory environment in promoting efficient industry and Government investment in broadband and telecommunications infrastructure.
2. The **Telecommunications, Online and Postal Services** program assists Australians to make best use of the broadband and communications infrastructure.

Major projects and strategic activities during 2010-11 will support service innovation, availability of reasonably priced and reliable voice and data services particularly in regional Australia and address barriers to household and business engagement in the digital economy. The benefits of increasing the engagement of both businesses and consumers in the digital economy include: realising productivity gains, achieving more efficient and sustainable use of natural, physical and human resources, more effective health and education outcomes and enhanced social inclusion.

DBCDE Budget Statements

3. The **Broadcasting and Digital Television** program supports access to high quality and diverse broadcasting services that deliver content consistent with community expectations and needs. A major focus of the program activities includes overseeing the switchover to digital television, which began in mid-2010 and is scheduled to be completed by the end of 2013.

Outcome Expense and Resource Statement

Table 2.1 provides an overview of the total expenses for outcome by program.

Table 2.1: Budgeted Expenses and Resources for Outcome 1

	2009-10 Estimated actual expenses \$'000	2010-11 Estimated expenses \$'000
Outcome 1: Develop a vibrant, sustainable and internationally competitive broadband, broadcasting and communications sector, through policy development, advice and program delivery, which promotes the digital economy for all Australians		
Program 1.1: Broadband and Communications Infrastructure		
Administered expenses	90,355	53,421
Ordinary annual services (Appropriation Bill No. 1)	89,830	52,336
Expenses not requiring appropriation in the Budget year	525	1,085
Departmental expenses	58,043	31,288
Ordinary annual services (Appropriation Bill No. 1)	57,540	29,412
Revenues from independent sources (s31)	399	-
Expenses not requiring appropriation in the Budget year	105	1,876
Total for Program 1.1	148,398	84,709
Program 1.2: Telecommunications, Online and Postal Services		
Administered expenses	56,570	42,084
Ordinary annual services (Appropriation Bill No. 1)	56,570	42,084
Departmental expenses	69,030	52,223
Ordinary annual services (Appropriation Bill No. 1)	67,769	49,224
Revenues from independent sources (s31)	997	-
Expenses not requiring appropriation in the Budget year	263	2,999
Total for Program 1.2	125,600	94,307
Program 1.3: Broadcasting and Digital Television		
Administered expenses	56,447	75,922
Ordinary annual services (Appropriation Bill No. 1)	56,447	75,922
Departmental expenses	28,975	32,934
Ordinary annual services (Appropriation Bill No. 1)	28,489	30,887
Revenues from independent sources (s31)	384	-
Expenses not requiring appropriation in the Budget year	101	2,047
Total for Program 1.3	85,422	108,856
Outcome 1 Totals by appropriation type		
Administered Expenses	203,372	171,427
Ordinary annual services (Appropriation Bill No. 1)	202,847	170,342
Expenses not requiring appropriation in the Budget year	525	1,085
Departmental expenses	156,048	116,445
Ordinary annual services (Appropriation Bill No. 1)	153,798	109,523
Revenues from independent sources (s31)	1,780	-
Expenses not requiring appropriation in the Budget year	470	6,922
Total expenses for Outcome 1	359,420	287,872
	2009-10	2010-11
Average Staffing Level (number)	643	684

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Contributions to Outcome 1

Program 1.1: Broadband and Communications Infrastructure

Program objective

- To facilitate the increased availability of fast, affordable and reliable broadband and communications infrastructure across Australia.

Program expenses

- The Australian Broadband Guarantee has been moved into this program. While there was a continuing strong demand for this subsidy in 2009-10, there is an anticipated decrease for 2010-11 reflecting increased access to reasonably priced broadband;
- The sharp fall in program support expenses from 2009-10 to 2010-11 reflects the finalisation of the Implementation Study for the National Broadband Network; and
- Movement in the International Organisations Contributions reflects foreign exchange rates movements.

(\$'000)	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Annual Administered expenses:					
<i>Australian Broadband Guarantee</i>	77,832	38,015	12,107	-	-
<i>International Organisations Contributions</i>	5,857	5,223	5,118	5,104	5,111
<i>National Broadband Network - Implementation</i>	6,666	9,210	-	-	-
<i>National Broadband Network - Regional Backbone Blackspots Program</i>	-	973	11,969	13,779	13,779
Program support	57,938	29,412	20,397	15,048	14,796
Expenses not requiring appropriation in the Budget year ¹	105	1,876	1,404	1,105	1,122
Total program expenses	148,398	84,709	50,995	35,036	34,808

1. Expenses not requiring Appropriation in the Budget year is the difference between the total Departmental Expenses and Appropriations.

Program 1.1 Deliverables

The Australian telecommunications and internet services market operating under a regulatory framework which has encouraged open competition, together with government initiatives, has produced telecommunications infrastructure encompassing fixed line, terrestrial wireless and satellite technologies capable of providing services across Australia.

The key deliverables and services for the Department’s Broadband and Communications Infrastructure program include:

- implementing the Government’s National Broadband Network initiative, including:
 - in collaboration with NBN Co Limited (NBN Co), implementing the recommendations of the Implementation Study agreed by Government;
 - developing and implementing NBN Co shareholder policy and governance to support the Minister for Broadband, Communications and the Digital Economy in his role as a joint Shareholder Minister of NBN Co;
 - implementing and monitoring legislation that will govern NBN Co and require fibre-ready infrastructure and fibre connections in new developments;
 - developing other legislation necessary to facilitate the smooth and expeditious rollout of the National Broadband Network; and
 - providing oversight of rollout of the Regional Backbone Blackspots Program.
- implementing legislative reforms to improve the effectiveness of the existing regulatory framework, particularly during the rollout of the National Broadband Network; and
- administering the Australian Broadband Guarantee which complements the National Broadband Network by subsidising access to metro-comparable broadband where not otherwise available while the new network is rolled out.

Program Deliverables

Deliverables	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Regional Services					
Australian Broadband Guarantee connections subsidised	30,400	13,700	5,500	-	-
Number of Regional Backbone Blackspots Program routes ready for third party service	n/a	3 (Geraldton; Victor Harbor; South West Gippsland)	2 (Broken Hill; Darwin, Emerald and Longreach)	-	-

Program 1.1 Key Performance Indicators

- Timely and effective policy advice on implementation of the National Broadband Network and the underpinning telecommunications legislative framework leading to increased availability of fast, affordable and reliable broadband and communications infrastructure;
- Regional Backbone Blackspots Program meets contractual milestones;
- Administering the Australian Broadband Guarantee (ABG) which has been used by the Government to complement the National Broadband Network by subsidising access to metro-comparable broadband where not otherwise available; and
- Developing enhancements to the ABG, which from 1 July 2010 will focus the program on the 2 per cent of premises in Australia which are in greatest need of support in accessing adequate broadband services; doubling the service speed and data allowances supported by the program; and providing remote and regional communities with a transition path towards the NBN.

Program 1.2: Telecommunications, Online and Postal Services

Program objective

To support all Australians to safely and securely realise the full potential of the digital economy. Ensure the availability and reliability to consumers and businesses of reasonably priced basic and essential communications services.

Linked to:

Elements of the following administered items in Program 1.2 are also delivered by other agencies:

- Cyber-safety is also delivered through the Australian Communications and Media Authority, the Australian Federal Police, the Attorney-General's Department and the Office of the Director of Public Prosecutions;
- elements of the Government's Cyber-Security National Agenda programs are also delivered through the Attorney-General's Department, the Australian Communications and Media Authority, the Australian Federal Police, the Australian Government Information Management Office and the Defence Signals Directorate;
- the ABC will deliver the ABC Local Regional Broadband Hubs announced as part of the Rural and Regional National Broadband Network Initiative, which will encourage and assist the development of user generated content and establish more than 50 enhanced community websites and portals, creating 'virtual town squares' for communities to share experiences;
- the ICT Centre of Excellence program is also delivered through the Australian Research Council;
- the Digital Regions Initiative and the Indigenous Communications Program forming part of the Regional Telecommunications Review Response is appropriated through the Department of the Treasury. Further information on these arrangements can be found in the Portfolio Budget Statements of the Treasury and in Budget Paper No. 3; and
- the Australian Communications and Media Authority recoups the cost of the Consumer Representation Grants Program allocated to Australian Communications Consumer Action Network (ACCAN) (under section 593 of the Telecommunications Act 1997) from licensed carriers under the *Telecommunications (Carrier Licence Charges) Act 1997*. It also administers the contract for the National Relay Service.

Program expenses

- The fall in funding for Connect Australia in 2010-11 reflects the finalisation of the program, which is reflected in part in the decrease in of program support expenses. The fall in the latter also reflects the movement of the ABG program to Program 1.1.

(\$'000)	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Annual Administered expenses:					
<i>Consumer Representation Grants Program</i>	2,000	2,032	2,077	2,125	2,178
<i>Connect Australia</i>	18,647	915	-	-	-
<i>Cyber-safety</i>	2,625	5,444	2,249	2,271	667
<i>Cyber-security</i>	1,142	1,463	1,494	1,527	1,567
<i>ICT Centre of Excellence</i>	25,437	25,946	25,000	23,750	22,563
<i>Regional Telecommunications Review Response</i>	6,719	6,284	5,933	5,920	3,753
Program support	68,766	49,224	47,685	52,694	47,857
Expenses not requiring appropriation in the Budget year ¹	263	2,999	3,343	4,035	4,092
Total program expenses	125,600	94,307	87,781	92,321	82,677

1. Expenses not requiring Appropriation in the Budget year is the difference between the total Departmental Expenses and Appropriations.

Programs for which Treasury is appropriated under Federal Financial Relations framework

(\$'000)	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Annual Administered expenses:					
<i>National Partnership on Digital Regions Initiative</i>	2,856	26,765	13,805	9,941	-
<i>National Partnership on Indigenous communications program</i>	630	2,277	2,013	2,066	2,118
Total program expenses	3,486	29,042	15,818	12,007	2,118

Program 1.2 Deliverables

The Telecommunications, Online and Postal Services program includes the following deliverables and services that address the cost to consumers and remote Indigenous communities in accessing Australia's telecommunications infrastructure and gaps in service availability:

- improving services to regional, rural and remote Australia:
 - the Satellite Phone Subsidy provides support for Australians living or conducting business in areas outside the reach of terrestrial mobile phone networks;
 - the appointment of rural National Broadband Network coordinators will encourage the take up of broadband opportunities by local government, community and business;
 - the Indigenous Communications Program. Key elements are:
 - : community phones: This element maintains existing community phones and provides additional community phones to remote Indigenous communities with baseline populations of less than 50 people; and
 - : internet access and training: This element is being implemented in collaboration with state and territory governments and Indigenous communities to provide improved public internet access and computer and internet training to remote Indigenous communities.
- supporting the development of the digital economy including:
 - supporting the Information and Communications Technology Centre of Excellence Program;
 - through the Digital Regions Initiative, support cross-regional and national deployment of successful delivery models in health, education and emergency services in regional, rural and remote communities.
- supporting and protecting the interests of consumers through:
 - funding for ACCAN through the Consumer Representation Grants program;
 - cyber-safety initiatives to inform and educate the Australian community about internet safety tools and online help. Operation of the Youth Advisory Group online forum and secretariat to the consultative working group on Cyber-safety ; and
 - cyber-security initiatives to inform and educate Australian consumers and small businesses about how best to manage the risk of financial fraud and loss of personal information over the internet.
- providing policy advice on Australia's radiofrequency spectrum assets in the interests of Australian consumers and the economy, while providing certainty to wireless broadband, broadcasting and communications service providers including through progressing:

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- issues related to realising the digital dividend from the analog television switchover; and
- Government consideration of the reissue of expiring 15 year spectrum licences which provide the major 2G and 3G mobile phone services.

Program Deliverables

Deliverables	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Regional Services					
Satellite phone scheme subsidies provided	1,700	1,950	2,070	3,250	-
Number of phones monitored and maintained in remote Indigenous communities	300	400	500	550	600
Number of remote Indigenous communities with new or improved public internet access	46	100	100	100	100
Number of remote Indigenous communities provided with computer and internet training	42	50	50	50	tba

Program 1.2 Key Performance Indicators

Regional Services

- Satellite Phone Subsidy Scheme: extent to which people, particularly those living in non-coverage areas, are aware of the scheme and take it up;
- Indigenous Communications - Community Phones: extent to which the phones are in operation, particularly for emergency purposes in remote Indigenous communities; and
- Indigenous Communications - Internet: availability and usage of public internet access facilities in remote Indigenous communities.

Service innovation

- National ICT Australia (NICTA) contribution to:
 - commercialisation of ICT and online innovation; and
 - development of ICT and online research and commercialisation skills.
- Digital Regions Initiative: Extent of health, education, and emergency service benefits to regional Australia from innovative use of broadband applications.
- Development of advice to Government that identifies priorities for action by business, government and the community to advance the digital economy.

Consumers

- ACCAN represents telecommunications consumers and undertakes research to achieve better outcomes;
- Extent to which regulatory environment facilitates competition and market structures including by encouraging new entrants and business models that promote consumer empowerment and choice;
- Progress in resolving systemic consumer issues;
- Extent to which Australian households and small businesses are aware of and adopt appropriate actions to address cyber-security and cyber-safety risks;
- Extent to which Youth Advisory Group (YAG) and Consultative Working Group (CWG) advice and input enables development of improved cyber-safety measures;
- Timely and effective policy advice on implementation of policy on ISP filtering as part of the Government's overall cyber-safety plan; and
- Procurement of filtering tool and advice to assist ISPs to implement mandatory filtering and delivery of a grants program on wider filtering services.

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Program Key Performance Indicators

Key Performance Indicators	2009-10 Revised budget	2010-11 Budget target	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Regional services					
Average percentage of time remote Indigenous community phones are fault free each month	90	90	90	90	90
Number of people in remote Indigenous communities with improved access to internet services	22,000	32,000	32,000	32,000	32,000
Number of people in remote Indigenous communities participating in computer and internet training	329	500	500	500	
National Innovation¹					
Level of commercial revenue generated by the ICT Centre of Excellence (\$m)	2.0	2.0	2.2	2.3	2.4
PhD candidates sponsored by the ICT Centre of Excellence	253	250	270	270	270
Number of Australian jobs in ICT Centre of Excellence spin outs	60	70	80	90	100
Consumer protection					
Proportion of Australian schools promoting the use of the Cyber-Security Education Package	60%	60%			

1. Subject to execution of funding agreement with final agreed Key Performance Indicators.

Program 1.3: Broadcasting and Digital Television

Program objective

- Ensure the smooth switchover to digital only television by the end of 2013. Support access to high quality, innovative and diverse broadcasting services that deliver content consistent with Australia's diverse community expectations.

Linked to:

The switchover to digital only television is being overseen and co-ordinated by the Department's Digital Switchover Taskforce in close cooperation with:

- the Australian Communications and Media Authority (ACMA), which will provide a range of regulatory advice and technical support throughout the process;
- Centrelink, which plays a key role in the delivery of the Digital Switchover Household Assistance Scheme; and
- the Australian Broadcasting Corporation (ABC) and the Special Broadcasting Service Corporation (SBS), who are also switching over to the digital only television.

The Department also works closely with the ACMA on other broadcasting matters and oversees other matters relating to the national broadcasters (such as Board appointments).

Program expenses

Total program expense variations mainly reflect funding for the digital television switchover program across regional South Australia, Victoria and Queensland.

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
(\$'000)					
Annual Administered expenses:					
<i>ABC & SBS Digital Interference Scheme</i>	100	-	-	-	-
<i>Community Broadcasting Program</i>	17,089	12,559	12,803	11,548	11,836
<i>Digital Television Switchover</i>	36,761	61,456	78,476	33,995	42,299
<i>National Transmission Network Residual Funding Pool</i>	133	137	140	525	1,001
<i>Regional Equalisation Plan</i>	1,300	1,300	1,000	1,000	1,000
<i>Television Towers</i>	1,064	470	-	-	-
Program support	28,873	30,887	29,208	18,681	18,708
Expenses not requiring appropriation in the Budget year ¹	101	2,047	2,205	1,736	1,649
Total program expenses	85,422	108,856	123,832	67,485	76,493

1. Expenses not requiring Appropriation in the Budget year is the difference between the total Departmental Expenses and Appropriations.

Program 1.3 Deliverables

Key deliverables and services for the Department's Broadcasting and Digital Television program are:

- the switchover to digital only television transmission by the end of 2013. In 2010-11, the Department will:
 - coordinate and oversee switchover across Australia focussing on Mildura, regional South Australia and regional Victoria, the first three regions to switch;
 - review lessons learned from the pilot switchover in Mildura on 30 June 2010;
 - conduct an information and communications program to raise public awareness and understanding of switchover to encourage action required to get ready, including region-specific activities in regional South Australia and regional Victoria;
 - work with the retail industry and suppliers of digital television equipment, including through the digital switchover labelling scheme and support for antenna installers;
 - through the Digital Switchover Household Assistance Scheme, provide practical end-to-end technical and installation services for maximum benefit to aged and disability support pensioners, carers payees and equivalent war service pensioners and income support supplement payees; and
 - through the Satellite Subsidy Scheme, provide assistance for installation of satellite reception equipment for households served by 'self help' analog terrestrial retransmission sites which are not upgraded to digital.
- supporting the Minister on ABC and SBS policy and funding matters, the rollout of digital services, and in relation to ABC and SBS board appointments;
- advising the Minister on broadcasting policy matters such as media ownership, anti-siphoning and digital radio;
- providing funding through the Community Broadcasting Program to assist with the delivery of community radio services; and
- providing funding to support community television broadcasters in all major capital cities to begin transition to digital broadcasting.

