

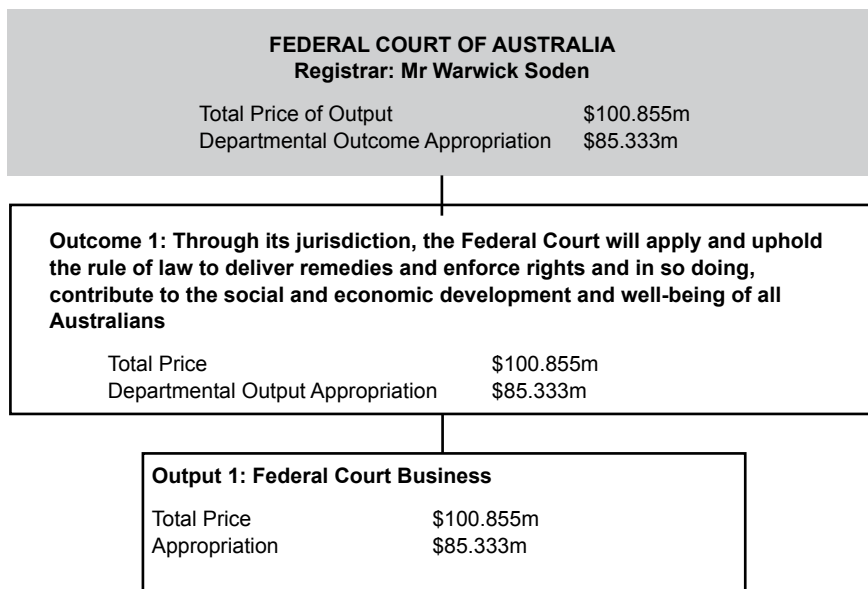
FEDERAL COURT OF AUSTRALIA

Section 1: Agency overview and resources; variations and measures

OVERVIEW

There are no changes to the Federal Court of Australia’s (Federal Court) role, mission or its outcomes and outputs structures as a result of Additional Estimates.

Table 1.1: Agency outcomes and output groups



ADDITIONAL ESTIMATES AND VARIATIONS TO OUTCOMES

Additional funding of \$2.714m has been provided over four years to the Federal Court to meet the increases in judicial and related remuneration increases determined by the Remuneration Tribunal for the 2006-07 year.

Table 1.3: Additional estimates and variations to outcomes — other variations

	2006-07 \$'000	2007-08 \$'000	2008-09 \$'000	2009-10 \$'000
Outcome 1				
Variations in Departmental appropriations				
Supplementation for judicial and related offices salary increases (Remuneration Tribunal Determination 2006/10)	678	678	679	679
Total changes in Departmental appropriations	678	678	679	679

BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

Table 1.5: Appropriation Bill (No. 3) 2006-07

	2005-06 Available \$'000	2006-07 Budget \$'000	2006-07 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
DEPARTMENTAL OUTPUTS					
Outcome 1					
Through its jurisdiction, the Federal Court will apply and uphold the rule of law to deliver remedies and enforce rights and in so doing, contribute to the social and economic development and well-being of all Australians	81,126	84,655	85,333	678	-
Total Federal Court of Australia	81,126	84,655	85,333	678	-

OTHER RECEIPTS AVAILABLE TO BE USED

Table 1.9 provides details of other receipts available to be used and includes FMA s.31 receipts, CAC body receipts that are available to be spent, special accounts (non-appropriation receipts) and resources received free of charge.

Table 1.9: Other receipts available to be used

	Budget Estimate 2006-07 \$'000	Revised Estimate 2006-07 \$'000
Outcome		
Departmental other receipts		
Sales of goods and services	1,722	1,673
Other revenue	85	25
Total Departmental other receipts	1,807	1,696
Other revenue from independent sources		
Liabilities assumed by other agencies *	7,557	7,972
Resources received free of charge **	5,887	5,877
Total Departmental other revenue from independent sources	13,444	13,849
Total Departmental other receipts available to be used	15,251	15,545
Administered other receipts		
Court fees, fines and costs	6,661	6,661
Total Administered other receipts available to be used	6,661	6,661

* Liabilities assumed by other agencies – under the *Judges' Pensions Act 1968*, Federal Court judges are entitled to a non-contributory pension of 60% of current judicial salary after reaching the age of 60 years and having served ten years or more as a judge or upon retirement on the grounds of invalidity. Pro-rata pension is payable after six years service as a judge upon retirement. As the liability for these pension payments is assumed by the Commonwealth, the Federal Court has not recognised a liability for unfunded superannuation liability. The Federal Court has, however, recognised both an expense and a corresponding revenue item (liabilities assumed by other agencies in respect of the notional amount of the employer's superannuation contribution for the year. This has been calculated as 61.8% of the total salary expenditure in respect of Federal Court judges.

