

Department of Broadband, Communications and the Digital Economy

Agency Resources and Planned Performance

DEPARTMENT OF BROADBAND, COMMUNICATIONS AND THE DIGITAL ECONOMY

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DEPARTMENT OF BROADBAND, COMMUNICATIONS AND THE DIGITAL ECONOMY

Section 1: Agency Overview and Resources

1.1 STRATEGIC DIRECTION STATEMENT

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

The Department's strategic functions and responsibilities include:

- facilitating the rollout and transition to fast, affordable and reliable broadband and communications infrastructure across Australia, including through the National Broadband Network (NBN);
- ensuring the smooth transition to digital television by the end of 2013;
- supporting access to high-quality and diverse broadcasting services;
- clearance of the digital dividend spectrum and relocation of commercial and national digital broadcasting television services ('restack');
- promoting the benefits of the digital economy to all Australians and providing support to ensure they can access it safely and securely;
- promoting an innovative, diverse and competitive communications market through effective regulation;
- improving services to regional, rural and remote Australia, including through the Satellite Phone Subsidy Scheme and the Indigenous Communications Program;
- supporting the development, application and innovative use of online technologies, including through funding to National ICT Australia (NICTA);
- supporting and protecting the interests of consumers through funding of the Australian Communications Consumer Action Network (ACCAN), implementing measures to support the Government's Cybersafety Plan and measures relating to cybersecurity; and
- providing strategic policy advice on spectrum, telephone numbers and internet addresses.

In performing its functions, the Department aims to support and encourage the development of world class communications infrastructure over which consumers can access a diversity of services that are competitively priced, widely available, provided on fair and just terms, are reliable and innovative.

Achievement of the Department's outcome is supported through measures within the 2013-14 Budget, together with significant initiatives continuing from previous years.

1.2 AGENCY RESOURCE STATEMENT

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

Table 1.1: DBCDE Resource Statement — Budget Estimates for 2013-14 as at Budget May 2013

	Estimate of prior year amounts available in 2013-14 \$'000	+	Proposed at budget 2013-14 \$'000	=	Total estimate 2013-14 \$'000	Actual available appropriation 2012-13 \$'000
Ordinary annual services¹						
Departmental appropriation						
Prior year departmental appropriation ²	74,794		-		74,794	76,592
Departmental appropriation ³	-		111,247		111,247	117,449
s31 Relevant agency receipts ⁴	-		2,970		2,970	2,989
Total	74,794		114,217		189,011	197,030
Administered expenses						
Prior year administered appropriation	-		-		-	73,365
Outcome 1	-		225,590		225,590	297,035
Payments to CAC Act bodies	-		1,327,688		1,327,688	1,272,254
Total	-		1,553,278		1,553,278	1,642,654
Total ordinary annual services	A 74,794		1,667,495		1,742,289	1,839,684
Departmental non-operating						
Prior year departmental Equity Injection	1,153		-		1,153	1,153
Equity injections			1,141		1,141	1,200
Total	1,153		1,141		2,294	2,353
Administered non-operating						
Prior year administered appropriation	3,721,000		-		3,721,000	1,180,000
Administered assets and liabilities	-		1,379,000		1,379,000	4,821,555
Payments to CAC Act bodies – non-operating	-		23,300		23,300	20,000
Total	3,721,000		1,402,300		5,123,300	6,021,555
Total other services	B 3,722,153		1,403,441		5,125,594	6,023,908
Total available annual Appropriations	3,796,947		3,070,936		6,867,883	7,863,592
Total appropriations excluding Special Accounts	3,796,947		3,070,936		6,867,883	7,863,592

Table 1.1: DBCDE Resource Statement — Budget Estimates for 2013-14 as at Budget May 2013 (continued)

	Estimate of prior year amounts available in 2013-14 \$'000	+	Proposed at budget 2013-14 \$'000	=	Total estimate 2013-14 \$'000	Actual available appropriation 2012-13 \$'000
Special Accounts						
Opening balance ⁵	-		-		-	-
Non-appropriation receipts to Special Accounts	-		-		-	-
Total resourcing A+B+C	3,796,947		3,070,936		6,867,883	7,863,592
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations	-		(1,350,988)		(1,350,988)	(1,292,254)
Total net resourcing for DBCDE	3,796,947		1,719,948		5,516,895	6,571,338

1 Appropriation Bill (No.1) 2013-14.

2 Estimated adjusted balance carried forward from previous year.

3 Includes an amount of \$4.3m in 2013-14 for the Departmental Capital Budget (refer to table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.

4 s31 Relevant Agency receipts — estimate.

5 Estimated opening balance for Special Accounts. For further details on special accounts see Table 3.1.2.

Third party payments from and on behalf of other agencies

	2013-14 \$'000	2012-13 \$'000
Payments made to CAC Act bodies within the Portfolio		
Australian Broadcasting Corporation	1,077,153	1,040,800
Special Broadcasting Service Corporation	273,835	251,454

1.3 BUDGET MEASURES

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

**Table 1.2: DBCDE 2013-14 Budget measures
Part 1: Measures announced since the 2012-13 MYEFO**

	Program	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
Expense measures						
Creative Australia - community based radio services	1.3					
Administered expenses		-	2,015	1,021	1,040	1,062
Total		-	2,015	1,021	1,040	1,062
Digital local governments – additional funding	1.2					
Administered expenses		-	2,510	2,510	-	-
Departmental expenses		-	347	363	-	-
Total		-	2,857	2,873	-	-
Digital enterprises - additional funding	1.2					
Administered expenses		-	1,915	2,385	1,815	-
Departmental expenses		-	449	314	317	-
Total		-	2,364	2,699	2,132	-
Indigenous Communications Program - remote Indigenous public internet access - continuation	1.2					
Administered expenses ¹		-	-	-	-	-
Departmental expenses ²		-	-	-	-	-
Total		-	-	-	-	-
Satellite Phone Subsidy Scheme - continuation	1.2					
Administered expenses		-	2,500	-	-	-
Total		-	2,500	-	-	-
Cyber-safety enhancement - move to block certain websites	1.2					
Administered expenses		-	-	-	-	-
Total		-	-	-	-	-

Part 1: Measures announced since the 2012-13 MYEFO (Cont.)