Program 1.3 Key Performance Indicators

All Australians have access to a range of free-to-air national and commercial television and radio services and subscription television and radio services. Community broadcasting services are also widespread with community television operating in major cities and over 350 community radio stations across the country as at 4 March 2010.

The Digital Switchover Taskforce, within the Department assesses the effectiveness of the switchover to digital television through the Digital Tracker by monitoring the following indicators for each switchover region on a quarterly basis:

- awareness of switchover to digital television;
- understanding of what needs to be done to prepare for switchover;
- attitudes towards digital switchover;
- intentions to convert to digital television;
- the proportion of Australians who have switched over; and
- satisfaction with digital television.

Community television broadcasters in all major capital cities commence digital television broadcasting from 2010.

Program Key Performance Indicators

Key Performance Indicators	2009-10 Revised budget	2010-11 Budget target	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Number of households assisted through the Digital Switchover:					
Household Assistance Scheme	3,400	61,000	68,000	tba	tba
Satellite Subsidy Scheme		4,500	42,000	30,000	51,000

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2010-11 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds, special accounts and government indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

Administered funds can be provided for a specified period, for example under annual Appropriation Acts. Funds not used in the specified period with the agreement of the Finance Minister may be moved to a future year. Table 3.1.1 shows the movement of administered funds approved between years.

Table 3.1.1: Movement of Administered Funds

	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
Outcome 1:					
Digital Television Switchover	(1,226)	26	1,200	-	-
Television Towers	(470)	470	-	-	-
National Broadband Network - Regional Backbone Blackspots Program - capital	(217,200)	216,470	730		
Community Broadcasting Program	(1,834)	917	917	-	-
Total Movement of Administered Funds	(220,730)	217,883	2,847	-	-

Figures displayed as a negative (-) represent a decrease in funds and a positive reflect an increase in funds.

Digital Television Switchover: The movement reflects some marginal slippage in content payments together with a slower than anticipated uptake of people seeking assistance under the Household Assistance Scheme.

Community Broadcasting Program: The movement reflects settlement by the community broadcasters of how funding is to be received. All community broadcasters have elected to take up the "access seeker" model as opposed to taking up shares through the Digital Community Radio Broadcasting Representative Companies.

3.1.2 Special Accounts

Special Accounts provide a means to set aside and record amounts used for specified purposes. Special Accounts can be created by a Finance Minister's Determination under the FMA Act or under separate enabling legislation. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by the Department.

Table 3.1.2: Estimates of Special Account Flows and Balances

	Outcome	Opening balance	Receipts	Payments	Adjustments	Closing balance
		2010-11 2009-10	2010-11 2009-10	2010-11 2009-10	2010-11 2009-10	2010-11 2009-10
		\$'000	\$'000	\$'000	\$'000	\$'000
BAF ¹ Communications Portfolio Special Account (A) - s21 FMA Act and s68 NBF Act ²	1	-	2,062,274	2,062,274	-	-
		-	335,000	335,000	-	-
Total Special Accounts 2010-11 Budget estimate		-	2,062,274	2,062,274	-	-
<i>Total Special Accounts 2009-10 estimate actual</i>		-	335,000	335,000	-	-

(A) = Administered

1. BAF – Building Australia Fund.

2. NBF Act - Nation Building Funds Act 2008.

3.1.3 Australian Government Indigenous Expenditure

Table 3.1.3: Australian Government Indigenous Expenditure

Outcome	Appropriations				Other	Total	Program
	Bill No. 1	Bill No. 2	Special approp	Total approp			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Outcome 1							
Administered 2010-11	5,628	-	-	5,628	-	5,628	1.2, 1.3
<i>Administered 2009-10</i>	<i>6,196</i>	<i>-</i>	<i>-</i>	<i>6,196</i>	<i>-</i>	<i>6,196</i>	
Total outcome 2010-11	5,628	-	-	5,628	-	5,628	
<i>Total outcome 2009-10</i>	<i>6,196</i>	<i>-</i>	<i>-</i>	<i>6,196</i>	<i>-</i>	<i>6,196</i>	
Total administered 2010-11	5,628	-	-	5,628	-	5,628	
<i>Total administered 2009-10</i>	<i>6,196</i>	<i>-</i>	<i>-</i>	<i>6,196</i>	<i>-</i>	<i>6,196</i>	
Total AGIE 2010-11	5,628	-	-	5,628	-	5,628	
<i>Total AGIE 2009-10</i>	<i>6,196</i>	<i>-</i>	<i>-</i>	<i>6,196</i>	<i>-</i>	<i>6,196</i>	

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

There are no significant differences between the resource information presented in the Budget Papers and Portfolio Budget Statements as a result of differences between Australian Accounting Standards (AAS) and Government Finance Statistics (GFS).

3.2.2 Analysis of budgeted financial statements

Departmental financial statements

Comprehensive Income Statement (showing Net Cost of Services)

Appropriation revenue has decreased from 2009-10 to 2010-11 by \$44.3 million. In the main this reflects the completion of the Implementation Study and the termination of the Connect Australia program in 2009-10.

The deficit attributable to the Australian Government reflects the cessation of funding associated with the depreciation expense of non-financial assets held by the agencies. This, in turn, has meant an increase in contributed equity in the current and forward years as agencies are now directly appropriated for capital acquisitions. The capital budget statement shows the amount of funding that the department will receive for its capital budget.

Administered financial statements

Schedule of Income and Expenses administered on behalf of Government

The movement in dividend non-taxation revenue reflects the provisioning by Australia Post of their corporate restructuring project.

The decline in expenses reflect a number of factors, including:

- The termination of the Connect Australia program in 2009-10;
- The phasing out of funding for the Australian Broadband Guarantee program over the next two years; and
- The scheduled completion of the digital switchover in regional South Australia, regional Victoria and regional Queensland in 2011-12.

Schedule of budgeted assets and liabilities administered on behalf of Government

The investments accounted for using the equity method represent the Government's investment in the NBN Co. The amount is in line with the Implementation Study.

The movement in the level of non financial assets reflects the rollout of the Regional Backbone Blackspots Program and, from 2011-12, the consequent depreciation.

Schedule of budgeted cash flows administered on behalf of Government

In the main, the estimates of operating cash flows reflect trends shown in the Schedule of Income and Expenses administered on behalf of Government. The increase in cash used for investing activities relates to the investment in the NBN Co and the Regional Backbone Blackspots Program.

Schedule of Administered Capital Budget

The capital appropriations in 2010-11 and 2011-12 form part of the Government's investment in the NBN Co.

3.2.3 Budgeted financial statements tables

**Table 3.2.1 Comprehensive Income Statement (Showing Net Cost of Services)
(for the period ended 30 June)**

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
EXPENSES					
Employee benefits	72,125	79,624	72,674	66,181	63,757
Supplier expenses	77,572	30,343	25,060	20,686	18,048
Grants	-	-	-	-	-
Depreciation and amortisation	6,311	6,452*	6,482*	6,406*	6,393*
Finance costs	32	26	26	26	26
Write-down and impairment of assets	8	-	-	-	-
Total expenses	156,048	116,445	104,242	93,299	88,224
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	810	-	-	-	-
Rental income	970	-	-	-	-
Total revenue	1,780	-	-	-	-
Gains					
Other	470	470	470	470	470
Total gains	470	470	470	470	470
Total own-source income	2,250	470	470	470	470
Net cost of (contribution by) services					
Revenue from Government	153,798	109,523	97,290	86,423	81,361
Surplus (Deficit)	-	(6,452)	(6,482)	(6,406)	(6,393)
Surplus (Deficit) attributable to the Australian Government	-	(6,452)*	(6,482)*	(6,406)*	(6,393)*
Total comprehensive income	-	(6,452)*	(6,482)*	(6,406)*	(6,393)*
Total comprehensive income attributable to the Australian Government	-	(6,452)*	(6,482)*	(6,406)*	(6,393)*
*Note: Reconciliation of operating result attributable to the agency					
	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2012-13 \$'000
Operating result attributable to the Australian Government	-	(6,452)	(6,482)	(6,406)	(6,393)
plus non-appropriated expenses depreciation and amortisation expenses	-	6,452	6,482	6,406	6,393
Operating result attributable to the Agency	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

**Table 3.2.2: Budgeted departmental balance sheet
(as at 30 June)**

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
ASSETS					
Financial assets					
Cash and equivalents	856	868	746	831	831
Trade and other receivables	61,934	62,354	63,665	64,735	64,655
Total financial assets	62,790	63,222	64,411	65,566	65,486
Non-financial assets					
Land and buildings	6,534	5,480	4,414	3,331	2,248
Property, plant and equipment	5,217	4,519	3,510	3,725	3,978
Investment properties					
Intangibles	5,296	5,822	5,623	5,372	5,114
Inventories					
Other	397	397	397	397	397
Total non-financial assets	17,444	16,218	13,944	12,825	11,737
Assets held for sale					
Total assets	80,234	79,440	78,355	78,391	77,223
LIABILITIES					
Payables					
Suppliers	6,592	6,592	6,592	6,592	6,592
Other	1,890	1,890	1,890	1,890	1,890
Total payables	8,482	8,482	8,482	8,482	8,482
Provisions					
Employee provisions	16,545	16,977	18,166	19,321	19,321
Other	1,558	1,558	1,558	1,558	1,478
Total provisions	18,103	18,535	19,724	20,879	20,799
Total liabilities	26,585	27,017	28,206	29,361	29,281
Net assets	53,649	52,423	50,149	49,030	47,942

**Table 3.2.2: Budgeted departmental balance sheet
(as at 30 June) (continued)**

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
EQUITY*					
Parent entity interest					
Contributed equity	-	5,226	9,434	14,721	20,026
Reserves	2,918	2,918	2,918	2,918	2,918
Retained surplus (accumulated deficit)	50,731	44,279	37,797	31,391	24,998
Total parent entity interest	53,649	52,423	50,149	49,030	47,942
Total equity	53,649	52,423	50,149	49,030	47,942

Prepared on Australian Accounting Standards basis.

* 'Equity' is the residual interest in assets after deduction of liabilities.

Table 3.2.3: Departmental statement of changes in equity — summary of movement (Budget year 2010-11)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2010					
Balance carried forward from previous period	50,731	2,918	-	-	53,649
Adjusted opening balance	50,731	2,918	-	-	53,649
Comprehensive income					
Surplus (deficit) for the period	(6,452)	-	-	-	(6,452)
Total comprehensive income recognised directly in equity	(6,452)	-	-	-	(6,452)
Transactions with owners					
<i>Contributions by owners</i>					
Appropriation (equity injection)	-	-	-	1,144	1,144
Appropriation (departmental capital budget)	-	-	-	4,082	4,082
Sub-total transactions with owners	-	-	-	5,226	5,226
Estimated closing balance as at 30 June 2011	44,279	2,918	-	5,226	52,423

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Budgeted departmental statement of cash flows
(for the period ended 30 June)**

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	1,772	-	-	-	-
Appropriations	155,291	109,103	95,979	85,353	81,441
Total cash received	157,063	109,103	95,979	85,353	81,441
Cash used					
Employees	73,385	80,482	72,775	65,169	63,900
Suppliers	75,746	28,583	23,300	20,073	17,435
Other	42	26	26	26	26
Total cash used	149,173	109,091	96,101	85,268	81,361
Net cash from (used by) operating activities	7,890	12	(122)	85	80
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	10,719	5,226	4,208	5,287	5,385
Total cash used	10,719	5,226	4,208	5,287	5,385
Net cash from (used by) investing activities	(10,719)	(5,226)	(4,208)	(5,287)	(5,385)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	1,513	5,226	4,208	5,287	5,305
Total cash received	1,513	5,226	4,208	5,287	5,305
Net cash from (used by) financing activities	1,513	5,226	4,208	5,287	5,305
Net increase (decrease) in cash held	(1,316)	12	(122)	85	-
Cash and cash equivalents at the beginning of the reporting period	2,171	856	868	746	831
Cash and cash equivalents at the end of the reporting period	856	868	746	831	831

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental Capital Budget Statement

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	-	4,082	4,118	5,242	5,229
Equity injections - Bill 2	1,513	1,144	90	45	76
Previous years' outputs - Bill 2	1,851	-	-	-	-
Total capital appropriations	3,364	5,226	4,208	5,287	5,305
Total new capital appropriations					
Represented by:					
Purchase of non-financial assets	1,513	5,226	4,208	5,287	5,305
Other Items	1,851	-	-	-	-
Total Items	3,364	5,226	4,208	5,287	5,305
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	1,513	1,144	90	45	76
Funded by capital appropriation - DCB ¹	-	4,082	4,118	5,242	5,229
Funded internally from departmental resources ²	8,931	-	-	-	-
TOTAL	10,444	5,226	4,208	5,287	5,305
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	10,444	5,226	4,208	5,287	5,305
Total cash used to acquire assets	10,444	5,226	4,208	5,287	5,305

Prepared on Australian Accounting Standards basis.

1. Does not include annual finance lease costs. Includes purchase from current and previous years' Departmental Capital Budgets.
2. Includes the following sources of funding:
 - annual and prior year appropriations;
 - donations and contributions;
 - gifts;
 - internally developed assets;
 - s31 relevant agency receipts (for FMA agencies only); and
 - proceeds from the sale of assets.

Table 3.2.6: Statement of Departmental Asset Movements (2010-11)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2010				
Gross book value	9,970	7,619	8,234	25,823
Accumulated depreciation/amortisation and impairment	(3,436)	(2,402)	(2,938)	-
Opening net book balance	6,534	5,217	5,296	25,823
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity	-	-	1,144	1,144
By purchase - appropriation ordinary	2,394	1,606	82	4,082
Total additions	2,394	1,606	1,226	5,226
Other movements				
Depreciation/amortisation expense	(3,448)	(2,304)	(700)	(6,452)
As at 30 June 2011				
Gross book value	12,364	9,225	9,460	31,049
Accumulated depreciation/amortisation and impairment	(6,884)	(4,706)	(3,638)	(6,452)
Closing net book balance	5,480	4,519	5,822	24,597

Prepared on Australian Accounting Standards basis.

Table 3.2.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Non-taxation revenue					
Interest	633	504	376	247	120
Dividends	171,900	88,587	151,975	154,675	162,575
Other	651	260	3,292	3,794	3,794
Total non-taxation revenue	173,184	89,351	155,643	158,716	166,489
Total revenues administered on behalf of Government	173,184	89,351	155,643	158,716	166,489
Total income administered on behalf of Government	173,184	89,351	155,643	158,716	166,489
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Supplier expenses	34,960	35,938	20,392	6,804	7,431
Subsidies	80,986	64,384	67,319	25,349	30,515
Personal benefits					
Grants	81,569	65,147	56,479	53,858	52,268
Depreciation and amortisation	-	735	9,058	10,429	10,429
CAC Act body payment item	1,121,484	1,167,518	1,204,940	1,219,706	1,227,660
Other	5,857	5,223	5,118	5,104	5,111
Total expenses administered on behalf of Government	1,324,856	1,338,945	1,363,306	1,321,250	1,333,414

Prepared on Australian Accounting Standards basis.

Table 3.2.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	-	-	-	-	-
Receivables	15,534	12,414	9,363	6,003	2,994
Investments accounted for using the equity method	3,934,839	6,095,482	8,099,769	8,099,769	8,099,769
Total financial assets	3,950,373	6,107,896	8,109,132	8,105,772	8,102,763
Non-financial assets					
Property, plant and equipment	32,798	249,232	246,564	236,146	225,728
Intangibles	-	313	302	291	280
Other	2,582	5,801	16,064	12,721	9,371
Total non-financial assets	35,380	255,346	262,930	249,158	235,379
Total assets administered on behalf of Government	3,985,753	6,363,242	8,372,062	8,354,930	8,338,142
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Payables					
Suppliers	-	3,331	13,601	10,251	6,901
Subsidies	5,500	4,290	3,850	-	-
Other	5,935	6,919	12,191	11,747	11,303
Total payables	11,435	14,540	29,642	21,998	18,204
Total liabilities administered on behalf of Government	11,435	14,540	29,642	21,998	18,204

Prepared on Australian Accounting Standards basis.

