

FAMILY COURT OF AUSTRALIA

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION FOR 2009–10

The Family Court of Australia, through its specialist judges and staff, helps Australians to resolve their most complex family disputes.

The purpose of the Family Court, as Australia's superior court in family law, is to:

- determine cases with the most complex law, facts and parties
- cover specialised areas in family law, and
- provide national coverage as the appellate court in family law matters.

The core services of the Family Court are those that:

- are prescribed by legislation
- enable and support judges to determine cases, and
- meet duty of care requirements.

The Family Court has designed four programs of work to ensure that it fulfils its stated purpose:

- maintaining an environment that enables judicial officers to make determinations
- provision of effective and efficient registry services
- corporate management of resources, and
- effective information and communication technologies.

The magnitude of change to the family law system in recent years has been profound and has been particularly significant in reshaping the family law landscape. Changes include:

- funding support provided to the community sector to undertake family dispute resolution, and
- creation of a network of Family Relationship Centres to assist families to negotiate their own parenting arrangements after separation.

During 2009–10, the Family Court will work with the Federal Magistrates Court and Federal Court to implement proposed reforms to the governance and structure of the three courts in order to secure better access to justice for litigants and better use of publicly funded resources provided to the courts. This will involve:

- merging the existing Family Court with a lower division, to comprise Federal Magistrates who handle family law cases, and
- transferring funding from the Federal Magistrates Court to reflect movement of Federal Magistrates to the lower division of the Family Court.

The allocation between the Federal Court and Family Court of funding transferred from the Federal Magistrates Court will reflect the number of Federal Magistrates appointed to each court. The actual split in appropriations may need to be adjusted to reflect workloads at the time of restructure.

The Family Court's appropriation includes additional funding of \$1.5m over four years as part of the courts restructure measure to enable enhanced support of families and assist them to resolve disputes in a non-adversarial manner including through access to family consultant services.

The following strategic initiatives will continue to be implemented during 2009–10.

Case management

The commencement of Division 12A of the *Family Law Act 1975* and changes to the case management processes of the Family Court provided impetus for the introduction of individual dockets for judges. The aim is to have judges involved in establishing the issues that require determination and directing the evidence to be filed to enable determination of the issues.

Court registries will continue to focus on implementing the new case management processes that are structured around the judicial docket.

Less adversarial trials

The Family Court is fully committed to handling parenting cases through less adversarial trials, where appropriate. The less adversarial trial approach is now the default position for parenting cases across the court.

In a less adversarial trial:

- no affidavits are filed before the trial – parents only complete a questionnaire
- the judge, rather than the parties or their lawyers, decides how the trial is conducted
- the judge controls the case and keeps everyone concentrated on the major disagreements about their children's best interests
- parents and carers can speak directly to the judge, not simply through their lawyers
- the judge identifies the issues to be decided and the evidence to be heard, and
- the judge is assisted by evidence from a family consultant.

Child Responsive Program

To assist families and the court to establish arrangements that best suit children following family separation, the Child Responsive Program (conducted by family consultants) has been designed to integrate with trial proceedings.

Under the Child Responsive Program, each case is allocated a family consultant who manages the case until it is resolved or determined. If the matter goes to trial, the same family consultant will provide evidence about the issues in dispute, the children's experience and views and referrals to other agencies. The family consultant may provide a written report to the court after further assessment of the family and significant others in the children's lives.

Where matters require a determination by a judge and orders are made, the same family consultant will follow up with the children and parents to support the implementation of orders and make referrals to community services where necessary.

The Child Responsive Program aims to integrate the court's child dispute services with the less adversarial trial approach to achieve the best outcomes for children.

De facto relationship laws

New Commonwealth laws for the division of property for people in de facto relationships that break down commenced on 1 March 2009.

The new laws provide for de facto couples, when they separate, to obtain property settlements on the principles that apply under the *Family Law Act 1975* to married couples. This is a change from the laws that applied before 1 March 2009. Those laws also differed depending on the particular state or territory law that applied.

The new laws enable the Family Law Courts to order a division of any property that the couple owns, either separately or together with each other. Superannuation that each partner has can also be split (married couples have been able to split superannuation since 2002). Spouse maintenance can also be ordered (this was not previously possible in Queensland or, until very recently, in Victoria).