	Program	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
National Broadband Network – shareholder and regulatory policy support	1.1					
Departmental expenses		-	2,184	-	-	-
Total		-	2,184	-	-	-
Digital Television Switchover - spectrum restacking – additional funding	1.3					
Administered expenses		26,578	-	-	-	-
Total		26,578	-	-	-	-
Total expense measures						
Administered		26,578	8,940	5,916	2,855	1,062
Departmental		-	2,980	677	317	-
Total		26,578	11,920	6,593	3,172	1,062
Capital measures						
National Broadband Network – shareholder and regulatory policy support	1.1					
Departmental capital		-	210	-	-	-
Total		-	210	-	-	-
Convergence Review - alternative use of Channel A						
Administered capital		nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
Total capital measures						
Administered		nfp	nfp	nfp	nfp	nfp
Departmental		-	210	-	-	-
Total		nfp	210	nfp	nfp	nfp
Decisions taken but not yet announced		-	5,536	5,945	2,793	2,816

Prepared on a Government Finance Statistics (fiscal) basis.

- 1 This measure includes payments for National Partnership Payments to and through the states and territories. The Treasury holds the appropriation for National Partnership Payments items and reports the financial details accordingly.
- 2 The expenses for this measure are already included in the forward estimates.

Note: Totals do not include not for publication ('nfp') amounts.

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

	Program	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
Measures						
Targeted savings - public service efficiencies ¹	All					
Departmental expenses		-	(221)	(394)	(496)	(464)
Total		-	(221)	(394)	(496)	(464)
Total measures						
Departmental		-	(221)	(394)	(496)	(464)
Total		-	(221)	(394)	(496)	(464)

Prepared on a Government Financial Statistics (fiscal) basis.

- 1 The fiscal impact reported for the measure "Target savings – public service efficiencies" is in addition to the impact previously reported for this measure in the 2012-13 Broadband, Communications and the Digital Economy Portfolio Additional Estimates Statements.

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

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

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

Outcome 1:

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

Outcome 1 Strategy

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

1. The **Broadband and Communications Infrastructure** program supports the efficient investment in fast and reliable broadband and communications infrastructure across Australia. Improvements in broadband and telecommunications infrastructure and an effective regulatory environment that promotes efficient industry are the focus of the program.
2. The **Digital Economy and Postal Services** program assists Australians to make best use of the broadband and communications infrastructure.

Major projects and strategic activities during 2013-14 will support service innovation, availability of reasonably priced and reliable voice and data services, particularly in regional Australia, and address barriers to household and business engagement in the digital economy. The benefits of increasing the engagement of both businesses and consumers in the digital economy include: realising productivity gains; achieving more efficient and sustainable use of natural, physical and human resources; more effective health and education outcomes; and enhanced social inclusion.

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

Outcome Expense Statement

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

Table 2.1: Budgeted Expenses for Outcome 1

Outcome 1: Develop a vibrant, sustainable and internationally competitive broadband, broadcasting and communications sector, through policy development, advice and program delivery, which promotes the digital economy for all Australians	2012-13 Estimated actual expenses	2013-14 Estimated expenses
Program 1.1: Broadband and Communications Infrastructure		
Administered expenses	41,735	18,750
Ordinary annual services (Appropriation Bill No. 1)	27,994	5,195
Expenses not requiring appropriation in the Budget year ¹	13,741	13,555
Departmental expenses	28,975	29,769
Departmental appropriation ²	27,340	28,279
Expenses not requiring appropriation in the Budget year ¹	1,635	1,490
Total for Program 1.1	70,710	48,519
Program 1.2: Digital Economy and Postal Services		
Administered expenses	50,820	52,732
Ordinary annual services (Appropriation Bill No. 1)	48,189	52,732
Expenses not requiring appropriation in the Budget year ¹	2,631	-
Departmental expenses	47,481	43,251
Departmental appropriation ²	44,561	40,820
Expenses not requiring appropriation in the Budget year ¹	2,920	2,431
Total for Program 1.2	98,301	95,983
Program 1.3: Broadcasting and Digital Television		
Administered expenses	220,852	167,663
Ordinary annual services (Appropriation Bill No. 1)	220,852	167,663
Departmental expenses	47,214	43,233
Departmental appropriation ²	44,278	40,854
Expenses not requiring appropriation in the Budget year ¹	2,936	2,379
Total for Program 1.3	268,066	210,896

DBCDE Budget Statements

Outcome 1 Totals by appropriation type		
Administered Expenses	313,407	239,145
Ordinary annual services (Appropriation Bill No. 1)	297,035	225,590
Expenses not requiring appropriation in the Budget year ¹	16,372	13,555
Departmental expenses	123,670	116,253
Departmental appropriation ²	116,179	109,953
Expenses not requiring appropriation in the Budget year ¹	7,491	6,300
Total expenses for Outcome 1	437,077	355,398
	2012-13	2013-14
Average Staffing Level (number)	634	585

1 Expenses not requiring appropriation in the Budget year is made up of depreciation expense, amortisation expense, exchange rate movements, inventory expense and audit fees.

2 Departmental Appropriation combines "Ordinary annual services (*Appropriation Act No. 1*)" and "Revenue from independent sources (s31)".

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

Contributions to Outcome 1

Program 1.1: Broadband and Communications Infrastructure

Program Objective

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

Linked to:

Elements of the following administered items in Program 1.1 are also delivered by other agencies:

- TUSMA is responsible for supporting the delivery of universal service and other public interest telecommunications services to all Australians; and
- the National Broadband Network is being rolled out by NBN Co Limited, who are planning, building and operating the network.