**Table 3.2.9: Schedule of budgeted administered cash flows
(for the period ended 30 June)**

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
OPERATING ACTIVITIES					
Cash received					
Interest	644	514	387	257	129
Dividends	171,900	88,587	151,975	154,675	162,575
Net GST received	24,043	38,284	14,243	8,619	8,688
Other	716	-	-	-	-
Total cash received	197,303	127,385	166,605	163,551	171,392
Cash used					
Grant payments	98,057	71,663	62,128	59,246	57,495
Subsidies paid	90,251	72,033	74,491	31,734	33,567
Suppliers	40,156	39,271	19,230	3,800	4,490
CAC Act body payment item	1,121,484	1,167,518	1,204,940	1,219,706	1,227,660
Other	8,612	26,759	5,184	5,111	5,111
Total cash used	1,358,560	1,377,244	1,365,973	1,319,597	1,328,323
Net cash from (used by) operating activities	(1,161,257)	(1,249,859)	(1,199,368)	(1,156,046)	(1,156,931)
INVESTING ACTIVITIES					
Cash received					
Loan repayments from CAC Act entities	3,000	3,000	3,000	3,000	3,000
Total cash received	3,000	3,000	3,000	3,000	3,000
Cash used					
Purchase of property, plant equipment and intangibles	32,798	216,476	726	-	-
CAC Act body investments	324,648	2,160,643	2,004,287	-	-
Total cash used	357,446	2,377,119	2,005,013	-	-
Net cash from (used by) investing activities	(354,446)	(2,374,119)	(2,002,013)	3,000	3,000

**Table 3.2.9: Schedule of budgeted administered cash flows
(for the period ended 30 June) (continued)**

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
Net increase (decrease) in cash held	(1,515,703)	(3,623,978)	(3,201,381)	(1,153,046)	(1,153,931)
Cash and cash equivalents at beginning of reporting period	8,440	-	-	-	-
Cash from Official Public Account for:					
- Appropriations	1,349,289	1,661,805	3,356,017	1,310,978	1,319,635
- Special Accounts:					
BAF - Communications Portfolio	335,000	2,062,274	135,726	432,000	-
- section 30A drawdowns	23,280	38,284	14,243	8,619	8,688
	1,707,569	3,762,363	3,505,986	1,751,597	1,328,323
Cash to Official Public Account for:					
- Appropriations					
- dividends	(171,900)	(88,587)	(151,975)	(154,675)	(162,575)
- loan repayments from CAC Act entities	(3,644)	(3,514)	(3,387)	(3,257)	(3,129)
- section 30A drawdowns	(24,108)	(38,284)	(14,243)	(8,619)	(8,688)
- other	(654)	(8,000)	(135,000)	(432,000)	-
	(200,306)	(138,385)	(304,605)	(598,551)	(174,392)
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.2.10: Schedule of Administered Capital Budget

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
CAPITAL APPROPRIATIONS					
Administered assets and liabilities - Bill 2	-	300,726	1,999,274	-	-
Total capital appropriations	-	300,726	1,999,274	-	-
Total new capital appropriations					
Represented by:					
Other Items	-	300,726	1,999,274	-	-
Total Items	-	300,726	1,999,274	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funding from the BAF - Communications Portfolio Special Account.	32,798	216,476	726	-	-
TOTAL	32,798	216,476	726	-	-
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	32,798	216,476	726	-	-
Total cash used to acquire assets	32,798	216,476	726	-	-

Prepared on Australian Accounting Standards basis.

Table 3.2.11: Statement of Administered Asset Movements (2010-11)

	Other property, plant and equipment \$'000	Intangibles \$'000	Total \$'000
As at 1 July 2010			
Gross book value	32,798	-	32,798
Accumulated depreciation/amortisation and impairment	-	-	-
Opening net book balance	32,798	-	32,798
CAPITAL ASSET ADDITIONS			
Estimated expenditure on new or replacement assets			
By purchase - BAF - Communications Portfolio Special Account	216,159	317	216,476
Total additions	216,159	317	216,476
Other movements			
In kind	1,006	-	1,006
Depreciation/amortisation expense	(731)	(4)	(735)
As at 30 June 2011			
Gross book value	249,963	317	250,280
Accumulated depreciation/amortisation and impairment	(731)	(4)	(735)
Closing net book balance	249,232	313	249,545

Prepared on Australian Accounting Standards basis.

3.2.4 Notes to the financial statements

Departmental Financial Statements and Schedule of Administered Activity

The Department's financial statements have been prepared in accordance with Australian Accounting Standards.

Appropriations in the accrual budgeting framework

Under the Australian Government's accrual budgeting framework, separate annual appropriations are provided for:

- Departmental price of outputs appropriations: representing the Government's funding for outputs from agencies;
- Departmental capital appropriations: for investments by the Government, either through 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 territories or local government; and
- Special appropriations: to fund the majority of payments from the Consolidated Revenue Fund (especially those that are entitlement driven or involve transfers to State governments).

Administered investments in controlled entities

Each Commonwealth Department is required to show an Administered investment in each *Commonwealth Authority and Company (CAC) Act 1997* entity within their portfolio. These Administered investments are recorded at their fair value.

Asset valuation

Property, plant and equipment is valued at fair value. To ensure that assets carrying amounts do not materially differ from fair value, the Department re-values property, plant and equipment on an annual basis.

Australian Broadcasting Corporation

Agency resources and planned performance

AUSTRALIAN BROADCASTING CORPORATION

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AUSTRALIAN BROADCASTING CORPORATION

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Australian Broadcasting Corporation (ABC) is one of the country's most important cultural institutions. As the major national public broadcaster, it contributes to and reflects Australia's national identity, informs and educates, fosters creativity and the arts, and encourages cultural diversity.

The ABC's place in the Australian broadcasting system is distinctive because of its Charter (section 6 of the *Australian Broadcasting Corporation Act 1983* ('the ABC Act')). The Charter and other provisions under the ABC Act give the Corporation particular responsibilities, such as providing an independent news service. The Act guarantees the editorial and administrative independence of the Corporation from the Government. The ABC Board is charged with the duty 'to maintain the independence and integrity of the Corporation'.

Specific functions of the Corporation, set out in the ABC Act, are:

- To provide, within Australia, innovative and comprehensive broadcasting services of a high standard as part of the Australian broadcasting system, consisting of national, commercial and community sectors and to provide:
 - broadcasting programs that contribute to a sense of national identity and inform and entertain, and reflect the cultural diversity of, the Australian community; and
 - broadcasting programs of an educational nature.
- To transmit to countries outside Australia, broadcasting programs of news, current affairs, entertainment and cultural enrichment that will:
 - encourage awareness of Australia and an international understanding of Australian attitudes on world affairs; and
 - enable Australian citizens living or travelling outside Australia to obtain information about Australian affairs and Australian attitudes on world affairs.
- To encourage and promote the musical, dramatic and other performing arts in Australia.

ABC Budget Statements

The ABC provides unique and often critically important points of connection and support for communities throughout Australia. These include formal agreements with federal and state/territory authorities to coordinate the provision of emergency services information when local communities are affected by natural disasters.

Significant developments in Australia's digital media environment, anticipated over the next five years, include the proposed rollout of a national broadband network, take-up of wireless broadband and the cessation of analog television transmission.

The 2010-13 ABC Corporate Plan indicates that the ABC will strive to maintain a leadership position in digital media, capitalising fully on its strength in key content areas. Accordingly the Corporation will continue to innovate and provide national coverage and carriage of its services on all major platforms. It will seek to introduce more channels to strengthen the diversity and availability of Australian content, and to support and promote creativity and new talent. It remains committed to providing the best possible news and information with expanded and improved coverage, to developing further its presence and multi-platform capacity in regional Australia, and to acting as a virtual 'town square' in providing information that supports reasoned community debate around topics of importance. The ABC is also extending the reach and quality of international services by harnessing the combined strength of Radio Australia and Australia Network television, across all available media platforms.

The ABC Commercial Division will assist the Corporation to further develop appropriate modes of service delivery, including video-on-demand, access to digital archives and new partnerships that allow content to be more widely available.

Additional funding announced in the 2009-10 Budget has allowed the ABC to introduce a dedicated digital television and online children's service, commission and broadcast greater levels of Australian drama and extend its existing regional hubs to become catalysts and hosts for locally-generated broadband activity in regional communities. Additional funding announced in the 2010-11 Budget will allow the ABC to extend the reach and quality of digital television services, and assist in the maintenance of the ABC's current asset base.

The ABC Board will fully assess the Government's funding decisions, particularly in respect of asset maintenance, and the impact these will have on the Corporation's activities, and will confirm specific outcomes/output allocations in line with the strategic direction it has set for the 2010-11 period.

ABC appropriations are allocated in relation to four Outcomes:

- Outcome 1 relates to the delivery of ABC Charter responsibilities, and specifically: Informed, educated and entertained audiences – throughout Australia and overseas – through innovative and comprehensive media and related services. It is delivered through three programs: ABC Radio, ABC Television and Online.

ABC Budget Statements

- Outcome 2 relates to the maintenance of analog transmission of ABC radio and television services through the management of Transmission Service Agreements with a third party or parties.
- Outcomes 3 and 4 relate to the provision of digital television transmissions and digital radio transmissions, respectively, through the rollout and maintenance of associated distribution and transmission infrastructure.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all sources. The table summarises how resources will be applied by outcome and by administered and departmental classification.

Table 1.1: ABC Resource Statement — Budget Estimates for 2010-11 as at Budget May 2010

Source	Estimate of prior year amounts available in 2010-11 \$'000	Proposed at Budget 2010-11 \$'000	Total estimate 2010-11 \$'000	Actual available appropriation 2009-10 \$'000
Opening balance/Reserves at bank	8,154		8,154	8,154
REVENUE FROM GOVERNMENT				
Ordinary annual services¹				
Outcome 1		762,498	762,498	731,023
Outcome 2		95,853	95,853	93,538
Outcome 3		94,191	94,191	85,557
Outcome 4		3,529	3,529	4,385
Total ordinary annual services	-	956,071	956,071	914,503
Other services²				
<i>Non-operating</i>		16,538	16,538	17,556
Total other services	-	16,538	16,538	17,556
Total annual appropriations	-	972,609	972,609	932,059
Payments from related entities³				
Amounts from other agencies		19,354	19,354	19,289
Total	-	19,354	19,354	19,289
Total funds from Government	-	991,963	991,963	951,348
FUNDS FROM OTHER SOURCES				
Interest		6,000	6,000	6,000
Sale of goods and services		184,934	184,934	184,692
Total	-	190,934	190,934	190,692
Total net resourcing for agency	8,154	1,182,897	1,191,051	1,150,194

All figures are GST exclusive

The ABC is not directly appropriated as it is a CAC Act body. Appropriations are made to the Department of Broadband, Communications and the Digital Economy, which are then paid to the ABC and are considered 'departmental' for all purposes.

1. Appropriation Bill (No.1) 2010-11
2. Appropriation Bill (No.2) 2010-11
3. Funding provided by a Government body that is not specified within the annual appropriation bills as a payment to the CAC Act body (for example, a fee for service from an FMA Act agency paid to a CAC Act body would appear here and may be explained within this footnote, as would a payment from a third agency's special appropriation).

1.3 BUDGET MEASURES

Budget measures relating to the ABC are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Agency 2010-11 Budget measures

	Program	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
Expense measures						
Digital Television Switchover						
- Regional Blackspot Solution	3.1					
Departmental expenses		nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
Total expense measures						
Departmental ²		nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
Capital measures						
Australian Broadcasting Corporation	1.1, 1.2,					
- additional capital funding	1.3					
Departmental capital		-	14,450	-	-	-
Total		-	14,450	-	-	-
Digital Television Switchover						
- Regional Blackspot Solution	3.1					
Departmental capital		nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
Total capital measures						
Departmental		-	14,450	nfp	nfp	nfp
Total		-	14,450	nfp	nfp	nfp

Prepared on a Government Financial Statistics (fiscal) basis.

Totals do not include the Departmental savings which are not for publication ('nfp') to protect the national broadcasters' future negotiating position.

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government agencies achieve the intended results of their outcome statements. Agencies are required to identify the programs which contribute to Government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs, specifying the performance indicators and targets used to assess and monitor the performance of the Australian Broadcasting Corporation in achieving Government outcomes.

Outcome 1: Informed, educated and entertained audiences—throughout Australia and overseas—through innovative and comprehensive media and related services

Outcome 1 Strategy

The ABC aims to provide the leading Australian public media space where people engage and share their experiences. In the multi-platform, multi-channel media environment, it will do so by:

- fully embracing digital platforms and developing more channels for diverse Australian content;
- creating opportunities for Australian creativity in audio-visual production, music and story-telling, including user-generated content and social media;
- being a 'town square' that hosts national conversation via established and emerging media platforms;
- delivering the best possible news and information across all platforms;
- strengthening the ABC's presence and capacity in regional Australia; and
- engaging with audiences in Asia and the Pacific through the combined strength of Radio Australia and Australia Network.

Outcome Expense and Resource Statement

Table 2.1.1 provides an overview of the total expenses for Outcome 1, by program.

Table 2.1.1: Budgeted Expenses and Resources for Outcome 1

Outcome 1: Informed, educated and entertained audiences - throughout Australia and overseas - through innovative and comprehensive media and related services.	2009-10 Estimated actual expenses \$'000	2010-11 Estimated expenses \$'000
Program 1.1: ABC Radio		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	244,049	254,776
Payment from related entities	6,575	6,598
Revenues from other independent sources	65,007	65,089
Total for Program 1.1	315,631	326,463
Program 1.2: ABC Television		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	453,232	473,160
Payment from related entities	12,212	12,253
Revenues from other independent sources	120,727	120,881
Total for Program 1.2	586,171	606,294
Program 1.3: Online		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	18,612	19,432
Payment from related entities	502	503
Revenues from other independent sources	4,958	4,964
Total for Program 1.3	24,072	24,899
Outcome 1 Totals by resource type		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	715,893	747,368
Payment from related entities	19,289	19,354
Revenues from other independent sources	190,692	190,934
Total expenses for Outcome 1	925,874	957,656
	2009-10	2010-11
Average Staffing Level (number)	4,500	4,518

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

The ABC is not directly appropriated as it is a CAC Act body. Appropriations are made to the Department of Broadband, Communications and the Digital Economy, which are then paid to the ABC and are considered 'departmental' for the ABC.

Estimated staffing numbers may vary depending on staffing levels associated with various projects and production activity.

Contributions to Outcome 1

Program 1.1: ABC Radio

Program objective
 Provide distinctive radio programs that give an Australia-wide focus to local and regional communities, and satisfy diverse audience needs, nationally and internationally.

The ABC will give specific focus to:

- continuing to develop the role of ABC Local Radio and ABC Local Online as the primary points of connection for communities across Australia at times of emergency;
- continuing to develop its digital radio broadcasting capability; and
- internationally, strengthening the reach and impact of Radio Australia in designated target countries.

Program expenses

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
(\$'000)					
Annual departmental expenses:					
Departmental item	315,631	326,463	334,129	341,294	348,881
Total program expenses	315,631	326,463	334,129	341,294	348,881

Program 1.1 Deliverables

- Commissioning and providing a diverse mix of Australian content.
- Providing high quality news and current affairs content.
- Responding to emergencies and events of major significance.
- Providing Australian music content.
- Promoting the composition and performance of Australian music and drama, including support for new Australian artists.
- Providing digital radio broadcasting content.
- Providing relevant and high quality Radio Australia content to broadcasting partners, internationally, in their local languages.

ABC Budget Statements

Two of the most important categories of performance measurement of the effectiveness of the ABC are:

- Audience usage of ABC Radio, Television and new media services – a measure of the ABC’s relevance and appeal to Australians. Audience Share indicates the proportion of available audiences tuned to the ABC, at given points in time, compared with competing media services. Audience Reach is a measure of how many of the population (or what proportion) consume ABC services at some time over a week.
- Measures of community satisfaction – qualitative measures that reflect community perceptions and beliefs about the value of the ABC’s contribution to Australian society. These focus on key elements of the ABC’s legislated role and purpose: standards of performance; percentage of people who value the ABC and its services; adherence to particular legislative/Charter obligations; and value for money.

These measures are represented in the Key Performance Indicators applied at the program level.

PROGRAM 1.1: KEY PERFORMANCE INDICATORS – ABC RADIO	
INDICATORS	2010-11 MEASURES
Radio Share	Level achieved in 2010-11 compared with results in 2009-10.
Radio Reach	Level achieved in 2010-11 compared with results in 2009-10.
International Reach	Levels achieved in 2010-11 compared with previous years and based on available research in particular countries.
Audience /Community Appreciation	Percentage of people who consider the quality of programming on ABC Radio is good in 2010-11 compared with results in 2009-10. Percentage of people who consider the ABC does a good job in covering country/regional issues.
Editorial Standards	Results of Editorial Policy Assurance Surveys relating to news and information on ABC Radio. Efficiency of complaints management measured by performance against statutory timelines.

ABC Budget Statements

Level and mix of Australian content	Levels of Australian music on those radio networks that broadcast music.
Promotion of Australian music and artistic talent	Number of major music concerts recorded for broadcast in 2010-11 compared with 2009-10. Number of initiatives per year to identify and support new Australian artists in 2010-11 compared with 2009-10.

Program 1.2: ABC Television

Program objective

Present television programs of wide appeal and more specialised interest that contribute to the diversity, quality and innovation of the industry generally.

The ABC will give specific focus to:

- expanding and improving news and current affairs coverage through the introduction of a dedicated 24-hour news channel;
- expanding significantly the range of quality Australian content offered across television multi-channels, to be delivered via a number of in-home and mobile devices, and supported by broadband delivery; and
- ensuring that the independent production sector regards ABC Television as the best place to create exciting vision projects.