The Family Law Courts can make these orders if satisfied of one of the following:

- the period (or the total of the periods) of the de facto relationship is at least two years
- there is a child of the de facto relationship

- one of the partners made substantial financial or non-financial contributions to their property or as a homemaker or parent and serious injustice to that partner would result if the order was not made, or
- the de facto relationship has been registered in a state or territory with laws for the registration of relationships.

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: Agency resource statement—Budget estimates for 2009–10 as at Budget, May 2009

	Estimate of prior year amounts available in 2009–10 (\$'000)	+ Proposed at Budget 2009–10 (\$'000)	= Total estimate 2009–10 (\$'000)	Actual available appropriation 2008–09 (\$'000)
ORDINARY ANNUAL SERVICES				
Departmental				
Prior year departmental appropriation	28,433 ³	–	28,433	–
Departmental appropriation	–	146,658 ¹	146,658	127,658
S 31 relevant agency receipts	–	2,000 ²	2,000	2,000
Total	28,433	148,658	177,091	129,658
Administered expenses				
Outcome 1	–	430 ¹	430	–
Total	–	430	430	–
Total ordinary annual services	28,433	149,088	177,521	129,658
Total net resourcing for agency	28,433	149,088	177,521	129,658

All figures are GST exclusive.

1. Appropriation Bill (No. 1) 2009–10.
2. Section 31 relevant agency receipts—estimate.
3. Estimated adjusted balance carried forward from previous year for annual appropriations.

1.3 BUDGET MEASURES

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

Table 1.2: Agency 2009–10 Budget measures

	Program	2008–09 (\$'000)	2009–10 (\$'000)	2010–11 (\$'000)	2011–12 (\$'000)	2012–13 (\$'000)
EXPENSE MEASURES						
Restructure of the Federal Courts¹						
Administered expenses	1.1	–	430	859	876	876
Departmental expenses	1.1	–	20,811	41,698	42,076	42,458
Total		–	21,241	42,557	42,952	43,334
Federal Magistrates Court—savings from not appointing two federal magistrates²						
Departmental expenses	1.1	–	(687)	(1,385)	(1,397)	(1,410)
Total		–	(687)	(1,385)	(1,397)	(1,410)
Family Court of Australia—reduction in the number of judicial officers						
Departmental expenses	1.1	–	(1,151)	(1,258)	(1,270)	(1,281)
Total		–	(1,151)	(1,258)	(1,270)	(1,281)
Total expense measures						
Administered		–	430	859	876	876
Departmental		–	18,973	39,055	39,409	39,767
Total		–	19,403	39,914	40,285	40,643

Prepared on a Government Finance Statistics (fiscal) basis.

1. This measure includes the additional funding of \$1.5m over four years to enable enhanced support of families.
2. This measure appears in the Budget Statements for both the Federal Magistrates Court and the Family Court. In 2009–10 a half-year impact is shown against each court, with a full-year impact in the subsequent forward years shown against the Family Court.

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. Figure 2 outlines the transition from the 2008–09 Budget year (as at Additional Estimates), which was presented in administered items, outputs and output groups, to the program reporting framework used for the 2009–10 Budget.

Figure 2: Transition table

2008–09 Budget year	2009–10 Budget year
<p>Outcome 1: As Australia’s specialist superior family court, determine cases with complex law and facts, and provide national coverage as the appellate court in family law matters</p>	<p>Outcome 1: As Australia’s specialist superior family court, determine cases with complex law and facts, and provide national coverage as the appellate court in family law matters</p>
<p>Output Group 1.1: Judicial Services P1.1</p>	<p>Program 1.1: Provision of a Family Court OG1.1, OG1.2</p>
<p>Output Group 1.2: Registry Services P1.1</p>	

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 that contribute to government outcomes over the Budget and forward years.

The Family Court’s outcome is described below together with its related program, specifying the performance indicators and targets used to assess and monitor the performance of the Family Court in achieving government outcomes. The Family Court’s outcome will be reviewed and updated during 2009–10 incorporating changes arising from the restructure of the federal courts.

Outcome 1: As Australia’s specialist superior family court, determine cases with complex law and facts, and provide national coverage as the appellate court in family law matters

Outcome 1 strategy

The Family Court’s key strategies in achieving Outcome 1 are set out in the strategic direction for 2009–10 in section 1.1.