Program Expenses

- The fall in administered expenses in 2013-14 reflects the completion of the advertising campaign in metropolitan Australia to inform people about the National Broadband Network (NBN).
- The movement in the International Organisations Contributions reflects foreign exchange rate movements.

DBCDE Budget Statements

	2012-13 Revised budget \$'000	2013-14 Budget \$'000	2014-15 Forward year 1 \$'000	2015-16 Forward year 2 \$'000	2016-17 Forward year 3 \$'000
Annual administered expenses:					
International Organisation Contributions	5,201	5,195	5,195	5,239	5,283
National Broadband Network - Implementation	22,793	-	-	-	-
Expenses not requiring appropriation in the Budget year ¹					
National Broadband Network - Regional Backbone Blackspots Program	13,564	13,564	13,564	13,343	11,435
International Organisation Contributions	177	(9)	-	(19)	(20)
Annual departmental expenses:					
Program support ²	27,340	28,279	26,347	26,509	26,719
Expenses not requiring appropriation in the Budget year ¹	1,635	1,490	1,790	2,272	2,417
Total program expenses ³	70,710	48,519	46,896	47,344	45,834

1 Expenses not requiring appropriation in the Budget year is made up of depreciation expenses, amortisation expenses, exchange rate movements and audit fees.

2 Program support combines "Ordinary annual services (*Appropriation Act No. 1*)" and "Revenue from independent sources (s31)".

3 The expenses above do not include the equity funding to be provided to the NBN Co over the period 2012-13 to 2016-17 which is as follows:

	Program	2012-13 \$b	2013-14 \$b	2014-15 \$b	2015-16 \$b	2016-17 \$b
NBN Co.	1.1	2.6	5.1	6.3	5.3	4.7
Total		2.6	5.1	6.3	5.3	4.7

Program 1.1 Deliverables

The Australian telecommunications and internet services market operating under a policy and regulatory framework, together with Australian Government initiatives, provides high-quality telecommunications infrastructure encompassing fixed-line, terrestrial wireless and satellite technologies.

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

- implementing the Australian Government's National Broadband Network initiative, including:
 - supporting the Minister for Broadband, Communications and the Digital Economy in his role as a Shareholder Minister of NBN Co; and
 - implementing and monitoring regulation that ensures NBN Co operates on an open access, non-discriminatory wholesale-only basis, facilitates the rollout of the network and supports the installation of fibre in new developments;
- monitoring implementation of the structural separation of Telstra and the Telstra Migration Plan and otherwise ensuring that the regulatory framework operates effectively, particularly during the rollout of the National Broadband Network;
- providing consumers and small business with access to accurate information on the NBN rollout; and
- improving the effectiveness of the regulatory framework to apply during and following the rollout of the National Broadband Network.

Program 1.1 Key Performance Indicators

- Timely and effective policy advice on implementation of the National Broadband Network and the underpinning telecommunications legislative framework, leading to increased availability of fast, affordable and reliable broadband and communications infrastructure;
- Establishment of an effective migration monitoring function to provide quality advice to Government;
- Monitor NBN Co performance and provide timely and effective reporting to Government and for the six-monthly reviews to the Joint Committee on the NBN; and
- Effective information sources established for consumers and small business on how to transition to the National Broadband Network.

Program 1.2: Digital Economy and Postal Services

Program Objective

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

Linked to:

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

- the Digital Economy Strategy is delivered with the assistance of a wide range of departments and agencies;
- Cybersafety is also delivered through the ACMA, the Australian Federal Police, the Attorney-General's Department and the Office of the Commonwealth Director of Public Prosecutions;
- the Australian Government's Cybersecurity programs are also delivered through the Attorney-General's Department, the ACMA, the Australian Federal Police, the Australian Government Information Management Office and the Defence Signals Directorate;
- the ICT Centre of Excellence program is also delivered through the Australian Research Council and provides funding to NICTA;
- the internet component of the Indigenous Communications Program, is appropriated through the Department of the Treasury. Further information on these arrangements can be found in the Treasury Portfolio Budget Statements and in Budget Paper No. 3;
- the ACMA recoups the cost of the Consumer Representation Grants Program allocated to ACCAN (under section 593 of the *Telecommunications Act 1997*) from licensed carriers under the *Telecommunications (Carrier Licence Charges) Act 1997*; and
- TUSMA administers the contract for the National Relay Service.

Program Expenses

- Total program expenses decrease in 2013-14 and across the forward years reflecting reductions in funding for the Digital Productivity initiative and Regional Telecommunications Review Response program. The outcome of a review for the Satellite Phone Subsidy Scheme and funding for the ICT Centre of Excellence program will be considered in the 2014-15 Budget.

	2012-13 Revised budget \$'000	2013-14 Budget \$'000	2014-15 Forward year 1 \$'000	2015-16 Forward year 2 \$'000	2016-17 Forward year 3 \$'000
Annual administered expenses:					
<i>Consumer Representation Grants Program</i>	2,127	2,166	2,210	2,255	2,304
<i>Cybersafety</i>	654	664	677	691	706
<i>Cybersecurity</i>	1,528	1,558	1,590	1,623	1,657
<i>Digital Productivity</i>	14,208	14,800	8,870	1,815	-
<i>ICT Centre of Excellence</i>	23,750	22,563	21,435	-	-
<i>Regional Telecommunications Review Response</i>	5,922	6,231	3,808	3,888	3,969
Expenses not requiring appropriation in the Budget year ¹					
<i>Regional Telecommunications Review Response</i>	2,631	-	-	-	-
Annual departmental expenses:					
<i>Program support</i> ²	44,561	40,034	41,557	46,024	46,518
<i>Expenses not requiring appropriation in the Budget year</i> ¹	2,920	2,431	2,743	3,639	4,186
Decisions taken but not yet announced ³	-	5,536	5,945	2,793	2,816
Total program expenses	98,301	95,983	88,835	62,728	62,156

1 Expenses not requiring appropriation in the Budget year is made up of depreciation expense, amortisation expense, exchange rate movements, inventory expense and audit fees.