Program expenses

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
(\$'000)					
Annual departmental expenses:					
Departmental item	586,171	606,294	620,525	633,840	647,922
Total program expenses	586,171	606,294	620,525	633,840	647,922

Program 1.2: Deliverables

- Providing an integrated programming and scheduling strategy across Television channels, the internet and other emerging platforms.
- Providing first-release Australian content, including drama, documentaries and children's drama.
- Providing Australian content aimed at children.
- Providing high-quality news and current affairs content.
- Responding to emergencies and events of major significance.
- Providing creative and innovative content, including creating opportunities for emerging Australian artistic talent.
- Internationally, providing relevant and high quality Australia Network television programs to Asia and the Pacific (subject to contractual arrangements with the Department of Foreign Affairs and Trade).

PROGRAM 1.2: KEY PERFORMANCE INDICATORS – ABC TELEVISION	
INDICATORS	2010-11 MEASURES
Television Share	Levels achieved in 2010-11 compared with results in 2009-10.
Television Reach	Level achieved in 2010-11 compared with results in 2009-10.
Audience/Community Appreciation	Percentage of people who consider the quality of programming on ABC Television is good in 2010-11 compared with results in 2009-10.
Editorial Standards	Results of Editorial Policy Assurance Surveys relating to news and information on ABC Television. Efficiency of complaints management measured by performance against statutory timelines.
Australian Content	Percentage of first-run Australian content (between 6pm and midnight) in 2010-11 compared with 2009-10. Percentage of Australian children's television programs on ABC3 in 2010-11 compared with 2009-10.
State/Local Television	Percentage of state/local 'break-out' television broadcast hours in 2010-11 compared with 2009-10.

Program 1.3: Online

Program objective

Engage audiences through new media services including the internet and emerging broadband and mobile platforms.

The ABC will give specific focus to:

- developing and deploying innovative projects that demonstrate the possibilities of digital platforms;
- extending audience experience of content across a variety of formats; and
- encouraging audience participation and contribution in regional Australia, particularly through ABC Open multimedia producers situated in Local Radio centres.

Program expenses

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
(\$'000)					
Annual departmental expenses:					
Departmental item	24,072	24,899	25,484	26,029	26,609
Total program expenses	24,072	24,899	25,484	26,029	26,609

<p>Program 1.3: Deliverables</p> <ul style="list-style-type: none"> • Providing a mix of Australian content through ABC Online. • Making available audio-visual content across the ABC's total offering through means such as time shifting, podcasts and vodcasts, video-on-demand and streamed content. • Internationally, making Radio Australia and Australia Network (subject to contractual arrangements with the Department of Foreign Affairs and Trade) content available online and on other platforms such as mobile telephones.

PROGRAM 1.3: KEY PERFORMANCE INDICATORS – ONLINE	
INDICATORS	2010-11 MEASURES
Audience Reach	Level achieved in 2010-11 compared with results in 2009-10.
Audience /Community Appreciation	Percentage of people who consider the quality of content on ABC Online is good in 2010-11 compared with results in 2009-10.
Total Podcasts	Level achieved in 2010-11 compared with 2009-10.
Total Vodcasts	Level achieved in 2010-11 compared with 2009-10.
Editorial Standards	<p>Results of Editorial Policy Assurance Surveys relating to news and information on ABC Online.</p> <p>Efficiency of complaints management measured by performance against statutory and ABC-imposed timelines.</p>

Outcome 2: Audience access to ABC satellite and analog terrestrial radio and television transmission services is, at a minimum, maintained year-on-year through the management of Transmission Service Agreements

Outcome 2 Strategy

Outcome 2 Appropriation is provided for the purpose of the analog terrestrial transmission of programming to audiences in Australia and overseas. Transmission services are provided by a third party provider. The ABC provides oversight through a Domestic Analog Services Agreement and a Radio Australia Transmission Services Agreement.

In managing these service agreements, the ABC strives to ensure, to the extent feasible, that all Australian communities have reliable access to all broadcasting services whose purpose is relevant to those communities—that is, national networks and local stations.

Outcome 2 Budgeted Expenses and Resources

Table 2.1.2 provides an overview of the total expenses for Outcome 2, by program.

Table 2.1.2: Budgeted Expenses and Resources for Outcome 2

Outcome 2: Audience access to ABC satellite and analog terrestrial radio and television transmission services is, at a minimum, maintained year-on-year through the management of Transmission Service Agreements.	2009-10 Estimated actual expenses \$'000	2010-11 Estimated expenses \$'000
Program 2.1: ABC Analog Transmission		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	95,150	95,853
Total for Program 2.1	95,150	95,853
Outcome 2 Totals by resource type		
Revenue from Government	95,150	95,853
Total expenses for Outcome 2	95,150	95,853
<hr/>		
Average Staffing Level (number)¹	2009-10	2010-11
	-	-

1. ABC staffing levels are all reflected against Outcome 1.

Note: Departmental revenue from Government splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Contributions to Outcome 2

Program 2.1 ABC Analog Transmission

Program objective

Provides ABC satellite and analog terrestrial transmission services through the effective management of Transmission Service Agreements.

The ABC will give specific focus to:

- maintaining the reach and quality of audience access to ABC analog broadcasting services year-on-year;
- identifying opportunities to extend and improve access to communities that are under-served with particular services; and
- minimising the occurrence and duration of unscheduled outages.

Program expenses

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
(\$'000)					
Annual departmental expenses:					
Departmental item	95,150	95,853	92,162	87,373	79,061
Total program expenses	95,150	95,853	92,162	87,373	79,061

Program 2.1 Deliverables

- Managing Transmission Service Agreements for the reliable and efficient provision of satellite and analog terrestrial transmission services.
- Maintaining, with the transmission service provider, a comprehensive reporting system of transmission network performance.
- Monitoring audience responses to transmission issues to help ensure any faults are rectified promptly.

PROGRAM 2.1: KEY PERFORMANCE INDICATORS – ANALOG TRANSMISSION	
INDICATORS	2010-11 MEASURES
Number of analog terrestrial transmission services	Number in 2010-11 compared with 2009-10.
Audience contacts via the ABC Reception Advice Line	Level achieved in 2010-11 compared with results in 2009-10.
Transmission performance as reported by Broadcast Australia	Levels of Total Network Availability and Total 'On-air Availability' in 2010-11 compared with 2009-10.

Outcome 3: Audience access to ABC digital television services is provided, in accordance with Government approved implementation policy, through the roll-out and maintenance of the associated distribution and transmission infrastructure

Outcome 3 Strategy

Outcome 3 provides for the televising of programs in a digital format. Funding under this Outcome provides the capacity to distribute and transmit the digital signal, which comprises the simulcast of the existing analog signal, as well as additional services.

Outcome 3 Budgeted Expenses and Resources

Table 2.1.3 provides an overview of the total expenses for Outcome 3, by program.

Table 2.1.3: Budgeted Expenses and Resources for Outcome 3

Outcome 3: Audience access to ABC digital television services is provided, in accordance with Government approved implementation policy, through the rollout and maintenance of the associated distribution and transmission infrastructure.	2009-10 Estimated actual expenses \$'000	2010-11 Estimated expenses \$'000
Program 3.1: Access to digital TV services		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	86,112	93,636
Total for Program 3.1	86,112	93,636
Outcome 3 Totals by resource type		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	86,112	93,636
Total expenses for Outcome 3	86,112	93,636
	2009-10	2010-11
Average Staffing Level (number)¹	-	-

1. ABC staffing levels are all reflected against Outcome 1.

Note: Departmental Appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Contributions to Outcome 3

Program 3.1: Digital Television Services

Program objective

Implement the rollout of digital television transmission services.

The ABC will give specific focus to:

- extending the reach and quality of audience access to ABC digital television services in accordance with approved digital implementation plans;
- identifying opportunities to extend and improve access to communities that are under-served with particular services; and
- minimising the occurrence and duration of unscheduled outages.

Program expenses

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
(\$'000)					
Annual departmental expenses:					
Departmental item	86,112	93,636	92,355	95,331	97,659
Total program expenses	86,112	93,636	92,355	95,331	97,659

Program 3.1 Deliverables

- Managing Transmission Service Agreements for the reliable and efficient provision of digital terrestrial television services.
- Maintaining, with the transmission service provider, a comprehensive reporting system of transmission network performance.
- Monitoring audience responses to transmission issues to help ensure any faults are rectified promptly.

PROGRAM 3.1: KEY PERFORMANCE INDICATORS – ACCESS TO DIGITAL TELEVISION SERVICES	
INDICATORS	2010-11 MEASURES
Degree to which the Australian population has access to ABC digital television transmissions	2010-11 results compared with 2009-10.
Terrestrial facilities operate within the limits set by the relevant Transmitter Licence and the approved Implementation Plan	All facilities meet requirements.
The number of digital terrestrial television facilities in operation against the approved Implementation Plans	Number of facilities in operation and in test mode compared with approved Implementation Plans.

Outcome 4: Audience access to ABC digital radio services is provided, in accordance with Government approved implementation policy, through the rollout and maintenance of the associated distribution and transmission infrastructure

Outcome 4 Strategy

Outcome 4 provides for the introduction of digital radio broadcasting in accordance with Government policy. Funding under this Outcome provides the capacity to distribute and transmit the digital signals.

Outcome 4 Budgeted Expenses and Resources

Table 2.1.4 provides an overview of the total expenses for Outcome 4, by program.

Table 2.1.4: Budgeted Expenses and Resources for Outcome 4

Outcome 4: Audience access to ABC digital radio services is provided, in accordance with Government approved implementation policy, through the rollout and maintenance of the associated distribution and transmission infrastructure.	2009-10 Estimated actual expenses \$'000	2010-11 Estimated expenses \$'000
Program 4.1: Access to digital radio services		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	4,385	3,529
Total for Program 4.1	4,385	3,529
Outcome 4 Totals by resource type		
Revenue from Government	4,385	3,529
Total expenses for Outcome 4	4,385	3,529
	2009-10	2010-11
Average Staffing Level (number)¹	-	-

1. ABC staffing levels are all reflected against Outcome 1.

Note: Departmental Appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Contributions to Outcome 4

Program 4.1: Access to Digital Radio Services

Program objective
 Implement the rollout of digital radio transmission services to the five mainland state capital cities.

Program expenses

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
(\$'000)					
Annual departmental expenses:					
Departmental item	4,385	3,529	3,588	3,653	3,727
Total program expenses	4,385	3,529	3,588	3,653	3,727

Program 4.1 Deliverables

- Managing Transmission Service Agreements for the reliable and efficient provision of digital radio services.
- Maintaining, with the transmission service provider, a comprehensive reporting system of transmission network performance.
- Monitoring audience responses to transmission issues to help ensure any faults are rectified promptly.

PROGRAM 4.1: KEY PERFORMANCE INDICATORS – ACCESS TO DIGITAL RADIO SERVICES	
INDICATORS	2009-10 MEASURES
Degree to which the five mainland state capital cities have access to ABC digital radio transmissions	2010-11 results compared with 2009-10.
Terrestrial facilities operate within the limits set by the relevant Transmitter Licence and the approved Implementation Plan	All facilities meet requirements.

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2010-11 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds, special accounts and government indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.3 Australian Government Indigenous Expenditure

Table 3.1.3: Australian Government Indigenous Expenditure

Outcome	Appropriations				Other \$'000	Total \$'000	Program
	Bill	Bill	Special	Total			
	No. 1 \$'000	No. 2 \$'000	approp \$'000	approp \$'000			
ABC							
Outcome 1							
Departmental 2010-11	7,280			7,280	-	7,280	All
<i>Departmental 2009-10</i>	<i>3,111</i>			<i>3,111</i>	-	<i>3,111</i>	<i>All</i>
Total outcome 2010-11	<u>7,280</u>	-	-	<u>7,280</u>	-	<u>7,280</u>	
<i>Total outcome 2009-10</i>	<i><u>3,111</u></i>	-	-	<i><u>3,111</u></i>	-	<i><u>3,111</u></i>	
Total AGIE 2010-11	<u>7,280</u>	-	-	<u>7,280</u>	-	<u>7,280</u>	
<i>Total AGIE 2009-10</i>	<i><u>3,111</u></i>	-	-	<i><u>3,111</u></i>	-	<i><u>3,111</u></i>	

Expenditure may vary depending on changes in activity levels on projects and production activity.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.2 Analysis of budgeted financial statements

Departmental Income Statement

The ABC is budgeting for an operating surplus of \$15.1 million in 2010-11. This represents a component of the Corporation's ongoing funding base that is received as part of revenues from Government, which is applied to debt financing. Revenues from Government are budgeted to increase by \$40.5 million for 2010-11. This is comprised principally of additional funding provided by Government under triennial funding arrangements, additional funding for rollout of digital television and indexation, offset by savings.

Non-government revenues are principally comprised of revenues from ABC Commercial activities, as well as other minor amounts from co-production arrangements, facilities hire, services provided, commissions, etc. These revenues are largely offset by related costs of sales or represent recoveries of costs incurred. Other Revenues beyond 2011-12 are subject to confirmation of contractual arrangements, which have yet to be finalised.

Total expenses are budgeted to increase by \$39.2 million for 2010-11. This is comprised principally of additional expenditure on activities for a digital children's television service, additional Australian drama content for television, and regional broadband hubs, as well as increased Employees' expenses from negotiated salaries and wages outcomes and inflation cost increases for Goods and Services Expenses. Finance cost expenses decline over forward years, reflecting gradual reduction in loans from Government.

Departmental Balance Sheet

The ABC's budgeted net asset position for 2010-11 of \$1,008.6 million represents an increase of \$31.7 million from the estimated actual for 2009-10. This increase comprises the budgeted operating surplus of \$15.1 million for 2010-11, being predominantly the annual base funding component applied to debt financing, plus equity injections of \$16.5m.

Loans currently held by the ABC have all been sourced from the Budget. This debt relates to major property projects.

3.2.3 Budgeted financial statements tables

**Table 3.2.1 Comprehensive Income Statement (Showing Net Cost of Services)
(for the period ended 30 June)**

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
EXPENSES					
Employee benefits	437,769	455,281	473,493	492,431	512,128
Supplier expenses	581,862	605,798	606,526	607,152	603,794
Depreciation and amortisation	88,899	87,937	87,937	87,937	87,937
Finance costs	2,991	1,658	287	-	-
Total expenses	1,111,521	1,150,674	1,168,243	1,187,520	1,203,859
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	184,692	184,934	189,581	195,268	201,126
Interest	6,000	6,000	6,000	6,000	6,000
Other	19,289	19,354	-	-	-
Total revenue	209,981	210,288	195,581	201,268	207,126
Total own-source income	209,981	210,288	195,581	201,268	207,126
Net cost of (contribution by) services	901,540	940,386	972,662	986,252	996,733
Revenue from Government	915,058	955,516	987,792	1,001,382	1,011,863
Surplus (Deficit)					
Surplus (Deficit) attributable to the Australian Government	13,518	15,130	15,130	15,130	15,130
Total comprehensive income attributable to the Australian Government	13,518	15,130	15,130	15,130	15,130

Prepared on Australian Accounting Standards basis.

**Table 3.2.2: Budgeted departmental balance sheet
(as at 30 June)**

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
ASSETS					
Financial assets					
Cash and equivalents	8,154	8,154	8,154	8,154	8,154
Trade and other receivables	12,128	12,128	12,128	12,128	12,128
Other investments	99,492	84,765	94,895	110,025	125,155
Other	15,911	15,356	15,356	15,356	15,356
Total financial assets	135,685	120,403	130,533	145,663	160,793
Non-financial assets					
Land and buildings	609,185	591,330	561,475	531,620	501,765
Property, plant and equipment	295,662	327,810	358,035	388,261	418,486
Intangibles	14,016	14,173	13,803	13,432	13,062
Inventories	90,570	90,570	90,570	90,570	90,570
Other	77,953	77,953	77,953	77,953	77,953
Total non-financial assets	1,087,386	1,101,836	1,101,836	1,101,836	1,101,836
Total assets	1,223,071	1,222,239	1,232,369	1,247,499	1,262,629
LIABILITIES					
Payables					
Other	18,562	18,562	18,562	18,562	18,562
Total payables	18,562	18,562	18,562	18,562	18,562
Interest bearing liabilities					
Loans	31,000	5,000	-	-	-
Total interest bearing liabilities	31,000	5,000	-	-	-
Provisions					
Employee provisions	124,779	124,779	124,779	124,779	124,779
Other	71,749	65,249	65,249	65,249	65,249
Total provisions	196,528	190,028	190,028	190,028	190,028
Total liabilities	246,090	213,590	208,590	208,590	208,590
Net assets	976,981	1,008,649	1,023,779	1,038,909	1,054,039

**Table 3.2.2: Budgeted departmental balance sheet
(as at 30 June) (continued)**

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
EQUITY*					
Parent entity interest					
Contributed equity	121,035	137,573	137,573	137,573	137,573
Reserves	551,387	551,387	551,387	551,387	551,387
Retained surplus (accumulated deficit)	304,559	319,689	334,819	349,949	365,079
Total parent entity interest	976,981	1,008,649	1,023,779	1,038,909	1,054,039
Total equity	976,981	1,008,649	1,023,779	1,038,909	1,054,039

Prepared on Australian Accounting Standards basis.

