

Australian Communications and Media Authority

Entity resources and planned performance

AUSTRALIAN COMMUNICATIONS AND MEDIA AUTHORITY

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AUSTRALIAN COMMUNICATIONS AND MEDIA AUTHORITY

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Australian Communications and Media Authority's (the ACMA) purpose is to ensure communications and media works in Australia's public interest. This is achieved by fostering a communications and media environment that balances the needs of industry and the Australian community through regulation, education and advice.

The ACMA is responsible for the regulation of broadcasting, radiocommunications, telecommunications and online content in accordance with:

- the *Australian Communications and Media Authority Act 2005*
- the *Broadcasting Services Act 1992*
- the *Radiocommunications Act 1992*
- the *Telecommunications Act 1997*
- other related legislation, including the:
 - *Do Not Call Register Act 2006*
 - *Spam Act 2003*
 - *Interactive Gambling Act 2001*
 - *Telecommunications (Consumer Protection and Service Standards) Act 1999*
 - *Telecommunications (Industry Levy) Amendment Act 2015*.

The ACMA supports and encourages an innovative communications sector. The entity works closely with stakeholders in the context of the legislated regulatory framework to safeguard the public interest, address the broad concerns of the community and meet the needs of industry for access to public resources like spectrum.

The ACMA delivers public interest outcomes, with the minimum impost necessary, while managing risks and protecting the interests of the community.

The Children's eSafety Commissioner is an independent statutory office within the ACMA. In accordance with the *Enhancing Online Safety for Children Act 2015*, the Children's eSafety Commissioner aims to support positive online experiences through national leadership and administration of statutory schemes and educational and awareness activities, that promote online safety for children and persons at risk of technology facilitated violence and abuse.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the ACMA for its operations and to deliver programs and services on behalf of the government.

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4 – Agency Resourcing*.

Information in this table is presented on a resourcing (i.e. appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: ACMA resource statement — Budget estimates for 2016-17 as at Budget May 2016

	2015-16 Estimated actual \$'000	2016-17 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services ^(a)		
Prior year appropriations available ^(b)	23,528	11,164
Departmental appropriation ^(c)	88,920	88,290
s 74 retained revenue receipts ^(d)	900	1,900
<i>Total departmental annual appropriations</i>	<i>113,348</i>	<i>101,354</i>
Special accounts ^(e)		
Opening balance	-	-
Appropriation receipts ^(f)	12,862	11,063
Non-appropriation receipts ^(f)	-	1,000
Total special accounts	12,862	12,063
less departmental appropriations drawn from annual/special appropriations and credited to special accounts	12,862	12,063
Total departmental resourcing	113,348	101,354
Administered		
Total administered special appropriations	15,380	5,100
Special accounts ^(e)		
Opening balance	-	-
Appropriation receipts ^(f)	50	50
Non-appropriation receipts ^(f)	950	770
Total special account receipts	1,000	820
less administered appropriations drawn from annual/special appropriations and credited to special accounts	1,000	820
Total administered resourcing	15,380	5,100
Total resourcing for the ACMA	128,728	106,454
	2015-16	2016-17
Average staffing level (number)	420	418

(a) Appropriation Bill (No.1) 2016-17.

(b) Estimated adjusted balance carried forward from previous year.

(c) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

(d) Estimated retained revenue receipts under section 74 of the PGPA Act.

(e) Excludes 'Special Public Money' held in accounts like Other Trust Monies accounts (OTM), Services for Other Government and Non-agency Bodies accounts (SOG) or Services for Other Entities and Trust Monies accounts (SOETM)).

(f) Appropriation and non-appropriation receipts from the ACMA to the Office of the Children's eSafety Commissioner Special Account and administered receipts related to the International Telecommunications Union (ITU).