2 Program support combines "Ordinary annual services (*Appropriation Act No. 1*)" and "Revenue from independent sources (s31)".

3 Figures include administered and departmental funding.

Programs for which Treasury is appropriated under the Federal Financial Relations framework

	2012-13 Revised budget \$'000	2013-14 Budget \$'000	2014-15 Forward year 1 \$'000	2015-16 Forward year 2 \$'000	2016-17 Forward year 3 \$'000
Annual administered expenses:					
<i>National Partnership on Digital Regions Initiatives</i>	12,118	-	-	-	-
<i>National Partnership on Indigenous Communications Program</i>	2,760	2,105	2,150	2,191	2,237
Total program expenses	14,878	2,105	2,150	2,191	2,237

Program 1.2 Deliverables

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

- supporting the development of the digital economy, including:
 - supporting the ICT Centre of Excellence Program;
 - maintaining the digitalbusiness.gov.au website, which offers practical guidance for small business and community organisations to establish or enhance their online presence and leverage the benefits of participating in the digital economy;
 - ongoing delivery of Digital Hub services into 40 communities where work on the rollout of the NBN has commenced;
 - ongoing delivery of Digital Enterprise services in up to 49 communities where work on the rollout of the NBN has commenced and the delivery of a further 21 Digital Enterprise services, including a virtual service in remote Australia; and
 - working with at least 47 local governments to enable them to maximise the opportunities provided by the NBN;
- providing policy advice on Australia's radiofrequency spectrum assets in the interests of Australian consumers and the economy, while providing certainty to wireless broadband, broadcasting and communications service providers;
- improving services to regional, rural and remote Australia through:
 - the Satellite Phone Subsidy Scheme, which provides support for Australians living or conducting business in areas outside the reach of terrestrial mobile phone networks; and
 - the Indigenous Communications Program, including:
 - : maintaining up to 545 community phones in remote Indigenous communities with no access to public phones; and
 - : in collaboration with state and territory governments and Indigenous communities, providing improved public internet access and computer and internet training to remote Indigenous communities;
- supporting and protecting the interests of consumers by providing policy advice through:
 - funding for the Australian Communications Consumer Action Network (ACCAN) through the Consumer Representation Grants Program;
 - developing and maintaining cybersafety initiatives to inform and educate the Australian community, particularly young Australians, about internet safety; and
 - cybersecurity initiatives to inform and educate Australian consumers and small businesses about how best to manage the risk of financial fraud and

loss of personal information over the internet; and

- protecting the Australian Government's interest as a shareholder of Australia Post and providing policy advice on the postal sector.

Deliverables	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Regional Services					
Satellite phone scheme subsidies provided	3,250	4,000	-	-	-
Number of phones monitored and maintained in remote Indigenous communities	500	545	545	545	545
Number of people in remote indigenous communities with maintained public internet access services	100	100	100	100	100
Number of remote Indigenous communities provided with computer and internet training	50	50	50	50	50

Program 1.2 Key Performance Indicators¹

Service Innovation

- ICT Centre of Excellence: NICTA's contribution to:
 - commercialisation of ICT and online innovation; and
 - development of ICT and online research and commercialisation skills.
- Digital Productivity Program:
 - number of individuals that have attended a Digital Hub and participated in program training or experienced technology and applications that demonstrate the benefits of the NBN to households;
 - number of small-to-medium enterprises and not-for-profit organisations that have attended Digital Enterprise program training; and
 - number of people accessing the local government funded NBN enabled online services, and the efficiency gains obtained.

Regional Services

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

Consumers

- Consumer Representation Grants: ACCAN represents telecommunications consumers and undertakes research to achieve better outcomes:
 - telecommunications consumer interest groups support and actively participate in ACCAN activities; and
 - policy positions held by ACCAN are influential and represent the informed interests of telecommunication consumers in submissions based on robust evidence.
- Extent to which the regulatory environment facilitates competition and market structures including by encouraging new entrants and business models that promote consumer empowerment and choice.
- Extent to which regulatory and industry self-regulatory arrangements ensure the interests of telecommunications consumers are protected.
- Extent to which Australian households and small businesses are aware of, and adopt, appropriate actions to address cybersecurity and cybersafety risks.
- Extent to which the Cybersafety Help Button and the Easy Guide to Socialising

¹ Key performance indicators relating to the Digital Regions Initiative have not been included due to the initiatives being completed.

Online are available and accessed.

- Number of schools, students, teachers and parents providing advice to government during the online forums and at the cybersafety summits.
- Extent to which the Youth Advisory Group on Cybersafety, Teachers and Parents Advisory Group and the Consultative Working Group on Cybersafety's advice informs the development of new or improved cybersafety initiatives.

Key performance indicators	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Regional services					
Average percentage of time remote Indigenous community phones are fault free each month	90	95	95	95	95
Number of people in remote Indigenous communities with maintained public internet access services	32,000	32,000	32,000	32,000	32,000
Number of people in remote Indigenous communities participating in computer and internet training	500	500	-	-	-
National Innovation					
Level of commercial revenue generated by the ICT Centre of Excellence (\$ million)	2.3	7.2	10.8	-	-
PhD candidates sponsored by the ICT Centre of Excellence	270	240	240	-	-
Number of Australian jobs in ICT Centre of Excellence spin outs	90	75	85	-	-
Consumer protection					
Proportion of Australian Schools accessing the Cybersecurity Education Package	60%	60%	60%	60%	60%

Program 1.3: Broadcasting and Digital Television

Program Objective

Ensure the switchover to digital-only television by the end of 2013 and completion of the restack of services in the Digital Dividend by the end of 2014. Support access to high-quality, innovative and diverse broadcasting services that deliver content consistent with Australia's diverse community expectations.