** Resources received free of charge – this consists of notional rent associated with the accommodation occupied by the Federal Court in the Law Courts Building located in Sydney. This building is owned by Law Courts Limited, a joint company between the NSW and Commonwealth Governments.

ESTIMATES OF SPECIAL ACCOUNT FLOWS

Table 1.11: Estimates of special account flows

	Outcome No.	Opening Balance	Receipts	Payments	Adjustments ²	Closing Balance
		2006-07 ¹	2006-07	2006-07	2006-07	2006-07
		2005-06 ¹	2005-06	2005-06	2005-06	2005-06
		\$'000	\$'000	\$'000	\$'000	\$'000
Other Trust monies – FMA Act s.20(A)	1	48	117	101	-	64
		38	1,048	1,038	-	48
Total special accounts		48	117	101	-	64

D = Departmental A= Administered

Acts Glossary: FMA Act = *Financial Management and Accountability Act, 1997*

Notes

1. Other Trust monies consist of private funds held by the Australian Government pending direction from the Federal Court.
2. The revised Opening Balance for 2006-07 is the same as the final closing balance for 2005-06. This balance has changed from that shown in the 2006-07 PBS as the actual for 2005-06 has been updated to reflect the final budget outcome for that year.

Section 2: Revisions to agency outcomes

OUTCOMES, ADMINISTERED ITEMS AND OUTPUTS

Table 1.1 'Agency outcomes and output groups' lists the outcome statements and output groups for the Federal Court of Australia.

There are no changes to the outcome and output structures as a result of the Additional Estimates.

Apart from price per output in Table 1.1 there have been no changes to performance information.

Section 3: Budgeted financial statements

ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

Departmental financial statements

Budgeted departmental income statement

The Federal Court has received an additional \$0.678m for the increase in judicial remuneration. This is reflected in a corresponding increase in expenses. The Federal Court is budgeting for a \$0.459m surplus in 2006-07.

Resources Provided Free of Charge

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

- Work performed by Federal Court staff on behalf of the Federal Magistrates Court, and
- Accommodation, including access to court rooms.

The estimated value of these resources provided free of charge for 2007-08 is \$7.963m.

Budgeted departmental balance sheet

The Federal Court's budgeted net asset position has increased from \$38.331m to \$40.230m since the 2006-07 PBS. This is due to the budgeted operating surplus for 2006-07 and the actual net asset position for 2005-06 being higher than forecast at Budget time.

Departmental capital budget statement

The Federal Court's internally funded capital budget for 2006-07 has been reduced from \$9.847m to \$7.314m. This is due to the fact that capital works planned to be undertaken in this year have been slightly delayed.

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

	Actual 2005-06 \$'000	Revised Budget 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
INCOME					
Revenue					
Revenues from Government	81,126	85,333	85,785	86,253	86,747
Goods and services	2,472	1,673	1,715	1,758	1,801
Interest	614	-	-	-	-
Other	13,381	13,849	15,025	15,175	15,330
Total revenue	97,592	100,855	102,525	103,186	103,878
Gains					
Net gains from sale of assets	18	-	37	39	43
Total gains	18	-	37	39	43
Total income	97,610	100,855	102,562	103,225	103,921
EXPENSE					
Employees	48,687	53,918	56,227	56,215	57,183
Suppliers	41,205	43,230	42,780	43,153	42,341
Depreciation and amortisation	2,485	3,073	3,405	3,707	4,247
Write-down of assets and impairment of assets	264	150	150	150	150
Net losses from sale of assets	-	25	-	-	-
Total expenses	92,641	100,396	102,562	103,225	103,921
Operating result from continuing operations	4,969	459	-	-	-
Net surplus or (deficit) attributable to the Australian Government	4,969	459	-	-	-

