

# **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

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.

The ABC provides unique and often critically important points of connection and support for communities throughout Australia. These include formal agreements with

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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 roll-out of a national broadband network, take-up of wireless broadband, the introduction and development of digital radio and commercial digital television multi-channels, and the cessation of analog television transmission.

The 2007-10 ABC Corporate Plan indicated that the ABC would strive to maintain a leadership position in digital media, capitalising fully on its strength in key content areas. Accordingly the ABC continues to innovate and provide national coverage and carriage of its services on all major platforms. It seeks 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 current Budget will allow the ABC to introduce a dedicated digital television and online children's service, commission and broadcast greater levels of Australian drama, extend its existing regional hubs to become catalysts and hosts for locally-generated broadband activity in regional communities, and assist in the maintenance of its current asset base. During 2009-10, the ABC Board will again review its strategic objectives and priorities, in the context of available appropriations, and prepare a new three-year Corporate Plan to commence in July 2010.

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;
- 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; and

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- Outcomes 3 and 4 relate to the provision of digital television transmissions and digital radio transmissions, respectively, through the roll-out and maintenance of associated distribution and transmission infrastructure.

## 1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all origins. 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 2009-10 as at Budget May 2009**

Source	Estimate of prior <sup>+</sup> year amounts available in	Proposed at Budget <sup>=</sup>	Total Estimate	Actual Available Appropriation
	2009-10 \$'000	2009-10 \$'000	2009-10 \$'000	2008-09 \$'000
Opening Balance/Reserves at Bank <sup>1</sup>	5,897	-	5,897	3,456
<b>REVENUE FROM GOVERNMENT</b>				
<b>Ordinary Annual Services<sup>2</sup></b>				
Outcome 1		731,023	731,023	683,384
Outcome 2		92,721	92,721	90,671
Outcome 3		84,177	84,177	84,356
Outcome 4		4,385	4,385	-
<b>Total ordinary annual services</b>	<b>-</b>	<b>912,306</b>	<b>912,306</b>	<b>858,411</b>
<b>Other services<sup>3</sup></b>				
Non-Operating		17,556	17,556	11,250
<b>Total other services</b>	<b>-</b>	<b>17,556</b>	<b>17,556</b>	<b>11,250</b>
<b>Total Annual Appropriations</b>	<b>-</b>	<b>929,862</b>	<b>929,862</b>	<b>869,661</b>
<b>Payments from related entities <sup>4</sup></b>				
Amounts from other agencies		19,289	19,289	18,831
<b>Total</b>		<b>19,289</b>	<b>19,289</b>	<b>18,831</b>
<b>Total Funds from Government</b>	<b>-</b>	<b>949,151</b>	<b>949,151</b>	<b>888,492</b>
<b>FUNDS FROM OTHER SOURCES</b>				
Interest		6,000	6,000	5,944
Sale of goods and services		184,692	184,692	184,456
<b>Total</b>	<b>-</b>	<b>190,692</b>	<b>190,692</b>	<b>190,400</b>
<b>Total net resourcing for ABC</b>	<b>5,897</b>	<b>1,139,843</b>	<b>1,145,740</b>	<b>1,082,348</b>

All figures are GST exclusive

The ABC is not directly appropriated as it is a Commonwealth Authorities and Company 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 Includes opening cash at bank from all sources.

2 Appropriation Bill (No 1) 2009-10

3 Appropriation Bill (No 2) 2009-10

4 Funding provided by a Government body that is not specified within the annual appropriation bills as a payment to the CAC Act body.