Linked to:

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

- the ACMA, which will provide a range of regulatory advice and technical support throughout the process;
- the Department of Human Services (DHS), which plays a key role in the delivery of the Digital Switchover Household Assistance Scheme (DHS Program 1.1); and
- the national and commercial broadcasters.

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

Program Expenses

- The decrease to expenses in the Digital Television Switchover program in 2013-14 reflects the wind-down of the program, as the completion of the switchover to digital-only television transmission concludes in December 2013. The ongoing amounts reflect the funding being provided for the Viewer Access Satellite Television (VAST) service.
- The increase to expenses in the Digital Television Switchover – Spectrum Restacking Assistance program reflects additional funding being provided in the Budget to ensure that the restacking of television broadcasting services to new channels is completed in line with the Restack timetable.
- The increase to expenses in the Regional Equalisation Plan in 2013-14 reflects the final payment for two contracts, totalling \$8.0 million.
- The increase to expenses in the Spectrum – Assistance to Broadcasters for Electronic News Gathering program in 2013-14, and the decrease in 2014-15 reflects the anticipated timing of when the commercial broadcasters can migrate their Electronic News Gathering operations to the new spectrum allocation, which is not available in some areas until after the Digital Television Switchover has been completed.

	2012-13 Revised budget \$'000	2013-14 Budget \$'000	2014-15 Forward year 1 \$'000	2015-16 Forward year 2 \$'000	2016-17 Forward year 3 \$'000
Annual administered expenses:					
Community Broadcasting Program ¹	14,891	16,909	16,227	16,565	16,915
Digital Television Switchover - Spectrum Restacking Assistance	21,250	46,113	52,285	9,460	-
Digital Television Switchover	153,247	56,683	10,876	10,986	10,769
Indigenous Broadcasting	15,427	15,766	16,097	16,435	16,780
Regional Equalisation Plan	1,000	9,094	1,000	1,000	1,000
Spectrum - Assistance to Broadcasters for Electronic News Gathering	15,037	23,098	1,405	-	-
Annual departmental expenses:					
Program support ²	44,278	40,854	19,866	13,870	14,102
Expenses not requiring appropriation in the Budget year ³	2,936	2,379	1,115	876	1,039
Total program expenses	268,066	210,896	118,871	69,192	60,605

¹ Includes Community Self-Help Radio Transmission Program.

² Program support combines "Ordinary annual services (*Appropriation Act No. 1*)" and "Revenue from independent sources (s31)".

³ Expenses not requiring appropriation in the Budget year is made up of depreciation expense, amortisation expense, exchange rate movements and audit fees.

Program 1.3 Deliverables

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

- coordinating and overseeing the switchover to digital-only television transmission by the end of 2013, with a focus on mainland capital cities and remote areas of Australia. In 2013-14, the Department will:
 - through the Household Assistance Scheme, provide practical end-to-end technical and installation services for maximum benefit aged and disability support pensioners, carers payees and equivalent war service pensioners and income support supplement payees;
 - through the Satellite Subsidy Scheme, provide assistance for installation of satellite reception equipment for households served by 'self-help' analog terrestrial retransmission sites which are not upgraded to digital; and
 - conduct information and communications activities to raise public awareness and understanding of the switchover and encourage action required to get ready in remaining switchover areas;
- supporting the Minister on ABC and SBS policy and funding matters, the rollout of digital services and in relation to ABC and SBS board appointments;
- overseeing the implementation of the relocation of television broadcasting services to new channels to release the Digital Dividend of 700 megahertz spectrum;
- managing funding agreements with commercial broadcasters to assist in moving their electronic news gathering functions to alternate radiofrequency bands, to free up 2.5 gigahertz spectrum;
- advising the Minister on broadcasting policy matters, such as media ownership, anti-siphoning, Indigenous broadcasting and digital radio;
- providing funding through the Community Broadcasting Program to assist community broadcasters, including with the delivery of community radio services; and
- supporting Indigenous communities through the Indigenous Broadcasting Program, which funds Indigenous radio services, peak media bodies, development of programming and skills development.

Program 1.3 Key Performance Indicators

- The Department's contribution, through its policy and funding activities, to the broad objective that all Australians have access to a range of free-to-air and subscription television and radio services.
- The effectiveness of the switchover to digital television as measured through the Digital Tracker that monitors the following indicators for each switchover region on a quarterly basis:
 - awareness of switchover to digital television;
 - understanding of what needs to be done to prepare for switchover;
 - attitudes towards digital switchover;
 - the proportion of Australians who have switched over; and
 - satisfaction with digital television.
- Progress in achieving restack, including the number of services restacked.

Key performance indicators	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Number of households assisted through Digital Switchover Programs:					
Household Assistance Scheme	145,000	92,046	-	-	-
Satellite Subsidy Scheme	14,500	1,059	-	-	-
Number of digital television services restacked	40	356	1,071	-	-

Section 3: Explanatory Tables and Budgeted Financial Statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2013-14 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds, special accounts and government indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Movement of Administered Funds Between Years

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

Table 3.1.1: Movement of Administered Funds Between Years¹

	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
Outcome 1:					
National Broadband Network - Revised Investment	-	(3,044,000)	(347,000)	526,000	790,000
Digital Television Switchover - Spectrum Restacking Assistance	(42,664)	(2,357)	35,561	9,460	-
Digital Productivity	(493)	263	230	-	-
Total Movement of Administered Funds	(43,157)	(3,046,094)	(311,209)	535,460	790,000

¹ Figures displayed as a negative (-) represent a decrease in funds and a positive reflect an increase in funds.

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 (FMA Act)* or under separate enabling legislation. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by the Department.