Outcome 1 budgeted expenses and resources

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

	2008–09 Estimated actual expenses (\$'000)	2009–10 Estimated expenses (\$'000)
Outcome 1: As Australia's specialist superior family court, determine cases with complex law and facts, and provide national coverage as the appellate court in family law matters		
Program 1.1: Provision of a Family Court		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	–	430
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	128,808	146,658
Revenues from independent sources (Section 31)	2,000	2,000
Expenses not requiring appropriation in the Budget year ¹	8,983	8,983
Total expenses for Outcome 1	139,791	158,071
	2008–09	2009–10
Average staffing level (number)	654	716

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

1. Includes liabilities assumed by related entities for the Judges Pension Scheme and resources received free of charge for Australian National Audit Office services.

Contributions to Outcome 1

Program 1.1: Provision of a Family Court

Program objective

The Family Court's objective is to support Australian families involved in complex family disputes by deciding matters according to the law, promptly, courteously and effectively. This involves:

- the provision of decisions in complex family disputes for separating Australian couples and families through the determination of matters, and
- providing national coverage as the appellate court in family law matters.

Program 1.1 expenses

The Family Court's expenditure over the forward years is showing marked increases. These increases are the result of the government decision to restructure the federal courts.

	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—Provision of a Family Court	130,808	148,658	169,203	170,287	171,242
Annual administered expenses					
Primary dispute resolution	–	430	859	876	876
Expenses not requiring appropriation in the Budget year	8,983	8,983	8,983	8,983	8,983
Total program expenses	139,791	158,071	179,045	180,146	181,101

Program 1.1 deliverables

The Family Court's deliverables will be subject to further review pending the implementation of the government decision to restructure the federal courts. Specific deliverables associated with the Federal Magistrates' jurisdiction will be separately reported under the Federal Magistrates Court.

	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
Deliverables					
Final Order finalisations	3,800	3,900	3,900	3,900	3,900
Interim Order finalisations	4,200	4,300	4,300	4,300	4,300
Consent Order finalisations	9,900	10,500	10,600	10,600	10,600
Other finalisations	4,400	4,500	4,500	4,500	4,500
Telephone enquiries	345,800	359,800	361,300	361,300	361,300
Counter enquiries	142,700	145,300	145,700	145,700	145,700
Email enquiries	47,600	48,500	48,600	48,600	48,600

Program 1.1 key performance indicators

The Family Court's key performance indicators will be subject to further review pending the implementation of the government decision to restructure the federal courts. Specific deliverables associated with the Federal Magistrates' jurisdiction will be separately reported under the Federal Magistrates Court.

Key performance indicators	2008–09 Revised budget	2009–10 Budget target	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
Clearance rate (Final Orders)	100%	100%	100%	100%	100%
Cases pending conclusion that are less than 12 months old	75%	75%	75%	75%	75%
Reserved judgments are delivered within three months after the conclusion of trial	75%	75%	75%	75%	75%
Number of complaints as a percentage of applications received	1%	1%	1%	1%	1%
National Enquiry Centre telephone enquiries answered within 90 seconds	80%	80%	80%	80%	80%
Counter enquiries served within 20 minutes	75%	75%	75%	75%	75%
Email enquiries responded to within two working days	80%	80%	80%	80%	80%
Applications lodged processed within two working days	75%	75%	75%	75%	75%

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements that 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 special accounts.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

The Family Court has no administered funds that can be moved between years.

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 *Financial Management and Accountability Act 1997* or under separate enabling legislation. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by the Family Court.

Table 3.1.2: Estimates of special account cash flows and balances

		Opening balance 2009–10 2008–09	Receipts 2009–10 2008–09	Payments 2009–10 2008–09	Closing balance 2009–10 2008–09
	Outcome	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Other Trust Moneys—	1	1	250	250	1
FMA Act s 20 (A) ¹	1	1	250	250	1
Services for Other Governments and Non-agency Bodies—	1	–	–	–	–
FMA Act s 20 (A) ²	1	–	–	–	–
Litigants' Fund Special Account—	1	450	500	500	450
FMA Act s 20 (A) ³	1	450	400	400	450
Total special accounts 2009–10 Budget estimate		451	750	750	451
Total special accounts 2008–09 estimate actual		451	650	650	451

(A) = Administered.