Table 3.2: Budgeted departmental balance sheet as at 30 June

	Actual 2005-06 \$'000	Revised Budget 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	348	1,000	1,000	1,000	1,000
Receivables	32,800	30,852	25,672	21,724	16,609
Total financial assets	33,148	31,852	26,672	22,724	17,609
Non-financial assets					
Land and buildings	5,620	10,535	14,195	16,471	17,108
Infrastructure, plant and equipment	10,907	11,026	11,488	11,962	12,313
Intangibles	444	1,154	3,089	4,986	9,846
Other	5,492	3,309	3,172	3,157	3,142
Total non-financial assets	22,463	26,024	31,944	36,576	42,409
Total assets	55,611	57,876	58,616	59,300	60,018
LIABILITIES					
Payables					
Suppliers	404	414	425	435	446
Total payables	404	414	425	435	446
Interest bearing liabilities					
Leases	1,411	774	774	774	774
Total interest bearing liabilities	1,411	774	774	774	774
Provisions					
Employees	15,728	16,458	17,188	17,861	18,568
Total provisions	15,728	16,458	17,188	17,861	18,568
Total liabilities	17,543	17,646	18,386	19,070	19,787
EQUITY					
Parent entity interest					
Contributed equity	7,914	9,617	9,617	9,617	9,617
Reserves	1,614	1,614	1,614	1,614	1,614
Retained surpluses or accumulated deficits	28,540	28,999	28,999	28,999	28,999
Total parent entity interest	38,068	40,230	40,230	40,230	40,230
Total equity	38,068	40,230	40,230	40,230	40,230
Current assets	36,634	35,161	29,845	25,881	20,751
Non-current assets	18,976	22,715	28,771	33,419	39,267
Current liabilities	15,930	16,637	17,349	18,007	18,688
Non-current liabilities	1,613	1,009	1,037	1,062	1,099

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

	Actual 2005-06 \$'000	Revised Budget 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	2,059	1,673	1,715	1,758	1,801
Appropriations	64,200	86,634	90,970	90,207	91,868
Net GST received	3,557	-	-	-	-
Other cash received	3,500	-	-	-	-
Total cash received	73,316	88,307	92,685	91,965	93,669
Cash used					
Employees	41,662	44,563	46,496	46,541	47,475
Suppliers	24,290	35,803	36,615	36,958	35,991
Financing costs	60	-	-	-	-
Net GST paid	3,766	-	-	-	-
Total cash used	69,778	80,366	83,111	83,499	83,466
Net cash from or (used by) operating activities	3,538	7,941	9,574	8,466	10,204
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	14	25	87	89	92
Total cash received	14	25	87	89	92
Cash used					
Purchase of property, plant and equipment	4,965	9,017	9,661	8,555	10,296
Total cash used	4,965	9,017	9,661	8,555	10,296
Net cash from or (used by) investing activities	4,951	8,992	9,574	8,466	10,204
FINANCING ACTIVITIES					
Cash received					
Appropriations – contributed equity	-	1,703	-	-	-
Total cash received	-	1,703	-	-	-
Cash used					
Total cash used	-	-	-	-	-
Net cash from or (used by) financing activities	-	1,703	-	-	-
Net increase or (decrease) in cash held	1,413	652	-	-	-
Cash at the beginning of the reporting period	1,761	348	1,000	1,000	1,000
Cash at the end of the reporting period	348	1,000	1,000	1,000	1,000

Table 3.4: Departmental statement of changes in equity — summary of movement Budget year 2006-07

	Accumulated Results \$'000	Asset Revaluation Reserve \$'000	Contributed Equity/ Capital \$'000	Total Equity \$'000
Opening balance as at 1 July 2006				
Balance carried forward from previous period	28,540	1,614	7,914	38,068
Adjusted opening balance	28,540	1,614	7,914	38,068
Income and expense				
Net operating result	459	-	-	459
Total income and expenses	28,999	1,614	7,914	38,527
Transactions with owners				
Appropriation (equity injection)	-	-	1,703	1,703
Sub-total transactions with owners	-	-	1,703	1,703
Closing balance less minority interests	28,999	1,614	9,617	40,230
Estimated closing balance as at 30 June 2007	28,999	1,614	9,617	40,230

Table 3.5: Departmental capital budget statement

	Actual 2005-06 \$'000	Revised Budget 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections	1,371	1,703	-	-	-
Total capital appropriations	1,371	1,703	-	-	-
Represented by:					
Purchase of non-financial assets	1,371	1,703	-	-	-
Total represented by	1,371	1,703	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation	1,371	1,703	-	-	-
Funded internally by departmental resources	3,594	7,314	11,240	8,929	10,296
Total	4,965	9,017	11,240	8,929	10,296