* 'Equity' is the residual interest in assets after deduction of liabilities.

Table 3.2.3: Departmental statement of changes in equity — summary of movement (Budget year 2010-11)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2010					
Balance carried forward from previous period	304,559	551,427	(40)	121,035	976,981
Adjusted opening balance	304,559	551,427	(40)	121,035	976,981
Surplus (deficit) for the period	15,130				15,130
Total comprehensive income recognised directly in equity	15,130	-	-	-	15,130
Transactions with owners					
<i>Distributions to owners</i>					
Returns on capital					
Dividends					-
Returns of capital					
Restructuring					-
Other					-
<i>Contributions by owners</i>					
Appropriation (equity injection)				16,538	16,538
Appropriation (departmental capital budget)					-
Other					-
Sub-total transactions with owners	-	-	-	16,538	16,538
Transfers between equity components					
Estimated closing balance as at 30 June 2011	319,689	551,427	(40)	137,573	1,008,649

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Budgeted departmental statement of cash flows
(for the period ended 30 June)**

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	184,692	184,934	189,581	195,268	201,126
Appropriations	914,503	956,071	987,792	1,001,382	1,011,863
Interest	6,000	6,000	6,000	6,000	6,000
Other	72,591	76,280	55,544	55,596	55,218
Total cash received	1,177,786	1,223,285	1,238,917	1,258,246	1,274,207
Cash used					
Employees	437,769	455,281	473,493	492,431	512,128
Suppliers	581,862	605,798	606,526	607,152	603,794
Other	81,793	84,583	60,831	55,596	55,218
Total cash used	1,101,424	1,145,662	1,140,850	1,155,179	1,171,140
Net cash from (used by) operating activities	76,362	77,623	98,067	103,067	103,067
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
Investments	27,939	6,500	-	-	-
Total cash received	27,939	6,500	-	-	-
Cash used					
Purchase of property, plant and equipment	128,543	102,387	87,937	87,937	87,937
Other	13,518	15,131	15,130	15,130	15,130
Total cash used	142,061	117,518	103,067	103,067	103,067
Net cash from (used by) investing activities	(114,122)	(111,018)	(103,067)	(103,067)	(103,067)

**Table 3.2.4: Budgeted departmental statement of cash flows
(for the period ended 30 June) (continued)**

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
FINANCING ACTIVITIES					
Cash received					
Contributed equity (injection)	17,556	16,538	-	-	-
Other	28,143	26,000	5,000	-	-
Total cash received	45,699	42,538	5,000	-	-
Cash used					
Dividends paid	7,939	6,500	-	-	-
Other	-	2,643	-	-	-
Total cash used	7,939	9,143	-	-	-
Net cash from (used by) financing activities	37,760	33,395	5,000	-	-
Net increase (decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	8,154	8,154	8,154	8,154	8,154
Cash and cash equivalents at the end of the reporting period	8,154	8,154	8,154	8,154	8,154

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental Capital Budget Statement

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	17,556	16,538			
Total capital appropriations	17,556	16,538	-	-	-
Total new capital appropriations					
Represented by:					
Purchase of non-financial assets	17,556	14,450			
Other Items		2,088			
Total Items	17,556	16,538	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	17,556	14,450			
Funded internally from departmental resources ²	110,987	87,937	87,937	87,937	87,937
TOTAL	128,543	102,387	87,937	87,937	87,937
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	128,543	102,387	87,937	87,937	87,937
less additions by finance lease					
less additions by creditors / borrowings					
plus borrowing / finance costs					
plus Annual finance lease costs					
less Gifted assets					
less s32 / restructuring					
Total cash used to acquire assets	128,543	102,387	87,937	87,937	87,937

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of Asset Movements (2010-11)

	Land	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2010					
Gross book value	172,367	509,760	661,827	44,527	1,388,481
Accumulated depreciation/amortisation and impairment	(46)	(72,896)	(366,165)	(30,511)	(469,618)
Opening net book balance	172,321	436,864	295,662	14,016	918,863
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
By purchase - other		20,156	78,453	3,778	102,387
Total additions	-	20,156	78,453	3,778	102,387
Other movements					
Depreciation/amortisation expense		(38,011)	(46,305)	(3,621)	(87,937)
As at 30 June 2011					
Gross book value	172,367	529,916	740,280	48,305	1,490,868
Accumulated depreciation/amortisation and impairment	(46)	(110,907)	(412,470)	(34,132)	(557,555)
Closing net book balance	172,321	419,009	327,810	14,173	933,313

Prepared on Australian Accounting Standards basis.

3.2.4 Notes to the financial statements

Basis of Accounting

The ABC's budget statements are prepared on an Australian Accounting Standards basis.

Departmental

Under the Commonwealth's accrual budgeting framework, 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 they control. The ABC does not have any administered transactions.

As an agency subject to the Commonwealth Authorities and Companies Act 1997 (CAC Act), the ABC's appropriation funding is appropriated to the Department of Broadband, Communications and the Digital Economy as Administered funds, and are then paid to the ABC, where they are treated as Departmental for all reporting purposes by the Corporation.

Debt

In accordance with the Government's preference on risk management, the ABC now sources debt through the Budget rather than from external financial markets.

As a result of this decision, all debt currently held by the ABC has been sourced from the Budget. This debt relates to major property projects.

GST in Cash Flow Statement

The amounts shown on the Cash Flow Statement under Operating Activities: Cash Received Other and Cash Used Other, include estimated net amounts in respect of cash receipts and payments in relation to the GST.

Australian Communications and Media Authority

Agency resources and planned performance

AUSTRALIAN COMMUNICATIONS AND MEDIA AUTHORITY

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AUSTRALIAN COMMUNICATIONS AND MEDIA AUTHORITY

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Australian Communications and Media Authority (the ACMA) is responsible for the regulation of broadcasting, radiocommunications, telecommunications and online content in accordance with:

- the *Australian Communications and Media Authority Act 2005*;
- the *Broadcasting Services Act 1992*;
- the *Radiocommunications Act 1992*;
- the *Telecommunications Act 1997*; and
- other related legislation, including:
 - the *Do Not Call Register Act 2006*;
 - the *Spam Act 2003*;
 - the *Interactive Gambling Act 2001*; and
 - the *Telecommunications (Consumer Protection and Service Standards) Act 1999*.

In performing its functions and exercising its powers, the ACMA aims to be a forward-looking and efficient organisation that supports and encourages a dynamic communications sector. The ACMA's strategic intent is to make communications and media work in Australia's public interest, and this is achieved by delivering constructive regulatory outcomes that effectively balance the needs of the industry and the community.

The ACMA takes a balanced, evidence-informed and forward-looking approach to regulation. The ACMA works with all stakeholders to maximise the public benefit, including the extent to which the regulatory framework addresses the broad concerns of the community, meets the needs of industry, and maintains community and national interest safeguards. Within that framework, the ACMA regulates in as technology-neutral a manner as possible, to enable industry to determine how products and services can be best provided to the community. Compliance and

enforcement action is taken where required, in a manner proportionate to the act or breach.

The ACMA seeks to promote a communications sector that is responsive to community standards and expectations. As an evidence-informed regulator, the ACMA embeds research and information gathering in its operations to keep abreast of, and inform industry of, community concerns with a view to help shape industry's development of co-regulatory codes and standards.

In planning for the 2010-11 financial year, the ACMA will continue its work program under the following five platforms of its strategic direction.

1. Consumer safeguards are effective, keep pace with community standards and reflect citizen interests.

To take account of the implications of the changing communications landscape, the ACMA will test the effectiveness of current regulatory arrangements while encouraging the development and implementation of standards and safeguards that consider appropriate public interest criteria. This increased regulatory development work will include the review of the Commercial Radio Codes of Practices and implementation of the Commercial Television Industry Code, and implementing enhanced telecommunications consumer safeguards under amendments to the *Telecommunications Act 1997*, if agreed by the Parliament.

The ACMA is committed to ensuring the effectiveness of communications safeguards and standards. This includes, where possible, harmonising its approach to compliance and enforcement. In particular high levels of consumer complaints relating to telecommunications customer service continue to be of concern to the ACMA. A focus for 2010-11 will be to consider the use of current and possible future regulatory arrangements to address this concern, and to actively contribute quality advice to government on potential future regulatory arrangements to deliver effective consumer safeguards in a converged environment.

In responding to this increased complexity in the range and type of communications services available, the ACMA will place emphasis on developing information programs that aim to raise awareness of rights, obligations and safety issues. Specifically within this area the ACMA will continue the implementation of the government's Cybersafety Policy including the ACMA Outreach program, cybersmart website and help lines.

2. National safety and security interests are met in the planning and delivery of communications services.

The ACMA seeks to promote a communications sector that is responsive to the needs of the Australian community. During 2010-11 the ACMA's national safety and

security activities will continue to focus on supporting the effective delivery of the Emergency Call Service (ECS) and law enforcement functions.

The need to clarify the application of regulation for voice services is likely to intensify as a result of significant ongoing change in the Voice over Internet Protocol (VoIP) market. The ACMA will work with industry and other government agencies on practical issues relating to the application of regulation to VoIP services. Related work will include consideration of the allocation and use of numbers and options to improve mobile location information associated with emergency calls.

The ACMA will continue to contribute to the enhancement of Australia's e-security enforcement capability, and maintain a safe and secure internet environment to reduce the harmful effects of spam on Australian business and consumers. The ACMA will also actively contribute quality advice to government on potential future regulatory arrangements to deliver national safety and security interests.

3. Consumer and audience choice of communications and media products and services is maximised.

The Australian Government has announced that all free-to-air television broadcasters in Australia will complete the switch from analog transmission to digital-only transmission by the end of 2013. The ACMA is implementing regulatory initiatives that will enhance digital take up and facilitate a smooth transition through the switch over period.

The ACMA has responsibility for enforcing rules aimed at ensuring diversity in media ownership and maintaining a competitive environment. The ACMA will continue to conduct routine investigations into control arrangements and, where appropriate, to take appropriate compliance and enforcement action.

4. Allocation and use of public resources is efficient.

The ACMA maintains the *Telecommunications Numbering Plan 1997* under the *Telecommunications Act 1997*. The Numbering Plan provides for the availability, allocation and portability of numbers in Australia, including the use, transfer and withdrawal of numbers. Number management, inclusive of the current numbering allocation and administration arrangement within Australia, is an ACMA strategic priority for 2010-11.

The ACMA's Principles for Spectrum Management articulate how it will manage the spectrum into the future, subject to applicable statutory frameworks and organisational strategic and policy directions. The ACMA has finalised its spectrum management principles, and will continue to embed them in its decision making processes during 2010-11.

The ACMA will also develop future regulatory arrangements for public resources and transitional pathways.

5. The ACMA is a relevant, resilient and knowledge-based organisation.

The transformational element of building organisational capacity and capabilities are captured under this strategic platform. The ACMA recognises and values individual differences and aims to raise awareness of the importance of workplace diversity and support high-quality equity and diversity outcomes. The ACMA people and resources will be effectively managed to meet the emerging business needs of the ACMA by improving workforce planning and leadership capabilities.

Agency-wide strategies that support the ACMA's organisational capability include a strategic focus on information technology, managing information and knowledge. The ACMA is working towards a consolidated and integrated information environment where knowledge is well managed and easily accessible while actively embedding Gov 2.0 practice across the organisation.

As an evidence-based regulator, the ACMA has an extensive research and reporting program aimed at understanding and identifying the current and potential uses of communications and media services and technologies. The research program explores changes in the communications and media markets from technology, market development and community perspectives to provide an evidence base to support regulatory development, decision-making and policy advice.

Convergence and rapid technological development is outpacing legislation in ways rarely foreseen or expected by governments and legislators. 'Regulatory pressure' is how the ACMA describes the increasingly difficult fit of legislation to new circumstances. The ACMA is developing a range of responses to meet these challenges, including developing citizen-centric service delivery models across the ACMA, and taking a flexible approach to adapt regulation to emerging issues

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all sources. The table summarises how resources will be applied by outcome and by administered and departmental classification.

Table 1.1: ACMA Resource Statement — Budget Estimates for 2010-11 as at Budget May 2010

	Estimate of prior + year amounts available in 2010-11 \$'000	Proposed at Budget = 2010-11 \$'000	Total estimate 2010-11 \$'000	Actual available appropriation 2009-10 \$'000
Ordinary annual services¹				
Departmental appropriation				
Prior year departmental appropriation ²	6,935	-	6,935	12,149
Departmental appropriation ³	-	118,039	118,039	99,742
s31 Relevant agency receipts ⁴	-	1,484	1,484	1,480
Total	6,935	119,523	126,458	113,371
Total ordinary annual services	A 6,935	119,523	126,458	113,371
Other services⁵				
Departmental non-operating				
Equity injections	14,315	5,357	19,672	24,891
Previous years' programs	-	-	-	2,303
Total	14,315	5,357	19,672	27,194
Total other services	B 14,315	5,357	19,672	27,194
Total available annual appropriations	21,250	124,880	146,130	140,565
Special appropriations				
Special appropriations limited by amount				
Telecommunications Act 1997	-	300	300	300
Total special appropriations	C -	300	300	300
Total appropriations excluding Special Accounts	21,250	125,180	146,430	140,865

Table 1.1: ACMA Resource Statement — Budget Estimates for 2010-11 as at Budget May 2010 (continued)

	Estimate of prior + year amounts available in 2010-11 \$'000	Proposed at Budget = 2010-11 \$'000	Total estimate 2010-11 \$'000	Actual available appropriation 2009-10 \$'000
Special Accounts				
Opening balance ⁶	4,678	-	4,678	4,678
Non-appropriation receipts to Special Accounts	-	66,944	66,944	70,868
Total Special Account D	4,678	66,944	71,622	75,546
Total resourcing				
A+B+C+D	25,928	192,124	218,052	216,411
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations		(66 944)	(66 944)	(70 868)
Total net resourcing for the ACMA	25,928	125,180	151,108	145,543

1. Appropriation Bill (No.1) 2010-11
2. Estimated adjusted balance carried from previous year for annual appropriations
3. Includes an amount of \$11.499m in 2010-11 for the Departmental Capital Budget (refer to table 3.2.5 for further details)
For accounting purposes this amount has been designated as 'contributions by owners'
4. s31 Relevant Agency receipts - estimate
5. Appropriation Bill (No.2) 2010-11
6. Estimated opening balance for special accounts (less 'Special Public Money' held in accounts like Other Trust Monies (OTM) and Services for other Government and Non-agency Bodies (SOG) accounts). For further information on special accounts see Table 3.1.2.

Reader note: All figures are GST exclusive.

1.3 BUDGET MEASURES

Budget measures relating to the ACMA are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Agency 2010-11 Budget measures

	Program	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
Revenue measures						
Rebate for broadcasting licence fees	1					
Administered revenues		-	(47,500)	(121,500)	(74,500)	-
Total		-	(47,500)	(121,500)	(74,500)	-
Total revenue measures						
Administered		-	(47,500)	(121,500)	(74,500)	-
Total	Total	-	(47,500)	(121,500)	(74,500)	-

Prepared on a Government Financial Statistics (fiscal) basis.

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Measures announced between 2009-10 Budget and 2010-11 Budget but not yet reported in a subsequent portfolio statement

	Program	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
Revenue measures						
NBN Co Limited						
- regulatory framework	1.2					
Administered revenues		3,367	5,832	5,851	4,483	4,513
Total		3,367	5,832	5,851	4,483	4,513
Total revenue measures						
Administered		3,367	5,832	5,851	4,483	4,513
Total	Total	3,367	5,832	5,851	4,483	4,513
Expense measures						
Cyber-safety enhancement ¹						
Departmental expenses	1.2	1,400	4,318	4,448	4,463	4,493
Total		1,400	4,318	4,448	4,463	4,493
Digital Television Switchover						
- Regional Blackspot Solution ²	1.1					
Departmental expenses		5,708	5,552	4,120	3,026	1,677
Total		5,708	5,552	4,120	3,026	1,677
Total expense measures						
Departmental		7,108	9,870	8,568	7,489	6,170
Total	Total	7,108	9,870	8,568	7,489	6,170
Capital measures						
Cyber-safety enhancement						
Departmental capital	1.2	820	750	-	-	-
Total		820	750	-	-	-
Digital Television Switchover						
- Regional Blackspot Solution ²	1.1					
Departmental capital		3,512	-	-	-	-
Total		3,512	-	-	-	-
Total capital measures						
Departmental		4,332	750	-	-	-
Total	Total	4,332	750	-	-	-

Prepared on a Government Financial Statistics (fiscal) basis.

1. Does not include depreciation expense funding of \$0.527m in 2009-10, \$0.527m in 2010-11, \$0.527m in 2011-12, \$0.527m in 2012-13 and \$0.527m in 2013-14.
2. Does not include depreciation expense funding of \$0.876m in 2009-10, \$0.876m in 2010-11, \$0.876m in 2011-12, \$0.876m in 2012-13 and \$0.876m in 2013-14.

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government agencies achieve the intended results of their outcome statements. Agencies are required to identify the programs which contribute to Government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs, specifying the performance indicators and targets used to assess and monitor the performance of the Australian Communications and Media Authority in achieving Government outcomes.