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

1. The Other Trust Moneys account is primarily used for the moneys held on behalf of the public and can include moneys received from Comcare, held in trust until assigned by the employee.
2. The Services for Other Governments and Non-agency Bodies account is the account previously used to hold, in trust, the funds associated with Comcare and is no longer in use.
3. The Litigants' Fund Special Account is a holding account for client moneys paid as a surety following the issuance of court orders.

3.1.3 Australian Government Indigenous Expenditure

The Family Court has no Indigenous-specific expenses.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

The most significant difference between the Family Court's agency resourcing and financial statements is that resources received free of charge and liabilities assumed from related entities are not included in table 1.1.

3.2.2 Analysis of budgeted financial statements

Budgeted departmental income statement

Revenue for the Family Court has increased by \$18.451m in 2009–10 (since the 2008–09 Additional Estimates). This is primarily attributable to the half-year impact of the government decision to restructure the federal courts. This decision resulted in a transfer of appropriations from the Federal Magistrates Court to the Family Court of \$20.600m and a further \$0.211m in additional funding to enable enhanced support of families. A full-year impact of this government decision is seen in 2010–11 whereby appropriation revenue and total expenditure increases from 2009–10 by a further \$20.887m. The increased revenue for the Family Court has been offset by the implementation of two savings measures – savings from not appointing two judicial officers, and savings from not appointing two Federal Magistrates – resulting in a decrease in appropriations of \$1.151m and \$0.687m in 2009–10 respectively. A full-year impact of the savings from not appointing two Federal Magistrates is seen in 2010–11 whereby appropriation revenue (and associated expenditure) decreases from 2009–10 by a further \$0.688m. Furthermore, revenue has decreased as a result of changes to the wage cost parameters and the implementation of Phase 1 of the Gershon Review – savings measure (reducing the Family Court’s Information Communication Technology Business as Usual budget by 2.5%). Expenditure has increased by net \$18.451m as a result of these changes. The Family Court is budgeting for an operating loss of \$1.150m in 2008–09. The approved loss is the result of an increase in employee provision expenditure arising from a decrease in the government bond rate.

Budgeted departmental balance sheet

The net asset position for 2009–10 for the Family Court has decreased by \$1.150m from the 2008–09 Additional Estimates as a result of the budgeted loss in 2008–09. The court’s net assets and equity over the forward years remain constant. There are small increases across asset classes reflective of the court’s asset replacements cycle and a change in the employee provisions arising as a result of anticipated collective agreement increases.

3.2.3 Budgeted financial statements tables

Departmental

**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)
EXPENSES					
Employee benefits	76,857	87,978	101,276	102,156	102,831
Suppliers	53,963	60,700	67,947	68,151	68,431
Depreciation and amortisation	8,971	8,963	8,963	8,963	8,963
Total expenses	139,791	157,641	178,186	179,270	180,225
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	2,000	2,000	2,000	2,000	2,000
Total revenue	2,000	2,000	2,000	2,000	2,000
Gains					
Other gains	8,983	8,983	8,983	8,983	8,983
Total gains	8,983	8,983	8,983	8,983	8,983
Total own-source income	10,983	10,983	10,983	10,983	10,983
Net cost of (contribution by) services	(128,808)	(146,658)	(167,203)	(168,287)	(169,242)
Appropriation revenue	127,658	146,658	167,203	168,287	169,242
Surplus (deficit)	(1,150)	–	–	–	–
Surplus (deficit) attributable to the Australian Government	(1,150)	–	–	–	–