1.3 BUDGET MEASURES

Budget measures in Part 1 relating to the ACMA are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: ACMA 2016-17 Budget measures

Part 1: Measures announced since the 2015-16 Mid-Year Economic and Fiscal Outlook (MYEFO)

Program	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Revenue measures					
Broadcast licence fees - reduction					
1.1					
Administered revenues	-	(48,400)	(48,400)	(48,400)	(48,400)
Total	-	(48,400)	(48,400)	(48,400)	(48,400)
Total revenue measures					
Administered	-	(48,400)	(48,400)	(48,400)	(48,400)
Total	-	(48,400)	(48,400)	(48,400)	(48,400)
Capital measures					
Australian Communications and Media Authority – efficiencies					
All					
Departmental capital	(250)	(250)	(250)	(250)	-
Total	(250)	(250)	(250)	(250)	-
Total capital measures					
Departmental	(250)	(250)	(250)	(250)	-
Total	(250)	(250)	(250)	(250)	-

Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

Part 2: Other measures not previously reported in a portfolio statement

Program	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Expense measures					
Public Sector Savings - Shared and Common Services Programme ^(a)					
All					
Departmental expenses	-	(24)	(47)	(47)	-
Total	-	(24)	(47)	(47)	-
Total expense measures					
Departmental	-	(24)	(47)	(47)	-
Total	-	(24)	(47)	(47)	-

(a) Cross-portfolio measure published in the 2015-16 Mid-Year Economic and Fiscal Outlook.

Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

Section 2: Outcomes and planned performance

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

The ACMA's outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

From 1 July 2015, performance reporting requirements in the Portfolio Budget Statements sit alongside those required under the enhanced commonwealth performance framework. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in annual reports from October 2016 – to provide an entity's complete performance story.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

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

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

- planning, allocating and using the public resources for which the ACMA is responsible in a way that maximises their value to the Australian community
- providing appropriate support to national safety and security interests in the planning and delivery of communications infrastructure and services
- ensuring consumer, citizen and audience safeguards are effective, designed to keep pace with evolving market developments, reflect community standards and deliver on consumer and community expectations
- developing strategies that ensure consumers, citizens and industry benefit from their engagement in the developing information economy and evolving networked society
- supporting the national leadership role of the Office of the Children’s eSafety Commissioner in online safety for children, their families and schools.

Linked programs

Department of Communications and the Arts
Programs
<ul style="list-style-type: none"> • Program 1.1 – Digital Technologies and Communications Services
Contribution to Outcome 1 made by linked programs
<ul style="list-style-type: none"> • Universal Service Obligation (USO), which ensures that standard telephone services and payphones are to be reasonably accessible to all people in Australia on an equitable basis, wherever they reside or carry on business • National Relay Service (NRS), which assists people who are deaf, or have a hearing and/or speech impairment, to access a telephone service equivalent to the standard telephone service available to all Australians. • This linked program contributes to Outcome 1 by taking a national leadership role in online safety for children, their families and schools through the Office of the Children’s eSafety Commissioner.^(a) • The Commonwealth will provide funding, administered by the Office of the Children’s eSafety Commissioner, for the <i>National Partnership on online safety programmes in schools</i>. This will support the delivery of online safety programmes in schools from providers that have been certified by the Office of the Children’s eSafety Commissioner.

(a) Administered funding of \$2.1 million over three years for the Women’s Safety Package, and Departmental funding of \$1.0 million in 2016-17 for Countering Violent Extremism, has been provided to the Department of Communications and the Arts for the Office of the Children’s eSafety Commissioner.

Budgeted expenses for Outcome 1

This table shows how much the ACMA intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

Table 2.1.1: Budgeted expenses for Outcome 1

Outcome 1: A communications and media environment that balances the needs of the industry and the Australian community through regulation, education and advice					
	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
Program 1.1: Communications regulation, planning and licensing					
Administered expenses					
Special appropriations	15,080	4,800	4,800	4,800	4,800
Special accounts	50	50	50	50	50
Administered total	15,130	4,850	4,850	4,850	4,850
Departmental expenses					
Departmental appropriation	40,471	39,331	39,553	40,035	40,723
s 74 Retained revenue receipts ^(a)	507	507	507	507	507
Departmental total	40,978	39,838	40,060	40,542	41,230
Total expenses for program 1.1	56,108	44,688	44,910	45,392	46,080
	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
Program 1.2: Consumer safeguards, education and information					
Administered expenses					
Special appropriations	300	300	300	300	300
Administered total	300	300	300	300	300
Departmental expenses					
Departmental appropriation	31,341	30,459	30,631	31,004	31,536
s 74 Retained revenue receipts ^(a)	393	393	393	393	393
Departmental total	31,734	30,852	31,024	31,397	31,929
Total expenses for program 1.2	32,034	31,152	31,324	31,697	32,229