Table 3.6: Departmental property, plant, equipment and intangibles — summary of movement Budget year 2006-07

	Buildings	Other Infrastructure Plant and Equipment	Computer Software	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2006				
Gross book value	7,265	13,015	2,135	22,415
Accumulated depreciation	(1,645)	(2,108)	(1,691)	(5,444)
Opening net book value	5,620	10,907	444	16,971
Additions:				
by purchase	6,200	1,717	950	8,967
by finance lease	-	100	-	100
Depreciation/amortisation expense	(1,285)	(1,548)	(240)	(3,073)
Impairments recognised in operating results	-	(150)	-	(150)
Disposals:				
other disposals	-	(44)	(7)	51
As at 30 June 2007				
Gross book value	13,465	14,638	3,078	31,181
Accumulated depreciation	(2,930)	(3,612)	(1,924)	(8,466)
Estimated closing net book value	10,535	11,026	1,154	22,715

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

	Actual 2005-06 \$'000	Revised Budget 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
INCOME ADMINISTERED ON BEHALF OF THE GOVERNMENT					
Revenue					
Taxation					
Other taxes, fees and fines	6,296	6,661	6,794	6,930	7,069
Total taxation	6,296	6,661	6,794	6,930	7,069
Total revenues administered on behalf of the Government	6,296	6,661	6,794	6,930	7,069
Total income administered on behalf of the Government	6,296	6,661	6,794	6,930	7,069
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Other	89	83	84	86	88
Total expenses administered on behalf of the Government	89	83	84	86	88

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

	Actual 2005-06 \$'000	Revised Budget 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
ASSETS ADMINISTERED ON BEHALF OF THE GOVERNMENT					
Financial assets					
Cash and cash equivalents	19	19	19	19	19
Receivables	372	372	372	372	372
Total financial assets	391	391	391	391	391
Total assets administered on behalf of the Government	391	391	391	391	391
LIABILITIES ADMINISTERED ON BEHALF OF THE GOVERNMENT					
Total payables	-	-	-	-	-
Liabilities included in disposal groups held for sale	-	-	-	-	-
Total liabilities administered on behalf of Government	-	-	-	-	-

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

	Actual 2005-06 \$'000	Revised Budget 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
OPERATING ACTIVITIES					
Cash received					
Other taxes, fees and fines	6,258	6,661	6,795	6,931	7,069
Total cash received	6,258	6,661	6,795	6,931	7,069
Cash used					
Other	89	85	87	89	91
Total cash used	89	85	87	89	91
Net cash from operating activities	6,169	6,576	6,708	6,842	6,978
INVESTING ACTIVITIES					
Cash received					
Total cash received	-	-	-	-	-
Cash used					
Total cash used	-	-	-	-	-
Net cash from investing activities	-	-	-	-	-
FINANCING ACTIVITIES					
Cash received					
Total cash received	-	-	-	-	-
Cash used					
Total cash used	-	-	-	-	-
Net cash from financing activities	-	-	-	-	-
Net increase or (decrease) in cash held	-	-	-	-	-
Cash at beginning of reporting period	30	19	19	19	19
Cash from Official Public Account for:					
– appropriations	90	85	87	89	91
Cash to Official Public Account for:					
– appropriations	6,270	6,661	6,795	6,931	7,069
Cash at end of reporting period	19	19	19	19	19

NOTES TO THE FINANCIAL STATEMENTS

Basis of accounting

The budgeted financial statements have been prepared on an accrual basis, in accordance with historical cost convention and consistent with Australian Accounting Standards.

Revenue from Government

Amounts appropriated are recognised as revenue, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

Employee expenses

Employee expenses consist of salaries, leave entitlements, redundancy expenses, superannuation and non-salary benefits.

Suppliers

Supplier expenses consist of administrative costs, consultants, travel expenses and property operating expenses.

Cash

Cash includes notes and coins held and any deposits held at call with a bank or financial institutions.

Assets

The assets are made up of cash, receivables, leasehold improvements and plant and equipment. All assets are held at fair value.

Liabilities

The liabilities are made up of employee salary and leave entitlements, property lease make-good provisions and unpaid creditors.