Table 3.1.2: Estimates of Special Account Flows and Balances

		Opening balance	Receipts	Payments	Adjustments	Closing balance
		2013-14	2013-14	2013-14	2013-14	2013-14
		2012-13	2012-13	2012-13	2012-13	2012-13
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
BAF ¹ Communications Portfolio		-	-	-	-	-
Special Account (A)						
s21 FMA Act ² and s68 NBF Act ³	1	-	366,445	366,445	-	-
Services for Other Entities and						
Trust Moneys Special Account (D) ⁴	1	-	-	-	-	-
s20 FMA Act ²		-	-	-	-	-
Total Special Accounts						
2013-14 Budget						
estimate		-	-	-	-	-
<i>Total Special Accounts</i>						
<i>2012-13 actual</i>		-	366,445	366,445	-	-

(A) = Administered

(D) = Departmental

1 BAF – Building Australia Fund

2 FMA Act – *Financial Management and Accountability Act 1997*

3 NBF Act – *Nation-building Funds Act 2008*

4 This account was abolished on 22 November 2012.

3.1.3 Australian Government Indigenous Expenditure

Table 3.1.3: Australian Government Indigenous Expenditure (AGIE)

Outcome	Appropriations			Total \$'000	Other \$'000	Total \$'000	Program
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special approp \$'000				
Outcome 1							
Administered 2013-14	22,803	-	-	22,803	-	22,803	1.2, 1.3
<i>Administered 2012-13</i>	<i>25,671</i>	<i>-</i>	<i>-</i>	<i>25,671</i>	<i>-</i>	<i>25,671</i>	
Total outcome 2013-14	22,803	-	-	22,803	-	22,803	
<i>Total outcome 2012-13</i>	<i>25,671</i>	<i>-</i>	<i>-</i>	<i>25,671</i>	<i>-</i>	<i>25,671</i>	
Total AGIE 2013-14	22,803	-	-	22,803	-	22,803	
<i>Total AGIE 2012-13</i>	<i>25,671</i>	<i>-</i>	<i>-</i>	<i>25,671</i>	<i>-</i>	<i>25,671</i>	

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in Agency Resourcing and Financial Statements

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

3.2.2 Analysis of Budgeted Financial Statements

Departmental financial statements

Comprehensive income statement (showing net cost of services)

The movement in appropriation revenue in forward years largely reflects the wind back of activities associated with the National Broadband Network initiative and completion of the Digital Television Switchover program in 2013-14. This trend is also reflected in employee and supplier expenses.

The deficit attributable to the Australian Government reflects the policy to not provide funding to agencies relating to the depreciation expense of their non-financial assets. Contributed equity and the capital budget statements reflect the capital acquisition program of the Department.

Administered financial statements

Schedule of income and expenses administered on behalf of Government

The movement in dividends non-taxation revenue reflects the impact of the payment of dividends from Australia Post.

Supplier and subsidy expenses decrease in 2013-14, reflecting the winding down of the Digital Television Switchover Program as the program comes to a completion.

Schedule of budgeted assets and liabilities administered on behalf of Government

The continued increase in other investments predominately represents the Government's investment in the NBN Co.

Schedule of budgeted cash flows administered on behalf of Government

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

3.2.3 Budgeted Financial Statements Tables

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

	Estimated actual 2012-13 \$'000	Budget estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
EXPENSES					
Employee benefits	79,457	77,618	62,835	62,437	61,014
Suppliers	37,013	32,662	25,934	24,610	26,971
Grants	19	-	-	-	-
Depreciation and amortisation	7,131	5,940	5,288	6,427	7,282
Finance costs	50	33	33	34	35
Total expenses	123,670	116,253	94,090	93,508	95,302
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	2,970	2,970	1,000	1,000	1,000
Other	19	-	-	-	-
Total own-source revenue	2,989	2,970	1,000	1,000	1,000
Gains					
Other	360	360	360	360	360
Total gains	360	360	360	360	360
Total own-source income	3,349	3,330	1,360	1,360	1,360
Net cost of (contribution by) services	120,321	112,923	92,730	92,148	93,942
Revenue from Government	113,190	106,983	87,442	85,721	86,660
Surplus (Deficit) attributable to the Australian Government	(7,131)	(5,940)	(5,288)	(6,427)	(7,282)
Total comprehensive income (loss)	(7,131)	(5,940)	(5,288)	(6,427)	(7,282)
Total comprehensive income (loss) attributable to the Australian Government	(7,131)	(5,940)	(5,288)	(6,427)	(7,282)
Note: Impact of Net Cash Appropriation Arrangements					
	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
Total Comprehensive Income (loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations.	-	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations ¹	7,131	5,940	5,288	6,427	7,282
Total Comprehensive Income (loss) - as per the Statement of Comprehensive Income	(7,131)	(5,940)	(5,288)	(6,427)	(7,282)

Prepared on Australian Accounting Standards basis.

1 From 2010-11, the Government introduced net cash appropriation arrangements where Appropriation Act No. 1 revenue appropriations for the depreciation/amortisation expenses of FMA Act agencies were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Appropriation Act No. 1. For information regarding DCBs, please refer to Table 3.2.5 Departmental Capital Budget Statement.