Table 2.1.1: Budgeted expenses for Outcome 1

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
Program 1.3: Office of the Children's eSafety Commissioner					
Administered expenses					
Special accounts					
Non-appropriation receipts	950	770	406	-	-
Special accounts total	950	770	406	-	-
Administered total	950	770	406	-	-
Departmental expenses					
Special accounts					
Appropriation receipts	12,329	10,963	10,663	10,368	10,318
s 74 Retained revenue receipts ^(a)	-	1,000	-	-	-
Special accounts total	12,329	11,963	10,663	10,368	10,318
Departmental total	12,329	11,963	10,663	10,368	10,318
Total expenses for program 1.3	13,279	12,733	11,069	10,368	10,318
Outcome 1 Totals by appropriation type					
Administered expenses					
Special appropriations	15,380	5,100	5,100	5,100	5,100
Special accounts	1,000	820	456	50	50
Administered total	16,380	5,920	5,556	5,150	5,150
Departmental expenses					
Departmental appropriation	71,812	69,790	70,184	71,039	72,259
s 74 Retained revenue receipts ^(a)	900	900	900	900	900
Special accounts	12,329	11,963	10,663	10,368	10,318
Appropriation receipts	12,329	10,963	10,663	10,368	10,318
s 74 Retained revenue receipts ^(a)	-	1,000	-	-	-
Departmental total	85,041	82,653	81,747	82,307	83,477
Total expenses for Outcome 1	101,421	88,573	87,303	87,457	88,627
	2015-16	2016-17			
Average staffing level (number)	420	418			

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013.
 Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2016-17 Budget measures have created new programs or materially changed existing programs.

Outcome 1 – A communications and media environment that balances the needs of industry and the Australian community through regulation, education and advice		
Program 1.1 Communications regulation, planning and licensing		
Program Objective: That the allocation and use of public resources maximises their value to the Australian community. This program contributes to the outcome by maximising public value in the allocation of public resources (radiofrequency spectrum and numbers) that are critical to Australia's future economic growth and the well-being, safety and security of its citizens.		
Delivery	Effectively planning and allocating for the use of the radiofrequency spectrum by industry, citizens and government. Minimising unacceptable interference to radiocommunications services for industry, citizens and government. Promoting efficiency and innovation in the administration of broadcast, telecommunications and radiocommunications licensing and numbering arrangements and competition in the Australian telecommunications and broadcasting industries.	
Performance information		
Year	Performance criteria	Targets
2015-16	Spectrum users can access spectrum in terms and conditions appropriate to meet their needs, subject to other users and government policy objectives. That interference complaints are resolved within published timeframes and in a cost effective manner. That licences are allocated within statutory timeframes; and the outsourcing of the numbering function realises a reduction in administrative costs.	Expected to meet criterion. The ACMA participated in the 2015 World Radio communication Conference and established a taskforce to implement the Government's Spectrum Review. The ACMA published the Five Year Spectrum Outlook and the Broadband strategy; and undertook an auction of 1800 MHz spectrum in regional areas. The ACMA held the Radcomm's 2016 Conference, conducted 6 Tune Up's, and sought feedback on 30 consultation papers. Expected to meet criterion. 90% of interference management activities completed within published timeframes. Expected to meet criterion. 90% of new apparatus licences allocated within statutory timeframes. Outsourcing to contractor of number allocation functions completed by 31 December 2016.

Performance information		
Year	Performance criteria	Targets
2016-17	<p>Planning and licensing of spectrum use, and measures to minimise unacceptable interference, promote the effective use of radiofrequency spectrum.</p> <p>Administering licensing and number allocation arrangements promotes efficiency, innovation and competition in the Australian telecommunications industry.</p>	<p>The ACMA monitors international developments and Australian industry and government spectrum requirements and objectives, including by leading Australian participation in preparations for the 2019 World Radio communication Conference, undertaking measures to implement the Government's Spectrum Review, and conducting conferences and seminars.</p> <p>The ACMA reviews planning and allocation arrangements for spectrum in consultation with stakeholders, including by publishing a Five Year Spectrum Outlook and work program, and holding spectrum auctions where appropriate.</p> <p>The ACMA allocates 90% of new apparatus licence within published timeframes.</p> <p>Management of unacceptable interference is efficient and informed by a priority compliance program developed in consultation with industry.</p> <p>Administration of numbering allocation and licensing arrangements is efficient; allocation of 90% of licences is within statutory timeframes and the numbering provider meets 100% of contractual milestone.</p>
2017-18 and beyond	2017-18 and beyond	As part of our commitment to continuous improvement the ACMA will undertake further benchmarking and revision of our performance indicators to develop more specific targets for future performance reporting.
Purposes	That the allocation and use of public resources maximises their value to the Australian community.	