All figures are GST exclusive

CRF – consolidated Revenue Fund

### 1.3 BUDGET MEASURES

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

**Table 1.2: ABC 2009-10 Budget measures**

	Program	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000
<b>Expense measures</b>						
Australian Broadcasting Corporation - base funding	1.1, 1.2, 1.3					
Departmental expenses <sup>1</sup>		-	-	-	-	-
<b>Total</b>		-	-	-	-	-
Australian Broadcasting Corporation - additional funding	1.1, 1.2, 1.3					
Departmental expenses		-	28,480	42,364	65,000	-
<b>Total</b>		-	<b>28,480</b>	<b>42,364</b>	<b>65,000</b>	-
Rural and Regional National Broadband Network Initiative - ABC regional broadband hubs	1.1, 1.2, 1.3					
Departmental expenses		-	2,500	4,700	8,100	-
<b>Total</b>		-	<b>2,500</b>	<b>4,700</b>	<b>8,100</b>	-
Australian Broadcasting Corporation and Special Broadcasting Service Corporation - cessation of analog television simulcasting	2.1					
Departmental savings		-	-	(902)	(6,667)	-
<b>Total</b>		-	-	<b>(902)</b>	<b>(6,667)</b>	-
Australian Broadcasting Corporation and Special Broadcasting Service Corporation - distribution and transmission efficiencies	3.1					
Departmental savings		-	nfp	nfp	nfp	-
<b>Total</b>		-	<b>nfp</b>	<b>nfp</b>	<b>nfp</b>	-
<b>Total expense measures</b>						
Departmental <sup>2</sup>		-	30,980	46,162	66,433	-
<b>Total</b>		-	<b>30,980</b>	<b>46,162</b>	<b>66,433</b>	-

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**Table 1.2: ABC 2009-10 Budget measures (continued)**

	Program	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000
<b>Capital measures</b>						
Australian Broadcasting Corporation - additional funding	1.1, 1.2, 1.3					
Departmental capital		-	14,156	-	-	-
<b>Total</b>		-	<b>14,156</b>	-	-	-
<b>Total capital measures</b>						
Departmental		-	14,156	-	-	-
<b>Total</b>		-	<b>14,156</b>	-	-	-

Prepared on a Government Financial Statistics (fiscal) basis.

- 1 The following funding will be provided to ABC: \$698.679m in 2009-10; \$715.972m in 2010-11; and \$725.790m in 2011-12. As provision for this funding has already been included in the forward estimates, it has no net budget impact.
- 2 Totals do not include the Departmental savings which are not for publication ('nfp') to protect the national broadcasters' future negotiating position.

#### **1.4 TRANSITION FROM OUTCOMES AND OUTPUTS TO OUTCOMES AND PROGRAMS**

From the 2009-10 Budget, all General Government Sector (GGS) entities will be reporting on a program basis. The table below outlines the transition from the 2008-09 Budget year (as at Additional Estimates) which was presented in outputs and output groups, to the program reporting framework used for the 2009-10 Budget. The table also captures revisions made to GGS outcome statements under the Operation Sunlight Outcome Statements Review.

**Figure 2: Transition table**

**2008-09 Budget year**

**Outcome 1:** Audiences throughout Australia - and overseas - are informed, educated and entertained

Output Group 1.1: Radio
Departmental Outputs: <i>Output 1.1: Radio</i>

Output Group 1.2: Television
Departmental Outputs: <i>Output 1.2: Television</i>

Output Group 1.3: New Media Services
Departmental Outputs: <i>Output 1.3: New Media Services</i>

**Outcome 2:** Australian and international communities have access to at least the scale and quality of satellite and analog terrestrial radio and television transmission services that exist at 30 June 2003

Output Group 2.1: Analog Terrestrial Transmission Services
Departmental Outputs: <i>Output 2.1: Analog Terrestrial Transmission Services</i>

**Outcome 3:** The Australian community has access to ABC digital television services in accordance with approved digital implementation plans

Output Group 3.1: Digital Television Services
Departmental Outputs: <i>Output 3.1: Digital Television Services</i>

**2009-10 Budget year**

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

Program 1.1: ABC Radio
Program Support

Program 1.2: ABC Television
Program Support

Program 1.3: Online
Program Support

**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

Program 2.1: ABC Analog Transmission
Program Support

**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

Program 3.1: Access to digital television services
Program Support

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

Program 4.1: Access to digital radio services
Program Support

## 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. Agencies deliver programs which are the Government actions taken to deliver the stated outcomes. 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;
- 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 1 Budgeted Expenses and Resources**