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

	Estimated actual 2012-13 \$'000	Budget estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	608	608	608	608	608
Trade and other receivables	77,200	72,932	70,697	69,412	68,847
Total financial assets	77,808	73,540	71,305	70,020	69,455
Non-financial assets					
Land and buildings	8,223	7,319	6,504	6,021	5,457
Property, plant and equipment	5,145	5,533	6,172	6,434	6,326
Intangibles	8,648	8,629	8,081	6,274	4,140
Other non-financial assets	1,254	1,150	910	872	955
Total non-financial assets	23,270	22,631	21,667	19,601	16,878
Assets held for sale	-	-	-	-	-
Total assets	101,078	96,171	92,972	89,621	86,333
LIABILITIES					
Payables					
Suppliers	5,547	6,530	5,581	5,526	6,296
Lease incentives	188	511	834	1,157	1,481
Other payables	4,152	1,183	957	955	929
Total payables	9,887	8,224	7,372	7,638	8,706
Provisions					
Employee provisions	23,444	21,377	19,721	18,098	16,513
Other provisions	4,264	3,622	3,655	3,689	3,724
Total provisions	27,708	24,999	23,376	21,787	20,237
Total liabilities	37,595	33,223	30,748	29,425	28,943
Net assets	63,483	62,948	62,224	60,196	57,390
EQUITY*					
Parent entity interest					
Contributed equity	16,789	22,194	26,758	31,157	35,633
Reserves	8,619	8,619	8,619	8,619	8,619
Retained surplus (accumulated deficit)	38,075	32,135	26,847	20,420	13,138
Total parent entity interest	63,483	62,948	62,224	60,196	57,390
Total Equity	63,483	62,948	62,224	60,196	57,390

Prepared on Australian Accounting Standards basis.

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

Table 3.2.3: Departmental Statement of Changes in Equity — Summary of Movement (Budget Year 2013-14)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2013					
Balance carried forward from previous period	38,075	8,619	-	16,789	63,483
Adjusted opening balance	38,075	8,619	-	16,789	63,483
Comprehensive income					
Surplus (deficit) for the period	(5,940)	-	-	-	(5,940)
Total comprehensive income	(5,940)	-	-	-	(5,940)
Transactions with owners					
<i>Contributions by owners</i>					
Equity Injection - Appropriation	-	-	-	1,141	1,141
Departmental Capital Budget (DCBs)	-	-	-	4,264	4,264
Sub-total transactions with owners	-	-	-	5,405	5,405
Estimated closing balance as at 30 June 2014	32,135	8,619	-	22,194	62,948
Closing balance attributable to the Australian Government	32,135	8,619	-	22,194	62,948

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2012-13 \$'000	Budget estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	115,073	111,251	89,677	87,006	87,225
Sale of goods and rendering of services	2,970	2,970	1,000	1,000	1,000
Other	19	-	-	-	-
Total cash received	118,062	114,221	90,677	88,006	88,225
Cash used					
Employees	80,443	82,654	64,717	64,062	62,625
Suppliers	37,465	31,567	25,960	23,944	25,600
Grants	69	-	-	-	-
Total cash used	117,977	114,221	90,677	88,006	88,225
Net cash from (used by) operating activities	85	-	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant, and equipment	5,459	5,405	4,564	4,399	4,476
Total cash used	5,459	5,405	4,564	4,399	4,476
Net cash from (used by) investing activities	(5,459)	(5,405)	(4,564)	(4,399)	(4,476)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	5,459	5,405	4,564	4,399	4,476
Total cash received	5,459	5,405	4,564	4,399	4,476
Net cash from (used by) financing activities	5,459	5,405	4,564	4,399	4,476
Net increase (decrease) in cash held	85	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	523	608	608	608	608
Cash and cash equivalents at the end of the reporting period	608	608	608	608	608

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental Capital Budget Statement

	Estimated actual 2012-13 \$'000	Budget estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	4,259	4,264	4,164	4,399	4,476
Equity injections - Bill 2	1,200	1,141	400	-	-
Total new capital appropriations	5,459	5,405	4,564	4,399	4,476
Provided for:					
Purchase of non-financial assets	5,459	5,405	4,564	4,399	4,476
Total Items	5,459	5,405	4,564	4,399	4,476
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ¹	1,200	1,141	400	-	-
Funded by capital appropriation - DCB ²	4,259	4,264	4,164	4,399	4,476
TOTAL	5,459	5,405	4,564	4,399	4,476
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	5,459	5,405	4,564	4,399	4,476
Total cash used to acquire assets	5,459	5,405	4,564	4,399	4,476

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of Asset Movements (2013-14)

	Land	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2013				
Gross book value	10,895	6,186	18,668	35,749
Accumulated depreciation/amortisation and impairment	(2,672)	(1,041)	(10,020)	(13,733)
Opening net book balance	8,223	5,145	8,648	22,016
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase—appropriation equity	-	50	1,091	1,141
By purchase—appropriation ordinary annual services	1,077	1,176	2,011	4,264
Total additions	1,077	1,226	3,102	5,405
Other movements				
Depreciation/amortisation expense	(1,981)	(838)	(3,121)	(5,940)
Total other movements				
As at 30 June 2014				
Gross book value	11,972	7,412	21,770	41,154
Accumulated depreciation/amortisation and impairment	(4,653)	(1,879)	(13,141)	(19,673)
Closing net book balance	7,319	5,533	8,629	21,481

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2012-13 \$'000	Budget estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Suppliers	102,775	43,190	15,829	5,831	3,874
Subsidies	71,293	22,616	408	416	425
Grants	123,747	157,939	128,866	64,075	53,517
Depreciation and amortisation	10,214	10,214	10,214	10,214	10,214
Payments to CAC Act Bodies	1,272,254	1,327,688	1,357,360	1,382,954	1,367,187
Other expenses	5,378	5,186	5,195	5,220	5,263
Total expenses administered on behalf of Government	1,585,661	1,566,833	1,517,872	1,468,710	1,440,480
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Interest	247	120	767	2,683	3,450
Dividends	243,700	110,800	149,700	207,100	207,100
Rental income	1,541	1,541	1,541	1,541	1,541
Total non-taxation revenue	245,488	112,461	152,008	211,324	212,091
Total own-source revenues administered on behalf of Government	245,488	112,461	152,008	211,324	212,091
Total own-source income administered on behalf of Government	245,488	112,461	152,008	211,324	212,091