<p>Program 1.2 Consumer safeguards, education and information ^(a)</p> <p>Program Objectives:</p> <ul style="list-style-type: none"> • Consumer, citizen and audience safeguards are effective, designed to keep pace with evolving market developments, reflect community standards and deliver on consumer and community experience. • National safety and security organisations are appropriately supported in their planning and delivery of communications infrastructure and services. <p>This program contributes to the outcome through the facilitation, registration and enforcement of co- and self-regulatory industry codes, management of the Do Not Call scheme, ensuring the accuracy of telephone location and identity information and enforcing compliance with legislated safeguards. The program also promotes the security and reliability of critical infrastructure and the alignment of effective consumer, citizen and audience safeguards with community values and expectations.</p>		
Delivery	<p>Fostering industry compliance with codes and legislative requirements to ensure effective telecommunications and broadcasting safeguards for citizens, consumers and small businesses.</p> <p>Fostering industry compliance with standards and legislative requirements, including the Do Not Call Act and the Spam Act, to ensure effective unsolicited communications safeguards for citizens, consumers and small businesses.</p> <p>Promoting a secure online environment for Internet providers, critical infrastructure providers and other organisations.</p> <p>In partnership with industry, working to improve the performance of Australia's emergency call service, ensuring the security and reliability of critical infrastructure and providing appropriate and reasonable support to law enforcement, emergency services and national security organisations.</p>	
Performance information		
Year	Performance criteria ^(b)	Targets
2015-16	<p>That telecommunications safeguards, including those associated with Australia's broadband network, protect the interests of citizens and small businesses who purchase or use telecommunications services.</p> <p>Effective operation of the Do Not Call register for citizens and businesses</p> <p>That citizens and businesses have effective and accessible avenues of complaint and advice regarding unsolicited communications</p> <p>That broadcasting safeguards reflect community standards. That citizens have effective avenues of complaint for broadcast content that breaches community standards.</p> <p>Internet providers, critical infrastructure providers and other organisations have access to information that enables them to assist citizens and small businesses to interact securely and safely.</p>	<p>Expected to meet criterion. 100% of telecommunications compliance investigations completed within an average of six months.</p> <p>Expected to meet criterion. Implementation of new service provider arrangements for the Do Not Call register was completed by Quarter 4 2015.</p> <p>Expected to meet criterion. The ACMA completed 90 per cent of complaints about unsolicited communications within 15 days. The ACMA completed 100 % of unsolicited communications investigations within an average of eight months.</p> <p>Expected to meet criterion. The ACMA completed 100% of broadcasting compliance investigations within an average of six months.</p> <p>Expected to meet criterion. The ACMA sent 99% of notifications of malware infections and vulnerabilities to Australian Internet Security Initiative partners within 24 hours.</p>