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**

<b>Outcome 1:</b> Informed, educated and entertained audiences - throughout Australia and overseas - through innovative and comprehensive media and related services	2008-09 Estimated Actual Expenses \$'000	2009-10 Estimated Expenses \$'000
<b>Program 1.1: ABC Radio</b>		
Revenue from Government		
Ordinary Annual Services (Appropriation Bill No. 1)	220,404	244,048
Payment from related entities	6,419	6,575
Revenues from other Independent Sources	72,408	65,007
<b>Total for Program 1.1</b>	<b>299,231</b>	<b>315,630</b>
<b>Program 1.2: ABC Television</b>		
Revenue from Government		
Ordinary Annual Services (Appropriation Bill No. 1)	409,323	453,231
Payment from related entities	11,922	12,212
Revenues from other Independent Sources	134,470	120,726
<b>Total for Program 1.2</b>	<b>555,715</b>	<b>586,169</b>
<b>Program 1.3: Online</b>		
Revenue from Government		
Ordinary Annual Services (Appropriation Bill No. 1)	16,811	18,614
Payment from related entities	490	502
Revenues from other Independent Sources	5,522	4,959
<b>Total for Program 1.3</b>	<b>22,823</b>	<b>24,075</b>
<b>Outcome 1 Totals by Resource type</b>		
Revenue from Government		
Ordinary Annual Services (Appropriation Bill No. 1)	646,538	715,893
Payment from related entities	18,831	19,289
Revenues from other Independent Sources	212,400	190,692
<b>Total Expenses for Outcome 1</b>	<b>877,769</b>	<b>925,874</b>
	2008-09	2009-10
<b>Average Staffing Level (number)</b>	4,400	4,433

Notes:

Departmental revenue from Government 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;
- positioning the ABC for the successful introduction and development of digital radio broadcasting; and
- internationally, strengthening the reach and impact of Radio Australia in designated target countries.

**Program expenses**

	2008-09 Revised budget	2009-10 Budget	2010-11 Forward year 1	2011-12 Forward year 2	2012-13 Forward year 3
(\$'000)					
Annual Departmental Expenses:					
Departmental Item	299,231	315,630	326,683	333,893	340,759
<b>Total Departmental Expenses</b>	<b>299,231</b>	<b>315,630</b>	<b>326,683</b>	<b>333,893</b>	<b>340,759</b>

**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 and drama content;
- Promoting the composition and performance of Australian music and drama, including support for new Australian artists;
- Providing digital radio broadcasting content; and
- Providing relevant and high quality Radio Australia content to broadcasting partners, internationally, in their local languages.

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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; and
- 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.

<b>PROGRAM 1.1: KEY PERFORMANCE INDICATORS - ABC RADIO</b>	
<b>INDICATORS</b>	<b>2009-10 MEASURES</b>
Radio Share	Level achieved in 2009-10 compared with results in 2008-09.
Radio Reach	Level achieved in 2009-10 compared with results in 2008-09.
International Reach	Levels achieved in 2009-10 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 2009-10 compared with results in 2008-09.  Percentage of people who consider the ABC does a good job in covering country/regional issues.

<p>Editorial Standards</p>	<p>Results of Editorial Policy Assurance Surveys relating to news and information on ABC Radio.</p> <p>Efficiency of complaints management measured by performance against statutory and ABC-imposed timelines.</p>
<p>Availability of digital radio content</p>	<p>Introduction of digital radio services on schedule and on budget.</p>
<p>Level and mix of Australian content</p>	<p>Levels of Australian music on those radio networks that broadcast music.</p> <p>Level of Australian drama on ABC Radio National.</p>
<p>Promotion of Australian music and artistic talent</p>	<p>Number of major music concerts recorded for broadcast in 2009-10 compared with 2008-09.</p> <p>Number of initiatives per year to identify and support new Australian artists in 2009-10 compared with 2008-09.</p>

**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 ABC2 derived from the proposed continuous broadband news service;
- 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**