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 2012-13 \$'000	Budget estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
ASSETS					
Financial assets					
Trade and other receivables	7,116	24,106	74,106	94,106	74,106
Other investments	8,495,764	11,690,535	18,007,535	23,293,535	27,985,535
Total financial assets	8,502,880	11,714,641	18,081,641	23,387,641	28,059,641
Non-financial assets					
Property, plant and equipment	250,737	240,523	230,309	220,095	209,881
Other non-financial assets	13,241	9,900	6,550	3,440	2,239
Total non-financial assets	263,978	250,423	236,859	223,535	212,120
Total assets administered on behalf of Government	8,766,858	11,965,064	18,318,500	23,611,176	28,271,761
LIABILITIES					
Payables					
GST payable	6,980	6,980	6,980	6,980	6,980
Other payables	20,509	18,968	17,427	15,886	14,345
Total payables	27,489	25,948	24,407	22,866	21,325
Total liabilities administered on behalf of Government	27,489	25,948	24,407	22,866	21,325
Net assets/(liabilities)	8,739,369	11,939,116	18,294,093	23,588,310	28,250,436

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

	Estimated actual 2012-13 \$'000	Budget estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
OPERATING ACTIVITIES					
Cash received					
Interest	267	130	767	2,683	3,450
Dividends	243,700	110,800	149,700	207,100	207,100
Net GST received	45,143	22,992	15,166	7,655	5,886
Total cash received	289,110	133,922	165,633	217,438	216,436
Cash used					
Grants	148,797	174,169	142,335	71,050	58,965
Subsidies paid	86,133	24,940	450	461	468
Suppliers	135,168	47,628	17,484	6,466	4,269
Net GST paid	-	-	-	-	-
Payments to CAC Bodies	1,272,254	1,327,688	1,357,360	1,382,954	1,367,187
Other	1,851	1,845	1,845	2,110	4,062
Total cash used	1,644,203	1,576,270	1,519,474	1,463,041	1,434,951
Net cash from (used by) operating activities	(1,355,093)	(1,442,348)	(1,353,841)	(1,245,603)	(1,218,515)
INVESTING ACTIVITIES					
Cash received					
Repayments of advances and loans	3,000	3,000	-	-	20,000
Proceeds from return of equity	9,093	-	-	-	-
Total cash received	12,093	3,000	-	-	20,000
Cash used					
Loans to CAC Act bodies	-	20,000	50,000	20,000	-
CAC Act Bodies Investments	2,667,000	5,103,300	6,317,000	5,286,000	4,692,000
Total cash used	2,667,000	5,123,300	6,367,000	5,306,000	4,692,000
Net cash from (used by) investing activities	(2,654,907)	(5,120,300)	(6,367,000)	(5,306,000)	(4,672,000)
Net increase (decrease) in cash held	(4,010,000)	(6,562,648)	(7,720,841)	(6,551,603)	(5,890,515)
Cash and cash equivalents at beginning of reporting period	-	-	-	-	-
Cash from Official Public Account for:					
- Appropriations	3,890,502	6,676,568	7,871,308	6,761,386	6,121,065
- Special Accounts					
BAF Communications Portfolio Special Account	366,445	-	-	-	-
- Section 30A Drawdowns	42,216	22,992	15,166	7,655	5,886
	4,299,163	6,699,560	7,886,474	6,769,041	6,126,951
Cash to Official Public Account for:					
- Dividends	(243,700)	(110,800)	(149,700)	(207,100)	(207,100)
- Loan repayment from CAC Act Bodies	(3,247)	(3,120)	(767)	(2,683)	(23,450)
- Section 30A Drawdowns	(42,216)	(22,992)	(15,166)	(7,655)	(5,886)
	(289,163)	(136,912)	(165,633)	(217,438)	(236,436)
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Table 3.2.10: Schedule of Administered Capital Budget Statement

	Estimated actual 2012-13 \$'000	Budget estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
NEW CAPITAL APPROPRIATIONS					
Administered Assets and Liabilities – Bill 2	4,821,555	1,379,000	6,317,000	5,286,000	4,692,000
Total new capital appropriations	4,821,555	1,379,000	6,317,000	5,286,000	4,692,000
<i>Provided for:</i>					
Other Items	4,821,555	1,379,000	6,317,000	5,286,000	4,692,000
Total Items	4,821,555	1,379,000	6,317,000	5,286,000	4,692,000

Prepared on Australian Accounting Standards basis.

Table 3.2.11: Statement of Administered Asset Movements (2013-14)

	Other property, plant and equipment \$'000	Total \$'000
As at 1 July 2013		
Gross book value	263,528	263,528
Accumulated depreciation/amortisation and impairment	(12,791)	(12,791)
Opening net book balance	250,737	250,737
Other movements		
Depreciation/amortisation expense	(10,214)	(10,214)
Total other movements	(10,214)	(10,214)
As at 30 June 2014		
Gross book value	263,528	263,528
Accumulated depreciation/amortisation and impairment	(23,005)	(23,005)
Closing net book balance	240,523	240,523

Prepared on Australian Accounting Standards basis.

3.2.4 Notes to the Financial Statements

Departmental financial statements and schedule of administered activity

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

Appropriations in the accrual budgeting framework

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

- Departmental price of outputs appropriations: representing the Government's funding for outputs from agencies;
- Departmental capital appropriations: for investments by the Government, either through additional equity or loans in agencies;
- Administered expense appropriations: for the estimated Administered expenses relating to an existing outcome, a new outcome or a Specific Purpose Payment to the states and territories or local Government; and
- Special appropriations: to fund the majority of payments from the Consolidated Revenue Fund (especially those that are entitlement-driven or involve transfers to State Governments).

Administered investments in controlled entities

Each Commonwealth Department is required to show an administered investment in each *Commonwealth Authorities and Companies Act 1997* entity within their portfolio. These administered investments are recorded at their fair value.

Asset valuation

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