Performance information		
Year	Performance criteria ^(b)	Targets
2015-16 cont.	<i>That law enforcement, emergency services and national security organisations are appropriately and reasonably supported by the ACMA and telecommunications industry; and the ACMA facilitates the continued effectiveness of emergency call service access during the transition to a broadband enabled environment.</i>	Expected to meet criterion <i>The ACMA supported law enforcement, emergency services and national security providers including through meetings of Emergency Call Services Advisory Committee (ESAC) and National Emergency Communications Working Group Australia/ New Zealand (NECWG – A/NZ), three – four meetings will be held in 2015-16.</i>
2016-17	<p>That there is compliance and enforcement of telecommunications safeguards and unsolicited communications consumer protections to minimise the adverse impacts on the economy and society and manage consumer and industry risks.</p> <p>That there is compliance and enforcement of broadcasting standards to manage consumer and industry risks, and provide effective consumer safeguards.</p> <p>Promoting a secure online environment for Internet providers, critical infrastructure providers and other organisations.</p> <p><i>In partnership with industry, working to improve the performance of Australia’s emergency call service, ensuring the security and reliability of critical infrastructure, and facilitating collaboration between law enforcement, industry and government stakeholders.</i></p>	<p>The ACMA completes 100% of telecommunications compliance investigations within an average of six months.</p> <p>Do Not Call Register services are available for at least 99% of their scheduled hours.</p> <p>The ACMA completes 90% of complaints about unsolicited communications within 15 days.</p> <p>The ACMA completes 100% of unsolicited communications investigations within an average of eight months.</p> <p>The ACMA facilitates the efficient review of telecommunications operational codes to ensure effective operation. All operational codes are registered within two months of receipt.</p> <p>The ACMA engages effectively with industry on its compliance decision making principles with the provision of published investigation reports and regularly updated investigation concepts papers.</p> <p>The ACMA completes 100% of broadcasting compliance investigations within an average of six months. The ACMA facilitates the efficient review of broadcasting industry codes to ensure effective regulatory frameworks and that standards are representative of community values.</p> <p>99% of notifications of malware infections and vulnerabilities are made to Australian Internet Security Initiative partners within 24 hours.</p> <p><i>The ACMA will support law enforcement, emergency services and national security organisations including through meetings ESAC and NECWG-A/NZ.</i></p> <p><i>Facilitation of emergency call service obligations is efficient with 100% of investigations into compliance and other activities completed within an average of six months.</i></p>
Performance information		

Australian Communications and Media Authority

Year	Performance criteria ^(b)	Targets
2017-18 and beyond		As part of our commitment to continuous improvement the ACMA will undertake further benchmarking and revision of our KPIs to develop more specific targets for future performance reporting.
Purposes	That consumer, citizen and audience safeguards are effective, reflect community standards and deliver on consumer experience; and that national safety and security interests are appropriately supported in their planning and delivery of communications infrastructure and services.	

- (a) The Office of the Children's eSafety Commissioner was previously included under Program 1.2. A separate program for the Office has been created and as such, all related performance criteria now reside under program 1.3.
- (b) New or modified performance criteria that reflect new or materially changed programs are shown in italics.

Program 1.3 Office of the Children's eSafety Commissioner ^(a)		
Delivery	Support positive online experiences through national leadership and administration of statutory schemes and educational and awareness activities that promote online safety for children and persons at risk of technology facilitated violence and abuse.	
Performance information		
Year	Performance criteria ^(b)	Targets
2015-16	<p><i>That Australians have accessible and timely avenues of complaint for online content that breaches legislative standards and includes referral to effective Australian and international enforcement mechanisms.</i></p> <p><i>That families and schools have access to resources that enable them to manage online safety issues, including cyberbullying, illegal content and technology facilitated violence.</i></p> <p><i>That parents and children have accessible and timely avenues of complaint for serious cyberbullying targeted at an Australian child.</i></p>	<p>Expected to meet criterion 95% of illegal online content investigations finalised or referred within the timeframe. 100% of all other online content complaints finalised within 20 business days.</p> <p>Expected to meet criterion All relevant resources accessible online. New resource development informed by research and user tested.</p> <p>Expected to meet criterion 75% of cyberbullying complaints finalised within the timeframe.</p>
2016-17	<p><i>That Australians have accessible and timely avenues of complaint for online content that breaches legislative standards and includes referral to effective Australian and international enforcement mechanisms.</i></p> <p><i>That families and schools have access to resources that enable them to manage online safety issues, including cyberbullying, illegal content and technology facilitated violence.</i></p> <p><i>That parents and children have accessible and timely avenues of complaint for serious cyberbullying targeted at an Australian child.</i></p>	<p>90% of illegal online content investigations are finalised or referred to the appropriate Australian or international enforcement mechanism within 2 business days and all others online content complaints within 20 business days.</p> <p>Resources and programs are accessible, evidence-based and appropriate for targeted audiences.</p> <p>The average complaint handling time for cyberbullying complaints is within 5 calendar days.</p>
2017-18 and beyond	As per 2016-17	As per 2016-17
Purposes	To take a national leadership role in online safety for children, their families and schools.	
Material changes to Program 1.3 resulting from the following measures: <ul style="list-style-type: none"> • Measure title – Countering Violent Extremism • Measure title – Women and Online Safety ^(c) 		

(a) The Office of the Children's eSafety Commissioner was previously included under Program 1.2. A separate program for the Office has been created and as such, all related performance criteria now reside under program 1.3.