	2008-09 Revised budget	2009-10 Budget	2010-11 Forward year 1	2011-12 Forward year 2	2012-13 Forward year 3
(\$'000)					
Annual Departmental Expenses:					
Departmental Item	555,715	586,169	606,694	620,082	632,839
<b>Total Departmental Expenses</b>	<b>555,715</b>	<b>586,169</b>	<b>606,694</b>	<b>620,082</b>	<b>632,839</b>

**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.

<b>PROGRAM 1.2: KEY PERFORMANCE INDICATORS - ABC TELEVISION</b>	
<b>INDICATORS</b>	<b>2009-10 MEASURES</b>
Television Share	Levels achieved in 2009-10 compared with results in 2008-09.
Television Reach	Level achieved in 2009-10 compared with results in 2008-09.
Audience /Community Appreciation	Percentage of people who consider the quality of programming on ABC Television is good in 2009-10 compared with results in 2008-09.
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 and ABC-imposed timelines.
Australian Content	Percentage of first-run Australian content (between 6pm and midnight) in 2009-10 compared with 2008-09.  Percentage of Australian television programs in the ABC's 20 highest-ranking programs in 2009-10 compared with 2008-09.
State/Local Television	Percentage of state/local 'break-out' television broadcast hours in 2009-10 compared with 2008-09.

**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
- strengthening the technical capacity and skills of Local Radio centres to generate video news content for online and potential broadcast use.

**Program expenses**

	2008-09 Revised budget	2009-10 Budget	2010-11 Forward year 1	2011-12 Forward year 2	2012-13 Forward year 3
(\$'000)					
Annual Departmental Expenses:					
Departmental Item	22,823	24,075	24,921	25,470	25,990
<b>Total Departmental Expenses</b>	<b>22,823</b>	<b>24,075</b>	<b>24,921</b>	<b>25,470</b>	<b>25,990</b>

**Program 1.3: Deliverables**

- 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.

<b>PROGRAM 1.3: KEY PERFORMANCE INDICATORS - ONLINE</b>	
<b>INDICATORS</b>	<b>2009-10 MEASURES</b>
Audience Share	Level achieved in 2009-10 compared with results in 2008-09.
Audience Reach	Level achieved in 2009-10 compared with results in 2008-09.
Audience /Community Appreciation	Percentage of people who consider the quality of programming on ABC Online is good in 2009-10 compared with results in 2008-09.
Total Podcasts	Level achieved in 2009-10 compared with 2008-09.
Total Vodcasts	Level achieved in 2009-10 compared with 2008-09.
Total Streamed Media	Level achieved in 2009-10 compared with 2008-09.
Editorial Standards	Results of Editorial Policy Assurance Surveys relating to news and information on ABC Online.  Efficiency of complaints management measured by performance against statutory and ABC-imposed timelines.

**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**

<b>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</b>	2008-09 Estimated Actual Expenses \$'000	2009-10 Estimated Expenses \$'000
<b>Program 2.1: ABC Analog Transmission</b>		
Revenue from Government		
Ordinary Annual Services (Appropriation Bill No. 1)	89,059	94,333
<b>Total for Program 2.1</b>	<b>89,059</b>	<b>94,333</b>
<b>Total Expenses for Outcome 2</b>	<b>89,059</b>	<b>94,333</b>
<b>Average Staffing Level (number) <sup>1</sup></b>	2008-09 -	2009-10 -

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**

	2008-09 Revised budget	2009-10 Budget	2010-11 Forward year 1	2011-12 Forward year 2	2012-13 Forward year 3
(\$'000)					
Annual Departmental Expenses:					
Departmental Item	89,059	94,333	94,636	90,591	85,072
<b>Total Departmental Expenses</b>	<b>89,059</b>	<b>94,333</b>	<b>94,636</b>	<b>90,591</b>	<b>85,072</b>

**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.

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<b>PROGRAM 2.1: KEY PERFORMANCE INDICATORS - ANALOG TRANSMISSION</b>	
INDICATORS	2009-10 MEASURES
Number of analog terrestrial transmission services	Number in 2009-10 compared with 2008-09.
Audience contacts via the ABC Reception Advice Line	Level achieved in 2009-10 compared with results in 2008-09.
Transmission performance as reported by Broadcast Australia	Levels of Total Network Availability and Total 'On-air Availability' in 2009-10 compared with 2008-09.