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)
ASSETS					
Financial assets					
Cash and cash equivalents	1,897	1,897	1,897	1,897	1,897
Trade and other receivables	26,895	28,658	30,421	32,184	33,947
Accrued revenue	738	738	738	738	738
Taxes receivable	598	598	598	598	598
Total financial assets	30,128	31,891	33,654	35,417	37,180
Non-financial assets					
Land and buildings	10,453	9,866	9,279	8,692	8,105
Infrastructure, plant and equipment	7,152	6,726	6,300	5,874	5,448
Inventories	78	78	78	78	78
Intangibles	2,832	3,382	3,932	4,482	5,032
Other	2,492	2,492	2,492	2,492	2,492
Total non-financial assets	23,007	22,544	22,081	21,618	21,155
Total assets	53,135	54,435	55,735	57,035	58,335
LIABILITIES					
Provisions					
Employees	23,685	24,985	26,285	27,585	28,885
Other	3,371	3,371	3,371	3,371	3,371
Total provisions	27,056	28,356	29,656	30,956	32,256
Payables					
Suppliers	2,015	2,015	2,015	2,015	2,015
Other	1,220	1,220	1,220	1,220	1,220
Total payables	3,235	3,235	3,235	3,235	3,235
Total liabilities	30,291	31,591	32,891	34,191	35,491
Net assets	22,844	22,844	22,844	22,844	22,844
EQUITY*					
Parent entity interest					
Contributed equity	4,814	4,814	4,814	4,814	4,814
Reserves	9,018	9,018	9,018	9,018	9,018
Retained surpluses or accumulated deficits	9,012	9,012	9,012	9,012	9,012
Total parent entity interest	22,844	22,844	22,844	22,844	22,844
Total equity	22,844	22,844	22,844	22,844	22,844
Current assets	30,206	31,969	33,732	35,495	37,258
Non-current assets	22,929	22,466	22,003	21,540	21,077
Current liabilities	4,419	4,484	4,549	4,614	4,679
Non-current liabilities	25,872	27,107	28,342	29,577	30,812

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

Prepared on Australian Accounting Standards basis.

**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)
OPERATING ACTIVITIES					
Cash received					
Goods and services	2,000	2,000	2,000	2,000	2,000
Appropriations	125,887	144,895	165,438	166,521	167,475
Net GST received	4,396	4,867	4,867	4,867	4,867
Total cash received	132,283	151,762	172,305	173,388	174,342
Cash used					
Employees	66,614	78,885	91,831	92,710	92,634
Suppliers	52,773	59,510	67,107	67,311	68,341
Net GST paid	4,396	4,867	4,867	4,867	4,867
Total cash used	123,783	143,262	163,805	164,888	165,842
Net cash from (used by) operating activities	8,500	8,500	8,500	8,500	8,500
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	8,500	8,500	8,500	8,500	8,500
Total cash used	8,500	8,500	8,500	8,500	8,500
Net cash from (used by) investing activities	(8,500)	(8,500)	(8,500)	(8,500)	(8,500)
Net increase (decrease) in cash held	–	–	–	–	–
Cash at beginning of reporting period	1,897	1,897	1,897	1,897	1,897
Cash at end of reporting period	1,897	1,897	1,897	1,897	1,897

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 (\$'000)	Asset revaluation reserve (\$'000)	Contributed equity/ capital (\$'000)	Total equity (\$'000)
Opening balance as at 1 July 2009				
Balance carried forward from previous period	9,012	9,018	4,814	22,844
Income and expenses				
Surplus (deficit) for the period	–	–	–	–
Total income and expenses	–	–	–	–
Estimated closing balance as at 30 June 2010	9,012	9,018	4,814	22,844

Prepared on Australian Accounting Standards basis.

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)
CAPITAL APPROPRIATIONS					
Total capital appropriations	–	–	–	–	–
ACQUISITION OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources ¹	8,500	8,500	8,500	8,500	8,500
TOTAL	8,500	8,500	8,500	8,500	8,500

Prepared on Australian Accounting Standards basis.

1. Includes annual and prior year appropriations.

Table 3.2.6: Statement of departmental asset movements (2009–10)

	Buildings (\$'000)	Other infrastructure, plant & equipment (\$'000)	Intangibles (\$'000)	Total (\$'000)
As at 1 July 2009				
Gross book value	14,796	14,373	19,176	48,345
Accumulated depreciation/amortisation	4,343	7,221	16,344	27,908
Opening net book balance	10,453	7,152	2,832	20,437
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase or internally developed	2,000	3,000	3,500	8,500
Sub-total	2,000	3,000	3,500	8,500
Other movements				
Depreciation/amortisation expense	2,587	3,426	2,950	8,963
As at 30 June 2010				
Gross book value	16,796	17,373	22,676	56,845
Accumulated depreciation/amortisation	6,930	10,647	19,294	36,871
Closing net book balance	9,866	6,726	3,382	19,974

Prepared on Australian Accounting Standards basis.