Outcome 1: A communications and media environment that balances the needs of the industry and the Australian community through regulation, education and advice.

Outcome 1 Strategy

The ACMA will contribute to the achievement of this outcome by:

- providing a regulatory framework that effectively allocates and licences communications while ensuring that public interest objectives are met;
- ensuring that the framework responds promptly and flexibly to emerging challenges, such as those arising from technological developments and the growth of emerging services;
- fostering industry compliance with, and contribution to, the regulatory framework without imposing undue financial or administrative burden;
- promoting a communications sector that is diverse, innovative, competitive and responsive to the needs of the Australian community;
- undertaking digital economy research examining participation and effective use of digital communications and media;
- ensuring the effectiveness of statutory consumer safeguards;
- fostering a compliance culture within the communications sector and adherence to regulatory obligations;
- enabling and encouraging the development, implementation and maintenance of standards and safeguards that consider appropriate community interest criteria;
- developing and delivering programs that aim to raise awareness of rights, obligations and safety issues;

- promoting a communications sector that respects community standards, reflects citizen attitudes and is diligent in responding to community complaints;
- ensuring that the community is well informed about communications matters; and
- undertaking research and consultation to maximise the extent to which the information, standards and safeguards regime addresses the broad concerns of the community.

Outcome Expense and Resource Statement

Table 2.1 provides an overview of the total expenses for outcome 1 by program.

Table 2.1: Budgeted Expenses and Resources for Outcome 1

Outcome 1:	2009-10	2010-11
A communications and media environment that balances the needs of the industry and the Australian community through regulation, education and advice	Estimated actual expenses \$'000	Estimated expenses \$'000
Program 1.1: Communications regulation, planning and licensing		
<i>Administered expenses</i>	50	50
Special Accounts	50	50
<i>Departmental expenses</i>	73,852	72,562
Ordinary annual services (Appropriation Bill No. 1)	72,568	71,278
Revenues from independent sources (s31)	1,284	1,284
Total for Program 1.1	73,902	72,612
Program 1.2: Consumer safeguards, education and information		
<i>Administered expenses</i>	71,118	67,194
Special appropriations	300	300
Special Accounts	70,818	66,894
<i>Departmental expenses</i>	34,055	37,533
Ordinary annual services (Appropriation Bill No. 1)	33,855	37,333
Revenues from independent sources (s31)	200	200
Total for Program 1.2	105,173	104,727
Outcome 1 Totals by appropriation type		
<i>Administered Expenses</i>	71,168	67,244
Special appropriations	300	300
Special Accounts	70,868	66,944
<i>Departmental expenses</i>	107,907	110,095
Ordinary annual services (Appropriation Bill No. 1)	106,423	108,611
Revenues from independent sources (s31)	1,484	1,484
Total expenses for Outcome 1	179,075	177,339
	2009-10	2010-11
Average Staffing Level (number)	600	597

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Contributions to Outcome 1

Program 1.1: Communications regulation, planning and licensing

Program objective

The ACMA will provide a regulatory environment that balances the needs of industry and the Australian community by effective regulation of the communications industry, and by planning and licensing of communications services.

The ACMA administers regulatory requirements applicable to the communications sector. The ACMA monitors compliance with these requirements, and takes timely action where required, and at a level that is proportionate to any failure to comply.

The ACMA will provide efficient planning, allocation and use of national resources used by the communications sector, such as radiofrequency spectrum, communications numbering and infrastructure.

The ACMA plans and licences a range of services using the broadcasting services bands of the radiofrequency spectrum. The ACMA performs planning activities to meet current and anticipated demands for access to other spectrum bands, and develops policies and legislative instruments to underpin licensing and market-based allocation frameworks for those bands. The agency also manages telecommunications carrier licensing, nominated carrier declaration and trial certificate frameworks.

Administered Activities

Other Trust Moneys Special Account – primarily used to facilitate the submission of applications to the International Telecommunication Union (ITU) for establishment of satellite networks.

Communications regulation, planning and licensing (\$'000)	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Special Account Expenses:					
Other Trust Moneys	50	50	50	50	50
Annual departmental expenses:					
Program expenses	56,127	55,147	54,211	50,046	48,433
Program support	17,725	17,415	17,120	15,804	15,295
Total program expenses	73,902	72,612	71,381	65,900	63,778

Program 1.1 Deliverables

Government revenue targets met in the collection of annual numbering charges.

Applications for an opinion on control or temporary approval of a breach of the Broadcasting Services Act 1992 (BSA) dealt with within applicable timeframes.

Annual identification and publication of primary issues facing key radiocommunications services, and methods the ACMA proposes to use to manage these issues.

Greater marketplace contestability in frequency assignments.

Increased proportion of spectrum licensed through class and spectrum licensing.

The proportion of licensing and numbering transaction applications dealt with within applicable timeframes.

The proportion of online content, Do Not Call Register and broadcasting code complaints dealt with within applicable timeframes.

Price-based allocations of spectrum completed within statutory timeframes.

Evaluate digital transmission reception to assess whether digital television has the same coverage as current analogue services.

Review community broadcasting licence allocation and renewal processes.

Deliverables	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
(\$'000)					
Communications regulation, planning and licensing	73,902	72,612	71,381	65,900	63,778
Total	73,902	72,612	71,381	65,900	63,778

Program 1.1 Key Performance Indicators

An effective regulatory environment that supports a dynamic communications sector and enables industry to meet the communications needs of the community.

Efficient planning, allocation and use of national resources such as radiofrequency spectrum, communications numbering and infrastructure.

Industry contributes to, and complies with, the regulatory framework without being subject to undue financial or administrative burden.

Levels of industry compliance with the regulatory framework as assessed by breaches and recurrent breaches of legislation, codes, standards and licence conditions.

The cost of the ACMA's regulatory activities is minimised to the extent possible.

Key Performance Indicators (\$'000)	2009-10 Revised budget	2010-11 Budget target	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Communications regulation, planning and licensing	73,902	72,612	71,381	65,900	63,778
Total	73,902	72,612	71,381	65,900	63,778

Program 1. 2: Consumer safeguards, education and information

Program objective

The ACMA ensures that the community's expectations are reflected in the standards and safeguards regime which applies to communications products and services. The ACMA also provides for a community that is informed about the communications products and services available.

The ACMA monitors and reports on the performance of the telecommunications industry in the delivery of services to consumers and small businesses. It also ensures industry compliance with statutory consumer safeguards.

The ACMA promotes communications industry co-regulatory arrangements. The ACMA contributes to, registers and encourages compliance with, industry codes, licence conditions and service provider rules as well as legislation developed to address consumer protection issues, including protection from unsolicited electronic messages and telemarketing calls.

The ACMA produces, and widely distributes, a monthly newsletter targeted to a broad industry and consumer audience. It publishes the results of its communications research and provides a comprehensive range of general and topic-specific consumer information via its website. It undertakes targeted information campaigns on important communications topics, through various media; and works with other organisations on consumer protection campaigns.

The ACMA encourages the communications sector to provide sufficient information about new services, and changes to existing services, to enable consumers to make informed decisions.

Administered Activities

Telecommunications Consumer Codes – provides funding for the development of consumer codes by participants within the telecommunications industry.

Universal Service Levy – provides funding for the Universal Service Obligation (USO) subsidy. All telecommunication carriers contribute proportionally to the subsidy amount which is paid to universal service providers to ensure that standard telephone services, payphones and prescribed carriage services are reasonably accessible to all people in Australia on an equitable basis, wherever they reside or carry on a business.

National Relay Service Levy – provides funding for the National Relay Service (NRS) contract. The funds are paid to NRS service providers to assist people with a communication impairment to access a telephone service equivalent to the standard telephone service available to all Australians.

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Consumer safeguards, education and information (\$'000)	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Special Appropriations:					
Telecommunications					
- Consumer Codes	300	300	300	300	300
Special Account Expenses:					
Universal Service Levy	53,318	49,394	49,394	49,394	49,394
National Relay Service	17,500	17,500	17,500	17,500	17,500
Annual departmental expenses:					
Program expenses	25,882	28,525	28,645	29,171	25,819
Program support	8,173	9,008	9,046	9,212	8,153
Total program expenses	105,173	104,727	104,885	105,577	101,166

Program 1.2 Deliverables

Information programs delivered in order to raise awareness of rights, obligations and safety issues.

Reports on industry compliance with statutory consumer safeguards made available within required timeframes.

Develop educational and research initiatives to underpin Cybersafety program.

Undertake consultation at regular intervals to receive information and advice on matters affecting consumers of communications services.

In cooperation with industry, undertake reviews of communications standards, codes and determinations within appropriate timeframes

Raise awareness of Australia's spam legislation among consumers, businesses and the e-marketing industry through education programs and publications.

Deliverables (\$'000)	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Consumer safeguards, education and information	105,173	104,727	104,885	105,577	101,166
Total	105,173	104,727	104,885	105,577	101,166

Program 1.2 Key Performance Indicators

The community has access to sufficient information to enable it to make informed decisions about communications products and services.

Effective community safeguards are implemented and maintained.

Research is undertaken, and stakeholders engaged, to maximise the extent to which information, standards and safeguards address the broad concerns of the community.

Key Performance Indicators (\$'000)	2009-10 Revised budget	2010-11 Budget target	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Consumer safeguards, education and information	105,173	104,727	104,885	105,577	101,166
Total	105,173	104,727	104,885	105,577	101,166

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2010-11 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses and special accounts.

3.1 EXPLANATORY TABLES

3.1.2 Special Accounts

Special Accounts provide a means to set aside and record amounts used for specified purposes. Special Accounts can be created by a Finance Minister's Determination under the FMA Act or under separate enabling legislation. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by the ACMA.

Table 3.1.2: Estimates of Special Account Flows and Balances

		Opening balance 2010-11 <i>2009-10</i>	Receipts 2010-11 <i>2009-10</i>	Payments 2010-11 <i>2009-10</i>	Closing balance 2010-11 <i>2009-10</i>
	Outcome	\$'000	\$'000	\$'000	\$'000
Universal Service Account (A)		908	49,394	49,394	908
<i>FMA Act ¹ 1997 s21 and TCPSS Act ² 1999 s21(2)</i>	1	908	53,318	53,318	908
National Relay Service Account (A)		3,568	17,500	17,500	3,568
<i>FMA Act 1997 s21 and TCPSS Act 1999 s102(2)</i>	1	3,568	17,500	17,500	3,568
Other Trust Moneys (A)		202	50	50	202
<i>FMA Act 1997 s20</i>	1	202	50	50	202
Total Special Accounts					
2010-11 Budget estimate		4,678	66,944	66,944	4,678
<i>Total Special Accounts 2009-10 estimate actual</i>		4,678	70,868	70,868	4,678

(A) = Administered

1. Financial Management and Accountability Act 1997

2. Telecommunications (Consumer Protection and Service Standards) Act 1999

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

There are no significant differences between the resource information presented in the Budget Papers and Portfolio Budget Statements as a result of differences between Australian Accounting Standards (AAS) and Government Finance Statistics (GFS).

3.2.2 Analysis of budgeted financial statements

Departmental

Income Statement

The ACMA is budgeting in 2010-11 for total expenditure of \$110.1 million. This represents an increase of \$12.4 million from the 2010-11 estimated results published in the 2009-10 Portfolio Additional Estimates Statements.

The increase is primarily due to additional activities undertaken as directed by Government. These activities include Cyber-safety, Spectrum Licence reissue and Digital Switchover.

Administered

Income Statement

The estimated revenue from Other Taxes in 2010-11 has decreased by \$24.0 million. This is due to an estimated increase in gross Broadcast Licensing Fees (BLF) of \$23.5 million, which was offset by the introduction of the BLF Rebates, which reduced this revenue by \$47.5 million.

3.2.3 Budgeted financial statements tables

**Table 3.2.1 Comprehensive Income Statement (Showing Net Cost of Services)
(for the period ended 30 June)**

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
EXPENSES					
Employee benefits	64,700	68,058	67,123	62,800	58,879
Supplier expenses	34,776	32,316	32,131	31,673	29,061
Depreciation and amortisation	8,386	9,676	9,723	9,715	9,715
Finance costs	45	45	45	45	45
Total expenses	107,907	110,095	109,022	104,233	97,700
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	1,484	1,484	1,484	1,484	1,484
Total revenue	1,484	1,484	1,484	1,484	1,484
Total own-source income	1,484	1,484	1,484	1,484	1,484
Net cost of (contribution by) services	106,423	108,611	107,538	102,749	96,216
Revenue from Government	108,223	98,935	97,815	93,034	86,501
Surplus (Deficit)	1,800	(9,676)	(9,723)	(9,715)	(9,715)
Surplus (Deficit) attributable to the Australian Government	1,800	(9,676)	(9,723)	(9,715)	(9,715)

Note: Reconciliation of operating result attributable to the Agency

	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
Operating result attributable to the Australian Government	1,800	(9,676)	(9,723)	(9,715)	(9,715)
plus non-appropriated expenses					
Depreciation and amortisation expenses	-	9,676	9,723	9,715	9,715
Operating result attributable to the Agency	1,800	-	-	-	-

Prepared on Australian Accounting Standards basis.

**Table 3.2.2: Budgeted Departmental Balance Sheet
(as at 30 June)**

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
ASSETS					
Financial assets					
Cash and equivalents	(8,087)	3,850	3,850	3,850	3,850
Trade and other receivables	33,725	26,815	26,815	26,815	26,815
Other	755	755	755	755	755
Total financial assets	26,393	31,420	31,420	31,420	31,420
Non-financial assets					
Land and buildings	10,195	11,671	13,147	14,623	15,693
Property, plant and equipment	11,955	11,093	9,683	8,916	7,621
Intangibles	15,830	18,064	16,985	16,087	15,189
Other	1,642	1,642	1,642	1,642	1,642
Total non-financial assets	39,622	42,470	41,457	41,268	40,145
Total assets	66,015	73,890	72,877	72,688	71,565
LIABILITIES					
Payables					
Suppliers	7,787	7,787	7,787	7,787	7,787
Other	4,194	4,194	4,194	4,194	4,194
Total payables	11,981	11,981	11,981	11,981	11,981
Provisions					
Employee provisions	15,933	16,628	16,628	16,628	16,628
Other	1,592	1,592	1,592	1,592	1,592
Total provisions	17,525	18,220	18,220	18,220	18,220
Total liabilities	29,506	30,201	30,201	30,201	30,201
Net assets	36,509	43,689	42,676	42,487	41,364
EQUITY*					
Parent entity interest					
Contributed equity	25,794	42,650	51,360	60,886	69,478
Reserves	938	938	938	938	938
Retained surplus (accumulated deficit)	9,777	101	(9,622)	(19,337)	(29,052)
Total parent entity interest	36,509	43,689	42,676	42,487	41,364
Total equity	36,509	43,689	42,676	42,487	41,364

Prepared on Australian Accounting Standards basis.

* 'Equity' is the residual interest in assets after deduction of liabilities.

Table 3.2.3: Departmental Statement of Changes in Equity — Summary of Movement (Budget year 2010-11)

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2010				
Balance carried forward from previous period	9,777	938	25,794	36,509
Adjusted opening balance	9,777	938	25,794	36,509
Surplus (deficit) for the period	(9,676)	-	-	(9,676)
Total comprehensive income recognised directly in equity	(9,676)	-	-	(9,676)
Transactions with owners				
<i>Contributions by owners</i>				
Appropriation (equity injection)	-	-	5,357	5,357
Appropriation (departmental capital budget)	-	-	11,499	11,499
Sub-total transactions with owners	-	-	16,856	16,856
Estimated closing balance as at 30 June 2011	101	938	42,650	43,689

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Budgeted Departmental Statement of Cash Flows
(for the period ended 30 June)**

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	1,480	1,484	1,484	1,484	1,484
Appropriations	109,679	109,772	97,410	93,034	86,501
Net GST received	3,094	2,711	2,752	2,526	2,580
Total cash received	114,253	113,967	101,646	97,044	90,565
Cash used					
Employees	64,739	68,070	67,828	62,800	58,879
Suppliers	34,070	31,204	31,021	31,673	29,061
Borrowing costs	45	45	45	45	45
Net GST paid	3,094	2,711	2,752	2,526	2,580
Total cash used	101,948	102,030	101,646	97,044	90,565
Net cash from (used by) operating activities	12,305	11,937	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	22,701	12,524	8,710	9,526	8,592
Total cash used	22,701	12,524	8,710	9,526	8,592
Net cash from (used by) investing activities	(22,701)	(12,524)	(8,710)	(9,526)	(8,592)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	1,406	12,524	8,710	9,526	8,592
Total cash received	1,406	12,524	8,710	9,526	8,592
Net cash from (used by) financing activities	1,406	12,524	8,710	9,526	8,592
Net increase (decrease) in cash held	(8,990)	11,937	-	-	-
Cash and cash equivalents at the beginning of the reporting period	903	(8,087)	3,850	3,850	3,850
Cash and cash equivalents at the end of the reporting period	(8,087)	3,850	3,850	3,850	3,850

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental Capital Budget Statement

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	-	11,499	8,560	9,526	8,592
Equity injections - Bill 2	1,406	5,357	150	-	-
Previous years' outputs - Bill 2	2,303	-	-	-	-
Total capital appropriations	3,709	16,856	8,710	9,526	8,592
Total new capital appropriations					
Represented by:					
Purchase of non-financial assets	1,406	12,524	8,710	9,526	8,592
Other Items	2,303	4,332	-	-	-
Total Items	3,709	16,856	8,710	9,526	8,592
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	1,406	1,025	150	-	-
Funded by capital appropriation - DCB ¹	-	11,499	8,560	9,526	8,592
Funded internally from departmental resources ²	21,295	-	-	-	-
TOTAL	22,701	12,524	8,710	9,526	8,592
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total cash used to acquire assets	22,701	12,524	8,710	9,526	-

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of Asset Movements (2010-11)

	Land	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2010					
Gross book value	7,740	6,024	16,025	36,412	66,201
Accumulated depreciation/amortisation and impairment	-	(3,569)	(4,070)	(20,582)	(28,221)
Opening net book balance	7,740	2,455	11,955	15,830	37,980
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
By purchase - appropriation equity	-	-	1,025	-	1,025
By purchase - appropriation ordinary annual services	-	2,545	1,115	7,839	11,499
Total additions	-	2,545	2,140	7,839	12,524
Other movements					
Depreciation/amortisation expense	-	(1,069)	(3,002)	(5,605)	(9,676)
As at 30 June 2011					
Gross book value	7,740	8,569	18,165	44,251	78,725
Accumulated depreciation/amortisation and impairment	-	(4,638)	(7,072)	(26,187)	(37,897)
Closing net book balance	7,740	3,931	11,093	18,064	40,828

Prepared on Australian Accounting Standards basis.