**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 roll-out and maintenance of the associated distribution and transmission infrastructure	2008-09 Estimated Actual Expenses \$'000	2009-10 Estimated Expenses \$'000
<b>Program 3.1: Access to digital television services</b>		
Revenue from Government		
Ordinary Annual Services (Appropriation Bill No. 1)	77,356	84,177
<b>Total for Program 3.1</b>	77,356	84,177
<b>Total Expenses for Outcome 3</b>	77,356	84,177
<b>Average Staffing Level (number) <sup>1</sup></b>	-	-

<sup>1</sup> 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 roll-out 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

(\$'000)	2008-09 Revised budget	2009-10 Budget	2010-11 Forward year 1	2011-12 Forward year 2	2012-13 Forward year 3
Annual Departmental Expenses:					
Departmental Item	77,356	84,177	85,424	83,325	85,443
<b>Total Departmental Expenses</b>	<b>77,356</b>	<b>84,177</b>	<b>85,424</b>	<b>83,325</b>	<b>85,443</b>

##### 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.

<b>PROGRAM 3.1: KEY PERFORMANCE INDICATORS - ACCESS TO DIGITAL TELEVISION SERVICES</b>	
INDICATORS	2009-10 MEASURES
Degree to which the Australian population has access to ABC digital television transmissions	2009-10 results compared with 2008-09.
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 roll-out 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**

<b>Outcome 4:</b> Audience access to ABC digital radio services is provided, in accordance with Government approved implementation policy, through the roll-out and maintenance of the associated distribution and transmission infrastructure	2008-09 Estimated Actual Expenses \$'000	2009-10 Estimated Expenses \$'000
<b>Program 4.1: Access to digital radio services</b>		
Revenue from Government		
Ordinary Annual Services (Appropriation Bill No. 1)	-	4,385
<b>Total for Program 4.1</b>	-	4,385
<b>Total Expenses for Outcome 4</b>	-	4,385
	2008-09	2009-10
<b>Average Staffing Level (number)</b> <sup>1</sup>	-	-

<sup>1</sup> 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 roll-out of digital radio transmission services to the five mainland state capital cities.

**Program expenses**

	2008-09 Revised budget	2009-10 Budget	2010-11 Forward year 1	2011-12 Forward year 2	2012-13 Forward year 3
(\$'000)					
Annual Departmental Expenses:					
Departmental Item	-	4,385	3,516	3,564	3,604
<b>Total Departmental Expenses</b>	<b>-</b>	<b>4,385</b>	<b>3,516</b>	<b>3,564</b>	<b>3,604</b>

**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	Successful commencement and provision of digital radio services in the five mainland state capital markets.
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 budget year 2009-10. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, and government Indigenous expenditure.

### 3.1 EXPLANATORY TABLES

#### 3.1.1 Australian Government Indigenous Expenditure

**Table 3.1.1: Australian Government Indigenous Expenditure**

	Appropriations				Other \$'000	Total \$'000	Program
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special Approp \$'000	Total Approp \$'000			
	<b>ABC</b>						
<b>Outcome 1</b>							
Departmental 2009-10	3,221	-	-	3,221	-	3,221	All
Departmental 2008-09	4,209	-	-	4,209	-	4,209	All
<b>Total Outcome 2009-10</b>	<b>3,221</b>	<b>-</b>	<b>-</b>	<b>3,221</b>	<b>-</b>	<b>3,221</b>	
Total Outcome 2008-09	4,209	-	-	4,209	-	4,209	
<b>Total AGIE 2009-10</b>	<b>3,221</b>	<b>-</b>	<b>-</b>	<b>3,221</b>	<b>-</b>	<b>3,221</b>	
Total AGIE 2008-09	4,209	-	-	4,209	-	4,209	

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 \$13.5 million in 2009-10. 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. This is a decrease of \$31.9 million from 2008-09, as the prior year estimated actual result also includes gains on sale of property assets and estimated transmission funds in excess of requirements to be returned to Government in 2009-10.