Administered

Table 3.2.7: Schedule of budgeted income and expenses administered on behalf of government (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)
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Non-taxation					
Other sources of non-taxation revenue	1,250	9,750	18,250	18,250	18,250
Total non-taxation	1,250	9,750	18,250	18,250	18,250
Total revenue administered on behalf of government	1,250	9,750	18,250	18,250	18,250
Total income administered on behalf of government	1,250	9,750	18,250	18,250	18,250
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Suppliers	–	430	859	876	876
Total expenses administered on behalf of government	–	430	859	876	876

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 2008–09 (\$'000)	Budget estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)	Forward estimate 2012–13 (\$'000)
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	18	18	18	18	18
Total financial assets	18	18	18	18	18
Total assets administered on behalf of government	18	18	18	18	18
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Total liabilities administered on behalf of government	–	–	–	–	–

Prepared on Australian Accounting Standards basis.

**Table 3.2.9: Schedule of budgeted administered 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)
OPERATING ACTIVITIES					
Cash received					
Cash from the Official Public Account		430	859	876	876
Other	1,250	9,750	18,250	18,250	18,250
Total cash received	1,250	10,180	19,109	19,126	19,126
Cash used					
Suppliers		430	859	876	876
Cash from the Official Public Account	1,250	9,750	18,250	18,250	18,250
Total cash used	1,250	10,180	19,109	19,126	19,126
Net cash from (used by) operating activities	–	–	–	–	–
Net increase (decrease) in cash held	–	–	–	–	–
Cash at beginning of reporting period	18	18	18	18	18
Cash at end of reporting period	18	18	18	18	18

Prepared on Australian Accounting Standards basis.

3.2.4 Notes to the financial statements

Departmental

Basis of accounting

The budgeted financial statements have been prepared in accordance with Finance Minister's Orders for reporting periods ending on or after 1 July 2008; and Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board that apply for the reporting period.

The statements have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or financial position.

Revenue from government

Appropriations for departmental programs (adjusted for any formal additions and reductions) 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.

Income—resources received free of charge

Resources received free of charge are recorded as either revenue or gains depending on their nature, that is, whether they have been generated in the course of ordinary activities.

Expenses—resources provided free of charge

The Family 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:

- court staff, who perform work on behalf of the Federal Magistrates Court
- accommodation, including access to courtrooms.

It is estimated that the cost of resources provided free of charge by the Family Court to the Federal Magistrates Court during 2009–10 will be \$9.090m.

The Family Court also provides resources free of charge to the Federal Court. It is estimated that the cost of these resources in 2009–10 will be \$0.535m. The resources provided free of charge include accommodation and other property costs for Sydney Commonwealth Law Courts.

The Family Court provides similar levels of support to the Federal Court across all financial years indicated.

Employee expenses

Employee expenses consist of wages and salaries, superannuation, leave and other entitlements, separations and redundancies and other employee benefits.

Supplier expenses

Supplier expenses consist of administrative expenses including operating lease rentals and supply of goods and services to the Family Court.

Assets

Assets are made up of cash, receivables, prepayments, intangibles (computer software), inventories, land and buildings, infrastructure, plant and equipment.

Liabilities

The Family Court's liabilities are made up of employee salaries, superannuation and leave entitlements, property lease make-good provisions and amounts owed to creditors.

Administered

Basis of accounting

Except where otherwise stated below, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards.

Administered cash transfers to and from Official Public Account

Revenue collected by the Family Court for use by the government rather than the Family Court is administered revenue. Collections are transferred to the Official Public Account maintained by the Department of Finance and Deregulation. Conversely, cash is drawn from the Official Public Account to make payments under parliamentary appropriation on behalf of government. These transfers to and from the Official Public Account are adjustments to the administered cash held by the Family Court on behalf of government and reported as such in the statement of cash flows.

Revenue

All administered revenues are revenues relating to the core operating activities performed by the Family Court on behalf of the Australian Government.

Fees are charged for access to the Family Court's services. Administered fee revenue is recognised when an application for service is lodged with the Family Court. It is recognised at its nominal amount. Collectability of debts is reviewed at balance date. Allowances are made when collection of a debt is no longer probable.