(b) New or modified performance criteria that reflect new or materially changed programs are shown in *italics*.

(c) The Women and Online Safety measure has been recorded in 2015-16 Portfolio Additional Estimates Statements by the Department of Communications and the Arts.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of ACMA finances for the 2016-17 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

The ACMA is budgeting for total expenditure of \$92.9 million in 2016-17. This represents a decrease of \$1.2 million from the 2015-16 estimated position. The decrease is primarily due to National Broadband and Spectrum License Reissue funding that has ceased per the original agreement.

The ACMA has reflected an increase of \$473.8 million in budgeted Administered revenue, primarily related to 1800MHz completed spectrum auctions. Additionally the Office of the Children's eSafety Commissioner received \$2.1 million in Administered revenue over three years and \$1.0 million in Departmental revenue in 2016-17.

A movement of capital funds for the High Frequency Direction Finding project, \$2.9 million from 2014-15 and 2015-16 into 2016-17, has been reflected in the Departmental Capital Budget.

Due to the delay in establishment of the Children's online safety special account, utilisation of ACMA's 2015-16 departmental appropriation will result in increased operating expenses of \$1.3 million in 2015-16 and will appear as an operating loss to the ACMA of this amount. The operating loss is administrative in nature as a result of the timing differences between years.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
EXPENSES					
Employee benefits	57,625	55,485	55,510	55,887	56,702
Suppliers	27,416	27,168	26,237	26,420	26,775
Depreciation and amortisation	9,028	10,202	10,254	10,254	10,254
Total expenses	94,069	92,855	92,001	92,561	93,731
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other Revenue	-	1,000	-	-	-
Sale of goods and rendering of services	900	900	900	900	900
Total own-source revenue	900	1,900	900	900	900
Total own-source income	900	1,900	900	900	900
Net (cost of)/contribution by services	(93,169)	(90,955)	(91,101)	(91,661)	(92,831)
Revenue from Government ^(a)	82,867	80,753	80,847	81,407	82,577
Surplus/(deficit) attributable to the Australian Government	(10,302)	(10,202)	(10,254)	(10,254)	(10,254)
Total comprehensive income/(loss)	(10,302)	(10,202)	(10,254)	(10,254)	(10,254)
Total comprehensive income/(loss) attributable to the Australian Government	(10,302)	(10,202)	(10,254)	(10,254)	(10,254)
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations ^(b)	(1,274)	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations	9,028	10,202	10,254	10,254	10,254
Total comprehensive income/(loss) - as per the statement of comprehensive Income	(10,302)	(10,202)	(10,254)	(10,254)	(10,254)

(a) Revenue from Government is inclusive of funds to be credited into the Enhancing Online Safety for Children Special Account.

(b) The operating loss is administrative in nature and is a result of a prior year underspend by the Office of Children's eSafety Commissioner.

Prepared on Australian Accounting Standards basis.

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

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	3,375	3,375	3,375	3,375	3,375
Trade and other receivables	14,184	14,184	14,184	14,184	14,184
Other financial assets	380	380	380	380	380
Total financial assets	17,939	17,939	17,939	17,939	17,939
Non-financial assets					
Land and buildings	25,110	24,675	24,260	23,845	23,430
Property, plant and equipment	6,718	11,078	12,494	13,878	15,262
Intangibles	33,099	29,453	25,847	23,821	22,110
Other non-financial assets	1,819	1,819	1,819	1,819	1,819
Total non-financial assets	66,746	67,025	64,420	63,363	62,621
Total assets	84,685	84,964	82,359	81,302	80,560
LIABILITIES					
Payables					
Suppliers	6,096	6,096	6,096	6,096	6,096
Other payables	11	11	11	11	11
Total payables	6,107	6,107	6,107	6,107	6,107
Provisions					
Employee provisions	22,470	22,470	22,470	22,470	22,470
Other provisions	2,560	2,560	2,560	2,560	2,560
Total provisions	25,030	25,030	25,030	25,030	25,030
Total liabilities	31,137	31,137	31,137	31,137	31,137
Net assets	53,548	53,827	51,222	50,165	49,423
EQUITY					
Parent entity interest					
Contributed equity	100,869	111,350	118,999	128,196	137,708
Reserves	910	910	910	910	910
Retained surplus (accumulated deficit)	(48,231)	(58,433)	(68,687)	(78,941)	(89,195)
Total parent entity interest	53,548	53,827	51,222	50,165	49,423
Total equity	53,548	53,827	51,222	50,165	49,423