Revenues from Government are budgeted to increase by \$53.9 million for 2009-10. This is comprised principally of additional funding provided by Government under triennial funding arrangements, offset by savings, as well as indexation and additional funding for the rollout of NewsRadio and digital television and radio services.

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 2010-11 are subject to confirmation of contractual arrangements, which have yet to be finalised.

Gains of \$22.0 million occurring in 2008-09, and not recurring in subsequent years, represent gains on sale of property assets for the ABC's former site in Perth.

Total expenses are budgeted to increase by \$64.6 million for 2009-10. This is comprised principally of additional expenditure on newly funded 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, inflation cost increases for Goods and Services Expenses, and increased costs relating to the rollout of NewsRadio, digital television and radio services. 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 2009-10 of \$1,019.3 million represents an increase of \$24.1 million from the estimated actual for 2008-09. This increase comprises the budgeted operating surplus of \$13.5 million for 2009-10, being predominantly the annual base funding component applied to debt financing, and an equity injection of \$17.6 million for 2009-10, less an estimated return of capital in respect of 2008-09 transmission funds in excess of requirements.

*ABC Budget Statements*

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: Budgeted departmental comprehensive income statement  
(for the period ended 30 June)**

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
<b>EXPENSES</b>					
Employee benefits	393,861	405,676	417,846	430,383	443,175
Supplier	558,944	611,203	634,731	638,616	642,893
Depreciation and amortisation	87,069	88,899	87,639	87,639	87,639
Finance costs	4,310	2,991	1,658	287	-
<b>Total expenses</b>	<b>1,044,184</b>	<b>1,108,769</b>	<b>1,141,874</b>	<b>1,156,925</b>	<b>1,173,707</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Revenue</b>					
Sale of goods and rendering of services	184,456	184,692	184,934	189,581	195,268
Interest	5,944	6,000	6,000	6,000	6,000
Other revenue	18,831	19,289	19,354	-	-
<b>Total revenue</b>	<b>209,231</b>	<b>209,981</b>	<b>210,288</b>	<b>195,581</b>	<b>201,268</b>
<b>Gains</b>					
Sale of assets	22,000	-	-	-	-
<b>Total gains</b>	<b>22,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total own-source income</b>	<b>231,231</b>	<b>209,981</b>	<b>210,288</b>	<b>195,581</b>	<b>201,268</b>
<b>Net cost of (contribution by) services</b>	<b>812,953</b>	<b>898,788</b>	<b>931,586</b>	<b>961,344</b>	<b>972,439</b>
Revenue from government	858,411	912,306	946,716	976,474	987,569
<b>Surplus (Deficit)</b>	<b>45,458</b>	<b>13,518</b>	<b>15,130</b>	<b>15,130</b>	<b>15,130</b>
<b>Surplus (Deficit) attributable to the Australian Government</b>	<b>45,458</b>	<b>13,518</b>	<b>15,130</b>	<b>15,130</b>	<b>15,130</b>

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	5,897	5,897	5,897	5,897	5,897
Trade and other Receivables	160,445	121,463	110,593	120,723	135,853
Other	11,541	11,541	11,541	11,541	11,541
<b>Total financial assets</b>	<b>177,883</b>	<b>138,901</b>	<b>128,031</b>	<b>138,161</b>	<b>153,291</b>
<b>Non-financial assets</b>					
Land and buildings	662,264	650,264	650,264	638,264	626,264
Infrastructure, plant and equipment	243,275	293,359	293,359	305,886	318,414
Inventories	88,306	88,306	88,306	88,306	88,306
Intangibles	13,090	12,562	12,562	12,035	11,507
Other	74,941	74,941	74,941	74,941	74,941
<b>Total non-financial assets</b>	<b>1,081,876</b>	<b>1,119,432</b>	<b>1,119,432</b>	<b>1,119,432</b>	<b>1,119,432</b>
<b>Total assets</b>	<b>1,259,759</b>	<b>1,258,333</b>	<b>1,247,463</b>	<b>1,257,593</b>	<b>1,272,723</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
Loans	56,500	31,000	5,000	-	-
<b>Total interest bearing liabilities</b>	<b>56,500</b>	<b>31,000</b>	<b>5,000</b>	<b>-</b>	<b>-</b>
<b>Provisions</b>					
Employees	134,076	137,969	137,969	137,969	137,969
Other	64,976	61,083	61,083	61,083	61,083
<b>Total provisions</b>	<b>199,052</b>	<b>199,052</b>	<b>199,052</b>	<b>199,052</b>	<b>199,052</b>
<b>Payables</b>					
Other	9,030	9,030	9,030	9,030	9,030
<b>Total payables</b>	<b>9,030</b>	<b>9,030</b>	<b>9,030</b>	<b>9,030</b>	<b>9,030</b>
<b>Total liabilities</b>	<b>264,582</b>	<b>239,082</b>	<b>213,082</b>	<b>208,082</b>	<b>208,082</b>
<b>Net assets</b>	<b>995,177</b>	<b>1,019,251</b>	<b>1,034,381</b>	<b>1,049,511</b>	<b>1,064,641</b>