Table 3.2.7: Schedule of Budgeted Income and Expenses administered on behalf of Government (for the period ended 30 June)

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Taxation revenue					
Other	524,450	490,718	430,179	492,069	580,801
Total taxation revenue	524,450	490,718	430,179	492,069	580,801
Non-taxation revenue					
Sale of goods and rendering of services	43,788	53,199	55,386	55,362	54,794
Other	165,847	165,867	165,888	165,912	165,912
Total non-taxation revenue	209,635	219,066	221,274	221,274	220,706
Total revenues administered on behalf of Government	734,085	709,784	651,453	713,343	801,507
Gains					
Sale of assets	3,000	2,500	2,500	2,500	2,500
Total gains administered on behalf of Government	3,000	2,500	2,500	2,500	2,500
Total income administered on behalf of Government	737,085	712,284	653,953	715,843	804,007
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Supplier expenses	350	350	350	350	350
Subsidies	162,576	162,576	162,576	162,576	162,576
Total expenses administered on behalf of Government	162,926	162,926	162,926	162,926	162,926

Prepared on Australian Accounting Standards basis.

Table 3.2.8: Schedule of Budgeted Assets and Liabilities administered on behalf of Government (as at 30 June)

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	5,089	5,089	5,089	5,089	5,089
Taxation receivables	291,216	291,482	290,693	290,693	290,693
Receivables	44,243	47,144	46,344	44,980	45,014
Total financial assets	340,548	343,715	342,126	340,762	340,796
Total assets administered on behalf of Government	340,548	343,715	342,126	340,762	340,796
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Payables					
Subsidies	3,860	3,860	3,860	3,860	3,860
Total payables	3,860	3,860	3,860	3,860	3,860
Provisions					
Other	2,794	2,794	2,794	2,794	2,794
Total provisions	2,794	2,794	2,794	2,794	2,794
Total liabilities administered on behalf of Government	6,654	6,654	6,654	6,654	6,654

Prepared on Australian Accounting Standards basis.

**Table 3.2.9: Schedule of Budgeted Administered Cash Flows
(for the period ended 30 June)**

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	36,116	50,298	56,186	56,726	54,460
Taxes	547,101	490,452	430,968	492,069	580,801
Net GST received	6,719	6,719	6,719	6,719	6,719
Other	74,089	70,185	70,206	70,230	70,230
Total cash received	664,025	617,654	564,079	625,744	712,210
Cash used					
Subsidies paid	70,818	66,894	66,894	66,894	66,894
Suppliers	350	350	350	350	350
Net GST paid	6,719	6,719	6,719	6,719	6,719
Total cash used	77,887	73,963	73,963	73,963	73,963
Net cash from (used by) operating activities	586,138	543,691	490,116	551,781	638,247
INVESTING ACTIVITIES					
Cash received					
Proceeds from sale of property, plant and equipment	3,000	2,500	2,500	2,500	2,500
Total cash received	3,000	2,500	2,500	2,500	2,500
Net cash from (used by) investing activities	3,000	2,500	2,500	2,500	2,500
FINANCING ACTIVITIES					
Net cash from (used by) financing activities	-	-	-	-	-
Net increase (decrease) in cash held	589,138	546,191	492,616	554,281	640,747
Cash and cash equivalents at beginning of reporting period	5,089	5,089	5,089	5,089	5,089
Cash from Official Public Account for:					
- Appropriations	300	300	300	300	300
- Special Accounts	70,868	66,944	66,944	66,944	66,944
	71,168	67,244	67,244	67,244	67,244
Cash to Official Public Account for:					
- Special Accounts	(70,868)	(66,944)	(66,944)	(66,944)	(66,944)
- Transfers to other entities (Finance - Whole of Government)	(589,438)	(546,491)	(492,916)	(554,581)	(641,047)
Cash and cash equivalents at end of reporting period	5,089	5,089	5,089	5,089	5,089

Prepared on Australian Accounting Standards basis.

3.2.4 Notes to the financial statements

Budgeted Financial Statements

The ACMA's financial statements have been prepared in accordance with the Australian Equivalents to the International Financial Reporting Standards (AEIFRS).

Administered Financial Statements

Taxation Revenue

Represents revenue collected from Broadcasting Licence Fees, Radiocommunications Taxes and the Annual Numbering Charge.

Non-taxation Revenue

Represents revenue collected from activities including the Telecommunication Licence Charges, Universal Service Obligation (USO) levies, non-taxation Radiocommunications charges and the Do Not Call Register access fees.

Sale of Assets Revenue

Represents revenue collected from telephone numbering auctions.

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Special Broadcasting Service

Agency resource and planned performance

SPECIAL BROADCASTING SERVICE

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SPECIAL BROADCASTING SERVICE

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Special Broadcasting Service Corporation (SBS) is a national broadcasting service that provides multicultural and multilingual services that inform, educate and entertain all Australians. Its mission is to contribute to a more cohesive, equitable and harmonious Australia through its television, radio and online services. SBS occupies a unique place in broadcasting in Australia and the world.

SBS is an integral part of the Australian broadcasting industry. The national television service is broadcast in both analogue and digital (including standard and high definition) mode and is viewed by around 8.5 million Australians each week. Around half of the programming on SBS ONE main channel service is in-language. With extensive access to international and local program makers and suppliers, programs are culturally and linguistically diverse and made accessible to all Australians through English language subtitling. SBSTWO deepens the range of in-language content SBS offers.

The radio service broadcasts in 68 languages on a network which includes two frequencies in Sydney, Melbourne, Canberra and Wollongong as well as a national signal in the other capital cities, major regional centres and a number of transmitters servicing regional and remote areas. Digital radio is also available in the five mainland state capitals. SBS also has a significant online presence with news, sport and entertainment sites related to SBS programming.

SBS has identified the following strategic priorities:

- To provide content that is relevant to all Australians by strengthening SBS's slate of original, distinctive, Australian and international multicultural programming across television, radio and online. This will be achieved by commissioning more Australian content, offering a broad range of programming including multichannel services and continuing to provide multilingual programming across all platforms.
- To focus attention on growing audiences and revenues while managing costs to ensure that SBS continues to provide improved services to audiences by realising the commercial opportunities afforded by the *Special Broadcasting Service Act 1991*

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and, where possible, increasing efficiencies through outsourcing and investment in new technologies.

- To be agile so that SBS can respond to a rapidly changing media environment through the continued integration of existing television, radio and online services. In addition, SBS will explore opportunities on new platforms that will enable it to reach more Australians.
- To build stronger relationships and partnerships with external stakeholders by continuing to focus on building Australia's creative talent through support of the Australian independent production sector.

SBS is innovative, takes risks with original content and is committed to quality broadcasting whatever the delivery platform. SBS consistently performs exceptionally well given its resources, and attracts discerning and committed audiences.

The media landscape in Australia and, indeed the world, is fundamentally changing. Broadcasters are no longer able to dictate to an audience what they should watch or listen to and when. The improvements to, and increased take-up of, broadband services and the move to digital technology for radio and television have opened the way for a wide variety of content to be delivered over an ever-increasing array of devices. Consumers can source content from a myriad of suppliers all around the world, and consequently expect high standards from media organisations.

SBS aims to embrace the opportunities thrown up by global technological shifts and the largest shake-up of the Australian media landscape in two decades. Most importantly, SBS must constantly find new ways to offer all Australians the chance to explore the real, multicultural Australia.

This presents challenges for Australia's media industry but, more importantly, it gives rise to opportunities for quality content providers such as SBS, to meet audience requirements for integrated digital cross-platform offerings.

The key directions outlined above will be pursued during 2010-11 and into future years.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all sources. The table summarises how resources will be applied by outcome and by departmental classification. The total revenue from Government for the SBS 2010-11 Budget is \$211.447 million, including an equity injection of \$5.581 million.

**Table 1.1 CAC Act Body SBS Resource Statement
Budget Estimates for 2010 as at Budget May 2010**

Source	Estimate of prior ⁺ year amounts available in 2010-11 \$'000	Proposed at Budget ⁼ 2010-11 \$'000	Total estimate 2010-11 \$'000	Actual available appropriation 2009-10 \$'000
Opening balance/Reserves at bank	1,831		1,831	15,921
REVENUE FROM GOVERNMENT				
Ordinary annual services¹				
Outcome 1		211,447	211,447	208,228
Total ordinary annual services	-	211,447	211,447	208,228
Other services²				
<i>Non-operating</i>		5,581	5,581	4,890
Total other services	-	5,581	5,581	4,890
Total annual appropriations	-	217,028	217,028	213,118
Total funds from Government	-	217,028	217,028	213,118
FUNDS FROM OTHER SOURCES				
Interest	-	950	950	3,781
Sale of goods and services	-	102,412	102,412	91,226
Total	-	103,362	103,362	95,007
Total net resourcing for agency	1,831	320,390	322,221	324,046

All figures are GST exclusive.

CRF - Consolidated Revenue Fund.

SBS is not directly appropriated as it is a CAC Act body. Appropriations are made to FMA Agency Department of Broadband, Communications and the Digital Economy which are then paid to SBS and are considered 'departmental' for all purposes.

1. Appropriation Bill (No.1) 2010-11.
2. Appropriation Bill (No.2) 2010-11.

1.3 BUDGET MEASURES

Budget measures relating to agency SBS are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2 Agency 2010-11 Budget Measures

	Program	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
Expense measures						
Digital Television Switchover – Regional Blackspot Solution	1.4					
Departmental expenses		nfp	nfp	nfp	nfp	nfp
Total expense measures		nfp	nfp	nfp	nfp	nfp
Capital measures						
Digital Television Switchover – Regional Blackspot Solution	1.4					
Departmental capital		nfp	nfp	nfp	nfp	nfp
Total capital measures		nfp	nfp	nfp	nfp	nfp

Prepared on a Government Financial Statistics (fiscal) basis.

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government agencies achieve the intended results of their outcome statements. Agencies are required to identify the programs which contribute to Government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs, specifying the performance indicators and targets used to assess and monitor the performance of SBS in achieving Government outcomes.

Outcome 1: Provide multilingual and multicultural services that inform, educate and entertain all Australians and in so doing reflect Australia's multicultural society

Outcome 1 Strategy

SBS will achieve this outcome through the following strategic priorities, identified by the SBS Board:

- Provide content that is relevant to all Australians by strengthening SBS's slate of original, distinctive, Australian and international multicultural programming across TV, Radio and Online by:
 - Further developing SBSTWO, a full service digital multi-channel, offering a broad range of programming; and
 - continuing to provide multilingual programming across all platforms, especially radio (including via online and digital radio).
- Focus attention on growing revenues while managing costs to ensure that investment in SBS grows and continues to provide improved services to audiences by:
 - fully exploiting the commercial opportunities afforded by the SBS Act; and
 - increasing efficiencies through outsourcing and investment in new technologies such as a fully digital newsroom.
- Be agile so that SBS can react to a rapidly changing media environment by:
 - integration of TV, Radio and Online while also examining new platforms that will reach more Australians; and
 - looking outside SBS to incorporate the best from both the public and commercial broadcasting sectors.

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- Work to build stronger relationships and partnerships with external stakeholders who will assist us in providing improved services in the digital age by:
 - continuing to focus on building Australia’s creative talent through support of the Australian independent production sector; and
 - identifying strategic partners who can provide access to new technologies and expertise.

Outcome Expense and Resource Statement

Table 2.1 provides an overview of the total expenses for outcome 1 by program.

Table 2.1 Budgeted Expenses and Resources for Outcome 1

Outcome 1: Provide multilingual and multicultural services that inform, educate and entertain all Australians and in so doing reflect Australia's multicultural society	2009-10 Estimated actual expenses \$'000	2010-11 Estimated expenses \$'000
Program 1.1: Television		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	102,309	99,868
Revenues from other independent sources	86,147	79,593
Total for Program 1.1	188,456	179,461
Program 1.2: Radio		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	25,577	24,967
Revenues from other independent sources	14,777	16,765
Total for Program 1.2	40,354	41,732
Program 1.3: Analogue Transmission and Distribution		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	18,335	18,388
Revenues from other independent sources	6,721	6,925
Total for Program 1.3	25,056	25,313
Program 1.4: Digital TV Transmission and Distribution		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	58,882	65,765
Revenues from other independent sources	-	-
Total for Program 1.4	58,882	65,765
Program 1.5: Digital Radio Transmission and Distribution		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	2,402	1,935
Revenues from other independent sources	-	-
Total for Program 1.5	2,402	1,935
Outcome 1 Totals by resource type		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	207,505	210,923
Revenues from other independent sources	107,645	103,283
Total expenses for Outcome 1	315,150	314,206
	2009-10	2010-11
Average Staffing Level (number)	833	833

Contributions to Outcome 1

Program 1.1: Television

Program objective

- Delivering multilingual and multicultural television services that reflect Australia's multicultural society.

Program expenses

(\$'000)	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Annual departmental expenses:					
Departmental item	102,309	99,868	106,288	108,736	110,619
Expenses not requiring appropriation in the Budget year	86,147	79,593	83,614	88,399	94,399
Total program expenses	188,456	179,461	189,902	197,135	205,018

Program 1.1 Deliverables

- Programs aligned with Australia's multicultural society and perspective.
- Broadcasting in languages other than English.

Program 1.1 key performance indicators

- Accessibility of programs to all Australians.
- Program performance indicators as per the below table.

Key Performance Indicators	2009-10 Revised budget	2010-11 Budget target	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Population reach data, using the average weekly reach figure	96.65%	96.65%	96.65%	96.65%	96.65%
Number of hours of original subtitled programs broadcast	1439 hrs	1450 hrs	1450 hrs	1450 hrs	1450 hrs
Number of hours of locally commissioned programs broadcast (first run)	165hrs	190hrs	205hrs	205hrs	205hrs

Program 1.2: Radio

Program objective

- Delivering multilingual and multicultural radio services that reflect Australia's multicultural society.

Program expenses					
	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
(\$'000)					
Annual departmental expenses:					
Departmental item	25,577	24,967	26,572	27,184	27,654
Expenses not requiring appropriation in the Budget year	14,777	16,765	18,577	19,496	21,001
Total program expenses	40,354	41,732	45,149	46,680	48,655

Program 1.2 Deliverables					
<ul style="list-style-type: none"> • Programs aligned with Australia's multicultural society and perspective. • Broadcast in languages other than English. 					

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Deliverables					
Unique broadcast hours	15,912	15,912	15,912	15,912	15,912

Program 1.2 Key Performance Indicators					
<ul style="list-style-type: none"> • Listener and community feedback. • Audience surveys. • Program performance indicators as per the below table. 					

	2009-10 Revised budget	2010-11 Budget target	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Key Performance Indicators					
Percentage of broadcasts in languages other than English	85%	85%	85%	85%	85%

Program 1.3: Analogue Transmission and Distribution

Program objective

- To make SBS analogue television and radio available to all Australians.

Program expenses

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
(\$'000)					
Annual departmental expenses:					
Departmental item	18,335	18,388	15,488	12,245	5,805
Expenses not requiring appropriation in the Budget year	6,721	6,925	6,981	4,100	500
Total program expenses	25,056	25,313	22,469	16,345	6,305

Program 1.3 Deliverables

- Maintain availability of Analogue signal in line with analogue switch off timetable.

Program 1.3 Key Performance Indicators

- Measure of fault free transmission time (by fault management system reported daily and monthly, including but not limited to level of transmitter power).
- Logging and response to viewer calls regarding transmission.
- Program performance indicators as per the below table.