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2016-17)

	Retained earnings	Asset revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2016				
Balance carried forward from previous period	(48,231)	910	100,869	53,548
Adjusted opening balance	(48,231)	910	100,869	53,548
Comprehensive income				
Surplus/(deficit) for the period	(1,202)	-	-	(1,202)
Total comprehensive income	(1,202)	-	-	(1,202)
of which:				
Attributable to the Australian Government	(1,202)	-	-	(1,202)
Transactions with owners				
Contributions by owners				
Equity injection - Appropriation	-	-	2,944	2,944
Departmental capital budget (DCB)	-	-	7,537	7,537
Sub-total transactions with owners	-	-	10,481	1,481
Estimated closing balance as at 30 June 2017	(58,433)	910	111,350	53,827
Less: non-controlling interests				-
Closing balance attributable to the Australian Government	(58,433)	910	111,350	53,827

Prepared on Australian Accounting Standards basis.

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	89,154	86,892	86,988	87,501	88,671
Sale of goods and rendering of services	900	900	900	900	900
Other Revenue	-	1,000	-	-	-
Net GST received	2,380	2,380	2,380	2,380	2,380
Total cash received	92,434	91,172	90,268	90,781	91,951
Cash used					
Employees	59,699	58,357	58,382	58,759	59,574
Suppliers	30,355	30,435	29,506	29,642	29,997
Net GST paid	2,380	2,380	2,380	2,380	2,380
Total cash used	92,434	91,172	90,268	90,781	91,951
Net cash from/(used by) operating activities	-	-	-	-	-
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	8,309	10,481	7,649	9,197	9,512
Total cash received	8,309	10,481	7,649	9,197	9,512
Cash used					
Purchase of property, plant and equipment and intangibles	8,309	10,481	7,649	9,197	9,512
Total cash used	8,309	10,481	7,649	9,197	9,512
Net cash from/(used by) investing activities	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June) (continued)

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
FINANCING ACTIVITIES					
Cash received					
Contributed equity	8,309	10,481	7,649	9,197	9,512
Total cash received	8,309	10,481	7,649	9,197	9,512
Cash used	8,309	10,481	7,649	9,197	9,512
Total cash used	8,309	10,481	7,649	9,197	9,512
Net cash from/(used by) financing activities	-	-	-	-	-
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	3,375	3,375	3,375	3,375	3,375
Cash and cash equivalents at the end of the reporting period	3,375	3,375	3,375	3,375	3,375

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for the period ended 30 June)

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget -					
Appropriation Bill No. 1 (DCB)	6,053	10,481	7,649	9,197	9,512
Total new capital appropriations	6,053	10,481	7,649	9,197	9,512
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	1,876	2,944	-	-	-
Funded by capital appropriation - DCB ^(b)	6,433	7,537	7,649	9,197	9,512
TOTAL	8,309	10,481	7,649	9,197	9,512
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	8,309	10,481	7,649	9,197	9,512
Total cash used to acquire assets	8,309	10,481	7,649	9,197	9,512

(a) Includes both current Appropriation Bill (No. 2) and prior year appropriations and special capital appropriations.

(b) Includes purchases from Departmental Capital Budgets (DCBs).

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2016-17)

	Land \$'000	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2016					
Gross book value	6,950	23,031	11,786	71,286	113,053
Accumulated depreciation/amortisation and impairment	-	(4,871)	(5,068)	(38,187)	(48,126)
Opening net book balance	6,950	18,160	6,718	33,099	64,927
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase - appropriation ordinary annual services ^(a)	-	1,049	6,537	2,895	10,481
Total additions	-	1,049	6,537	2,895	10,481
Other movements					
Depreciation/amortisation expense	-	(1,484)	(2,177)	(6,541)	(10,202)
Total other movements	-	(1,484)	(2,177)	(6,541)	(10,202)
As at 30 June 2017					
Gross book value	6,950	24,080	18,323	74,181	123,534
Accumulated depreciation/ amortisation and impairment	-	(6,355)	(7,245)	(44,728)	(58,328)
Closing net book balance	6,950	17,725	11,078	29,453	65,206

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2015-16 for depreciation/amortisation expenses, DCBs or other operational expenses.