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

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
<b>EQUITY<sup>1</sup></b>					
<b>Parent entity interest</b>					
Contributed equity	115,793	126,349	126,349	126,349	126,349
Reserves	556,763	556,763	556,763	556,763	556,763
Retained surpluses or accumulated deficits	322,621	336,139	351,269	336,399	381,529
<b>Total parent entity interest</b>	<b>995,177</b>	<b>1,019,251</b>	<b>1,034,381</b>	<b>1,019,511</b>	<b>1,064,641</b>
<b>Total equity</b>	<b>995,177</b>	<b>1,019,251</b>	<b>1,034,381</b>	<b>1,019,511</b>	<b>1,064,641</b>
<b>Current assets</b>	<b>341,130</b>	<b>302,148</b>	<b>291,278</b>	<b>301,408</b>	<b>316,538</b>
<b>Non-current assets</b>	<b>918,629</b>	<b>956,185</b>	<b>956,185</b>	<b>956,185</b>	<b>956,185</b>
<b>Current liabilities</b>	<b>208,082</b>	<b>208,082</b>	<b>208,082</b>	<b>208,082</b>	<b>208,082</b>
<b>Non-current liabilities</b>	<b>56,500</b>	<b>31,000</b>	<b>5,000</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

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

**Table 3.2.3: Budgeted departmental statement of cash flows  
(for the period ended 30 June)**

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	184,456	184,692	184,934	189,581	195,268
Appropriations	858,411	912,306	946,716	976,474	987,569
Interest	5,944	6,000	6,000	6,000	6,000
Other	68,485	69,913	69,800	49,480	49,511
<b>Total cash received</b>	<b>1,117,296</b>	<b>1,172,911</b>	<b>1,207,450</b>	<b>1,221,535</b>	<b>1,238,348</b>
<b>Cash used</b>					
Employees	396,608	408,506	420,761	433,386	443,175
Suppliers	556,197	608,373	631,816	635,613	642,893
Other	106,573	86,115	78,104	54,767	49,511
<b>Total cash used</b>	<b>1,059,378</b>	<b>1,102,994</b>	<b>1,130,681</b>	<b>1,123,766</b>	<b>1,135,579</b>
<b>Net cash from or (used by) operating activities</b>	<b>57,918</b>	<b>69,917</b>	<b>76,769</b>	<b>97,769</b>	<b>102,769</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	37,500	-	-	-	-
Investments	-	7,000	-	-	-
<b>Total cash received</b>	<b>37,500</b>	<b>7,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	98,319	126,455	87,639	87,639	87,639
Other	31,849	(6,482)	15,130	15,130	15,130
<b>Total cash used</b>	<b>130,168</b>	<b>119,973</b>	<b>102,769</b>	<b>102,769</b>	<b>102,769</b>
<b>Net cash from or (used by) investing activities</b>	<b>(92,668)</b>	<b>(112,973)</b>	<b>(102,769)</b>	<b>(102,769)</b>	<b>(102,769)</b>