Key Performance Indicators	2009-10 Revised budget	2010-11 Budget target	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Aggregate performance measured by availability of analogue signal	99.75%	99.75%	99.75%	99.75%	99.00%
Television Population reach for terrestrial services (of remaining analogue service areas)	96.90%	96.90%	96.90%	96.90%	96.90%

Program 1.4: Digital Television Transmission and Distribution

Program objective

- To make SBS Digital Television available to all Australians.

Program expenses

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
(\$'000)					
Annual departmental expenses:					
Departmental item	58,882	65,765	66,821	68,133	69,639
Expenses not requiring appropriation in the Budget year	-	-	-	-	-
Total program expenses	58,882	65,765	66,821	68,133	69,639

Program 1.4 Deliverables

- Maintaining and improving the availability of SBS's digital transmissions.
- Extending the reach of SBS's digital network.

Program 1.4 Key Performance Indicators

- Measure of fault free transmission time (by fault management system reported daily and monthly, including but not limited to level of transmitter power).
- Logging and response to viewer calls regarding transmission.
- Program performance indicators as per the below table.

	2009-10 Revised budget	2010-11 Budget target	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Key Performance Indicators					
Aggregate performance measured by availability of digital television signal	99.84%	99.85%	99.86%	99.87%	99.88%
Population reach for terrestrial services	96.80%	96.60%	96.70%	96.80%	97.00%

Program 1.5: Digital Radio Transmission and Distribution

Program objective

- To make SBS Digital Radio available to all Australians.

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Program expenses					
	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
(\$'000)					
Annual departmental expenses:					
Departmental item	2,402	1,935	1,979	2,026	2,080
Expenses not requiring appropriation in the Budget year					
Total program expenses	2,402	1,935	1,979	2,026	2,080

Program 1.5 Deliverables

- To implement Digital Audio Broadcast of SBS radio services (coverage in 5 mainland capital cities).

Program 1.5 Key Performance Indicators

- Measure of fault free transmission time (by fault management system reported daily and monthly, including but not limited to level of transmitter power).
- Logging and response to listener calls regarding transmission.
- Program performance indicators as per the below table.

	2009-10 Revised budget	2010-11 Budget target	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
Key Performance Indicators					
Percentage of Australian Population reached by digital radio	55%	60.0%	60%	60%	60%
Aggregate performance measured by availability of digital radio signal	99%	99%	99.20%	99.30%	99.30%
Number of services for digital radio	5	5	5	5	5

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2010-11 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, and movements in government indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.3 Australian Government Indigenous Expenditure

Outcome	Appropriations				Other \$'000	Total \$'000	Program
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special approp \$'000	Total approp \$'000			
SBS							
Outcome 1							
Departmental 2010-11	4,097	-	-	4,097		4,097	1.1,1.2
<i>Departmental 2009-10</i>	<i>4,111</i>			<i>4,111</i>		<i>4,111</i>	<i>1.1,1.2</i>
Total outcome 2010-11	4,097	-	-	4,097		4,097	
<i>Total outcome 2009-10</i>	<i>4,111</i>			<i>4,111</i>		<i>4,111</i>	
Total AGIE 2010-11	4,097	-	-	4,097		4,097	
<i>Total AGIE 2009-10</i>	<i>4,111</i>			<i>4,111</i>		<i>4,111</i>	

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.2 Analysis of budgeted financial statements

SBS is forecasting a modest surplus of \$0.989 million for 2010-11.

The main source of revenue being Government funding is forecast to be \$210.923 million for 2010-11. This includes \$5.003 million funding for Digital Television Switchover – Regional Blackspot Solution. Revenue from own source is budgeted at \$104.272 million for the year. This is largely generated through the sale of goods and services most of which is advertising revenue. The sale of goods and services revenue for 2010-11 is forecast to decline marginally to \$91.973 million from the estimated actual of \$92.343 million in the previous year, which included revenue related to the broadcast of major sporting events in 2009-10.

The proportion of total revenue obtained from Government sources is budgeted to be 66.92% in 2010-11.

The main expenses from ordinary activities are costs related to employees and suppliers. The suppliers' expenses are \$220.033 million for 2009-10 and are estimated to be \$219.747 million for 2010-11. The finance costs are related to Commonwealth borrowings for the Artarmon Building, sporting events rights and infrastructure works related to digital broadcasting. For 2010-11, the budgeted interest amount is \$0.911 million. This will gradually decline in future years as the loans principals are repaid.

SBS' budgeted total assets for 2010-11 are \$241.409 million which consist of \$42.205 million in financial assets and \$199.204 million in non-financial assets.

Total liabilities for 2010-11 are budgeted at \$69.533 million.

For the budget year 2010-11, there is no material change in the cash held at the end of the reporting period from the cash held at the beginning of the reporting period.

3.2.3 Budgeted financial statements tables

Table 3.2.1 Comprehensive Income Statement (Showing Net Cost of Services)

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
EXPENSES					
Employee benefits	84,664	82,695	85,589	88,585	92,128
Supplier expenses	220,033	219,747	229,228	230,459	227,932
Depreciation and amortisation	9,227	10,853	10,895	10,909	11,409
Finance costs	1,226	911	608	366	228
Total expenses	315,150	314,206	326,320	330,319	331,697
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	92,343	91,973	98,593	105,877	109,568
Interest	1,991	500	500	500	300
Rental income	900	907	907	907	950
Royalties	4,915	4,298	5,000	5,300	5,406
Other	9,177	6,594	5,550	2,184	1,271
Total revenue	109,326	104,272	110,550	114,768	117,495
Total own-source income	109,326	104,272	110,550	114,768	117,495
Net cost of (contribution by) services	205,824	209,934	215,770	215,551	214,202
Revenue from Government	207,505	210,923	217,148	218,324	215,797
Surplus (Deficit)	1,681	989	1,378	2,773	1,595
Surplus (Deficit) attributable to the Australian Government	1,681	989	1,378	2,773	1,595
Total comprehensive income	1,681	989	1,378	2,773	1,595
Total comprehensive income attributable to the Australian Government	1,681	989	1,378	2,773	1,595

Prepared on Australian Accounting Standards basis.

Table 3.2.2 Budgeted Departmental Balance Sheet (as at 30 June)

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
ASSETS					
Financial assets					
Cash and equivalents	1,831	3,370	4,824	4,481	6,084
Trade and other receivables	24,771	18,813	14,113	14,113	14,113
Investments accounted for under the equity method	4,522	4,522	4,522	4,522	4,522
Other investments	21,000	15,500	9,500	2,000	-
Total financial assets	52,124	42,205	32,959	25,116	24,719
Non-financial assets					
Land and buildings	62,491	61,023	59,555	58,087	56,019
Property, plant and equipment	36,704	38,869	43,156	49,130	49,469
Intangibles	15,806	14,646	13,466	12,286	13,106
Inventories	69,690	73,396	67,766	64,146	64,146
Other	12,908	11,270	17,270	20,270	15,160
Total non-financial assets	197,599	199,204	201,213	203,919	197,900
Total assets	249,723	241,409	234,172	229,035	222,619
LIABILITIES					
Payables					
Suppliers	22,729	16,667	15,867	15,867	15,867
Other	22,780	19,521	12,540	7,540	2,540
Total payables	45,509	36,188	28,407	23,407	18,407
Interest bearing liabilities					
Loans	18,051	12,126	6,021	3,011	-
Total interest bearing liabilities	18,051	12,126	6,021	3,011	-
Provisions					
Employee provisions	19,463	19,563	19,663	19,763	19,763
Other	1,394	1,656	1,814	1,814	1,814
Total provisions	20,857	21,219	21,477	21,577	21,577
Total liabilities	84,417	69,533	55,905	47,995	39,984
Net assets	165,306	171,876	178,267	181,040	182,635

Table 3.2.2: Budgeted Departmental Balance Sheet (as at 30 June) (cont)

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
EQUITY*					
Parent entity interest					
Contributed equity	90,046	95,627	100,640	100,640	100,640
Reserves	39,986	39,986	39,986	39,986	39,986
Retained surplus (accumulated deficit)	35,274	36,263	37,641	40,414	42,009
Total parent entity interest	165,306	171,876	178,267	181,040	182,635
Total equity	165,306	171,876	178,267	181,040	182,635

Prepared on Australian Accounting Standards basis.

* 'Equity' is the residual interest in assets after deduction of liabilities.

Table 3.2.3: Departmental statement of changes in equity – summary of movement (Budget year 2010-11)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2010					
Balance carried forward from previous period	35,274	39,986	-	90,046	165,306
Adjustment for changes in accounting policies	-	-	-	-	-
Adjusted opening balance	35,274	39,986	-	90,046	165,306
Surplus (deficit) for the period	989	-	-	-	989
Total comprehensive income recognised directly in equity	36,263	39,986	-	90,046	166,295
Transactions with owners					
<i>Contributions by owners</i>					
Appropriation (equity injection)	-	-	-	5,581	5,581
Sub-total transactions with owners	-	-	-	5,581	5,581
Estimated closing balance as at 30 June 2011	36,263	39,986	-	95,627	171,876

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	91,226	102,412	109,450	116,364	116,224
Appropriations	206,981	211,447	217,148	218,324	215,797
Interest	3,781	950	500	500	500
Net GST received	16,990	17,554	19,107	20,337	22,000
Total cash received	318,978	332,363	346,205	355,525	354,521
Cash used					
Employees	82,943	82,595	85,489	88,485	92,128
Suppliers	214,100	224,870	230,859	238,715	228,060
Net GST paid	16,810	17,553	19,107	20,337	22,000
Other	1,166	-	-	-	-
Total cash used	315,019	325,018	335,455	347,537	342,188
Net cash from (used by) operating activities	3,959	7,345	10,750	7,988	12,333
INVESTING ACTIVITIES					
Cash received					
Investments	106,012	54,918	24,319	8,904	2,770
Total cash received	106,012	54,918	24,319	8,904	2,770
Cash used					
Purchase of property, plant and equipment	25,276	10,390	12,534	14,235	10,500
Investments	97,930	50,000	20,000	-	-
Total cash used	123,206	60,390	32,534	14,235	10,500
Net cash from (used by) investing activities	(17,194)	(5,472)	(8,215)	(5,331)	(7,730)

Table 3.2.4: Budgeted departmental statement of cash flows (for the period ended 30 June) (cont)

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
FINANCING ACTIVITIES					
Cash received					
Contributed equity	4,890	5,581	5,013	-	-
Total cash received	4,890	5,581	5,013	-	-
Cash used					
Repayments of borrowings	5,745	5,915	6,094	3,000	3,000
Total cash used	5,745	5,915	6,094	3,000	3,000
Net cash from (used by) financing activities	(855)	(334)	(1,081)	(3,000)	(3,000)
Net increase (decrease) in cash held	(14,090)	1,539	1,454	(343)	1,603
Cash and cash equivalents at the beginning of the reporting period	15,921	1,831	3,370	4,824	4,481
Cash and cash equivalents at the end of the reporting period	1,831	3,370	4,824	4,481	6,084

Prepared on Australian Accounting Standards basis.

Table 3.2.5 Capital Budget Statement

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	4,890	5,581	5,013	-	-
Previous years' outputs - Bill 2					
Total capital appropriations	4,890	5,581	5,013	-	-
Total new capital appropriations					
Represented by:					
Purchase of non-financial assets	4,890	3,305	5,013	-	-
Other Items		2,276			
Total Items	4,890	5,581	5,013	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB ¹	2,145	390	1,918	-	-
Funded internally from departmental resources ²	23,131	10,000	10,616	14,235	10,500
TOTAL	25,276	10,390	12,534	14,235	10,500
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	25,276	10,390	12,534	14,235	10,500
Total cash used to acquire assets	25,276	10,390	12,534	14,235	10,500

Prepared on Australian Accounting Standards basis.

- Does not include annual finance lease costs. Includes purchase from current and previous years' Departmental Capital Budgets.
- Includes the following sources of funding:
 - annual and prior year appropriations;
 - internally developed assets; and
 - proceeds from the sale of assets.

Table 3.2.6: Statement of Asset Movements (2010-11)

	Land	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2010					
Gross book value	21,250	46,984	65,512	21,666	155,412
Accumulated depreciation/amortisation and impairment	-	(5,743)	(28,808)	(5,860)	(40,411)
Opening net book balance	21,250	41,241	36,704	15,806	115,001
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
By purchase - other		600	9,270	520	10,390
Total additions	-	600	9,270	520	10,390
Other movements					
Depreciation/amortisation expense	-	(2,068)	(7,105)	(1,680)	(10,853)
As at 30 June 2011					
Gross book value	21,250	47,584	74,782	22,186	165,802
Accumulated depreciation/amortisation and impairment	-	(7,811)	(35,913)	(7,540)	(51,264)
Closing net book balance	21,250	39,773	38,869	14,646	114,538

Prepared on Australian Accounting Standards basis.

GLOSSARY

Accrual Accounting	The system of accounting where items are brought to account and included in the financial statements as they are earned or incurred, rather than as they are received or paid.
Accumulated Depreciation	The aggregate depreciation recorded for a particular depreciating asset.
Administered Items	The expenses, revenues, assets or liabilities managed by agencies on behalf of the Commonwealth. Agencies do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs.
Additional Estimates	Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.
Appropriation	An authorisation by Parliament to spend moneys from the Consolidated Revenue Fund for a particular purpose.
Annual Appropriation	Two appropriation Bills are introduced into Parliament in May and comprise the Budget for the financial year beginning 1 July. Further Bills are introduced later in the financial year as part of the additional estimates. Parliamentary departments have their own appropriations.
Capital Expenditure	Expenditure by an agency on capital projects, for example, purchasing a building.
Consolidated Revenue Fund	Section 81 of the Constitution stipulates that all revenue raised or money received by the Commonwealth forms the one consolidated revenue fund (CRF). The CRF is not a bank account. The Official Public Account reflects most of the operations of the CRF.
Departmental Items	Assets, liabilities, revenues and expenses which are controlled by the agency in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services and most

Glossary

	employee expenses, supplier costs and other administrative expenses incurred.
Depreciation	Apportionment of an asset's capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time.
Effectiveness Indicators	Measures the joint or independent contribution of outputs and administered items to the achievement of their specified outcome.
Efficiency Indicators	Measures the adequacy of an agency's management of its outputs (and where applicable, administered items).
Equity or Net Assets	Residual interest in the assets of an entity after deduction of its liabilities.
Expense	Total value of all of the resources consumed in producing goods and services or the loss of future economic benefits in the form of reductions in assets or increases in liabilities of an entity.
Fair Value	Valuation methodology: The amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction. The fair value can be affected by the conditions of the sale, market conditions and the intentions of the asset holder.
Outcomes	The Government's objectives in each portfolio area. Outcomes are desired results, impacts or consequences for the Australian community as influenced by the actions of the Commonwealth. Actual outcomes are assessments of the results or impacts actually achieved.
Revenue	Total value of resources earned or received to cover the production of goods and services.
Special Account	Balances existing within the Consolidated Revenue Fund (CRF) that are supported by standing appropriations (<i>Financial Management and Accountability (FMA) Act 1997, ss.20 and 21</i>). Special accounts allow money in the CRF to be acknowledged as set-aside (hypothecated) for a particular purpose. Amounts credited to a Special Account may only be spent for the purposes of the Special Account. Special Accounts can only be established by a written

determination of the Finance Minister (s.20 FMA Act) or through an Act of Parliament (referred to in s.21 of the FMA Act).

Special Appropriations
(including Standing
Appropriations)

An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For special appropriations the authority to withdraw funds from the Consolidated Revenue Fund does not generally cease at the end of the financial year.

Standing appropriations are a sub-category consisting of ongoing special appropriations - the amount appropriated will depend on circumstances specified in the legislation.

ACRONYMS

AAS	Australian Accounting Standards
AASB	Australian Accounting Standards Basis
ABC	Australian Broadcasting Corporation
ABC Act	<i>Australian Broadcasting Corporation Act 1983</i>
ABG	Australian Broadband Guarantee
ACCAN	Australian Communications Consumer Action Network
ACMA	Australian Communications and Media Authority
ACT	Australian Capital Territory
AEIFRS	Australian Equivalent to International Financial Reporting Standards
ANAO	Australian National Audit Office
ASL	Average Staffing Level
BAF	Building Australia Fund
BSA	<i>Broadcasting Services Act 1992</i>
CAC Act	<i>Commonwealth Authorities and Companies Act 1997</i>
COAG	Council of Australian Government
CRF	Consolidated Revenue Fund
DBCDE	Department of Broadband, Communications and the Digital Economy
DNCR	Do Not Call Register
FMA Act	<i>Financial Management and Accountability Act 1997</i>
GFS	Government Finance Statistics
GST	Goods and Services Tax
ICT	Information and Communications Technology
ISBN	International Standard Book Numbering
ISP	Internet Service Provider
IT	Information Technology
mbps	Megabits per second
NBN	National Broadband Network
nfp	Not for publication
NRS	National Relay Service
NT	Northern Territory

Acronyms

OECD	Organisation for Economic Co-operation and Development
PAES	Portfolio Additional Estimates Statements
PB Statements	Portfolio Budget Statements
SBS	Special Broadcasting Service Corporation
tba	To be advised
TCPSS Act	<i>Telecommunications (Consumer Protection and Service Standards) Act 1999</i>
USO	Universal Service Obligation
VoIP	Voice over Internet Protocol