Prepared on Australian Accounting Standards basis.

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

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
EXPENSES					
Suppliers	1,250	1,070	706	300	300
Other expenses	50	50	50	50	50
Total expenses administered on behalf of Government	1,300	1,120	756	350	350
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Taxation revenue					
Other taxes	621,302	660,997	634,496	611,796	611,796
Total taxation revenue	621,302	660,997	634,496	611,796	611,796
Non-taxation revenue					
Sale of goods and rendering of services	51,809	51,755	51,713	51,812	51,855
Other revenue	5,080	4,900	4,536	4,130	4,130
Total non-taxation revenue	56,889	56,655	56,249	55,942	55,985
Total own-source revenue administered on behalf of Government	678,191	717,652	690,745	667,738	667,781
Gains					
Sale of assets	144,161	530,146	2,500	2,500	2,500
Total gains administered on behalf of Government	144,161	530,146	2,500	2,500	2,500
Total own-sourced income administered on behalf of Government	822,352	1,247,798	693,245	670,238	670,281
Net cost of/(contribution by) services	(821,052)	(1,246,678)	(692,489)	(669,888)	(669,931)

Prepared on Australian Accounting Standards basis.

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

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	603	603	603	603	603
Taxation receivables	190,257	190,257	190,257	190,257	190,257
Trade and other receivables	54,127	54,073	54,026	53,983	53,983
Other financial assets	453	453	453	453	453
Total financial assets	245,440	245,386	245,339	245,296	245,296
Total assets administered on behalf of Government	245,440	245,386	245,339	245,296	245,296
LIABILITIES					
Payables					
Other payables	97,121	97,121	97,121	97,121	97,121
Total payables	97,121	97,121	97,121	97,121	97,121
Total liabilities administered on behalf of Government	97,121	97,121	97,121	97,121	97,121
Net assets/(liabilities)	148,319	148,265	148,218	148,175	148,175

Prepared on Australian Accounting Standards basis.

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

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	51,557	51,709	51,660	51,755	51,755
Taxes	621,534	709,699	634,798	612,098	612,098
Other	20,510	10,050	9,686	9,280	9,280
Total cash received	693,601	771,458	696,144	673,133	673,133
Cash used					
Suppliers	1,300	1,120	756	350	350
Total cash used	1,300	1,120	756	350	350
Net cash from/(used by) operating activities	692,301	770,338	695,388	672,783	672,783
INVESTING ACTIVITIES					
Cash received					
Proceeds from sale of property, plant and equipment	79,061	530,146	2,500	2,500	2,500
Total cash received	79,061	530,146	2,500	2,500	2,500
Net cash from/(used by) investing activities	79,061	530,146	2,500	2,500	2,500
Net increase/(decrease) in cash held	771,362	1,300,484	697,888	675,283	675,283
Cash and cash equivalents at beginning of reporting period	603	603	603	603	603
Cash from Official Public Account for:					
- Appropriations	300	300	300	300	300
- Special accounts	50	50	50	50	50
Total cash from Official Public Account	350	350	350	350	350
Cash to Official Public Account for:					
- Appropriations	(771,712)	(1,300,834)	(698,238)	(675,633)	(675,633)
Total cash to Official Public Account	(771,712)	(1,300,834)	(698,238)	(675,633)	(675,633)
Cash and cash equivalents at end of reporting period	603	603	603	603	603

Prepared on Australian Accounting Standards basis.

3.1.3 Notes to the financial statements

Budgeted Financial Statements

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

Administered Financial Statements

Taxation Revenue

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

Non-taxation Revenue

Represents revenue collected from activities including the Telecommunication Licence Charges, non-taxation radiocommunications charges and the Do Not Call Register access fees.

Sale of Assets Revenue

Represents revenue from telephone numbering auctions, the renewal of spectrum licence and the sale of the digital dividend spectrum auctions.