**Table 3.2.3: Budgeted departmental statement of cash flows  
(for the period ended 30 June) (continued)**

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	11,250	17,556	-	-	-
Other	23,500	25,500	26,000	5,000	-
<b>Total cash received</b>	<b>34,750</b>	<b>43,056</b>	<b>26,000</b>	<b>5,000</b>	<b>-</b>
<b>Cash used</b>					
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) financing activities</b>					
	<b>34,750</b>	<b>43,056</b>	<b>26,000</b>	<b>5,000</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>					
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash at the beginning of the reporting period	5,897	5,897	5,897	5,897	5,897
<b>Cash at the end of the reporting period</b>	<b>5,897</b>	<b>5,897</b>	<b>5,897</b>	<b>5,897</b>	<b>5,897</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2009-10)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2009</b>					
Balance carried forward from previous period	322,621	556,785	(22)	115,793	995,177
<b>Adjusted opening balance</b>	322,621	556,785	(22)	115,793	995,177
Surplus (deficit) for the period	13,518	-	-	-	13,518
<b>Total income and expenses recognised directly in equity</b>	13,518	-	-	-	13,518
<b>Transactions with owners</b>					
<i>Distribution to owners</i>					
Returns of capital					
Other <sup>1</sup>	-	-	-	(7,000)	(7,000)
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	17,556	17,556
<b>Sub-total transactions with owners</b>	-	-	-	10,556	10,556
<b>Estimated closing balance as at 30 June 2010</b>	336,139	556,785	(22)	126,349	1,019,251

Prepared on Australian Accounting Standards basis.

<sup>1</sup> Return of capital represents an estimated return of equity of \$7m in respect of 2008-09 Outcome 3 transmission funds in excess of requirements.

**Table 3.2.5: Departmental capital budget statement**

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	11,250	17,556	-	-	-
<b>Total capital appropriations</b>	<b>11,250</b>	<b>17,556</b>	-	-	-
<b>Represented by:</b>					
Purchase of non-financial assets	11,250	17,556	-	-	-
<b>Total represented by</b>	<b>11,250</b>	<b>17,556</b>	-	-	-
<b>ACQUISITION OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations	11,250	17,556	-	-	-
Funded internally from Departmental resources <sup>1</sup>	87,069	108,899	87,639	87,639	87,639
<b>TOTAL</b>	<b>98,319</b>	<b>126,455</b>	<b>87,639</b>	<b>87,639</b>	<b>87,639</b>

Prepared on Australian Accounting Standards basis.

- 1 Includes the following sources of funding: annual and prior year appropriations; donations and contributions; gifts; finance leases; internally developed assets; s31 relevant agency receipts; and proceeds from the sale of assets.

**Table 3.2.6: Statement of Asset Movements - Departmental**

	Land \$'000	Buildings \$'000	Other infrastructure, plant and equipment \$'000	Intangibles \$'000	Total \$'000
<b>As at 1 July 2009</b>					
Gross book value	186,673	474,548	621,736	40,242	1,323,199
depreciation/amortisation	-	(1,043)	378,461	27,152	404,570
<b>Opening net book balance</b>	<b>186,673</b>	<b>475,591</b>	<b>243,275</b>	<b>13,090</b>	<b>918,629</b>
<b>CAPITAL ASSET ADDITIONS</b>					
<b>Estimated expenditure on new or replacement assets</b>					
By purchase or internally developed	-	8,156	115,049	3,250	126,455
<b>Acquisition of entities or operations (including restructuring)</b>					
<b>Sub-total</b>	<b>-</b>	<b>8,156</b>	<b>115,049</b>	<b>3,250</b>	<b>126,455</b>
<b>Other movements</b>					
Depreciation/amortisation expense	-	20,156	64,965	3,778	88,899
<b>As at 30 June 2010</b>					
Gross book value	186,673	482,704	736,785	43,492	1,449,654
depreciation/amortisation	-	19,113	443,426	30,930	493,469
<b>Closing net book balance</b>	<b>186,673</b>	<b>463,591</b>	<b>293,359</b>	<b>12,562</b>	<b>956,185</b>

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.

