

# **Australian Broadcasting Corporation**

**Agency resources and planned  
performance**



# AUSTRALIAN BROADCASTING CORPORATION

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## AUSTRALIAN BROADCASTING CORPORATION

### Section 1: Agency overview and resources

#### 1.1 Strategic direction

The Australian Broadcasting Corporation (ABC) is one of the country's most important cultural institutions. As the major national public broadcaster it contributes to and reflects Australia's national identity, fosters creativity and the arts and encourages cultural diversity.

The ABC is an integral part of the radio, television and online production industries and the news and information media. It also plays an important role in digital broadcasting and the introduction of new media services. Accountable to Parliament and to the Australian people, the ABC can provide equity of access to traditional media and new media to all Australians.

The ABC's place in the Australian broadcasting system is distinctive because of its Charter (section 6 of the *Australian Broadcasting Corporation Act 1983* (the ABC Act)). The Charter and other provisions under the ABC Act, give the Corporation particular responsibilities, such as providing an independent news service. Specific functions of the ABC, set out in the ABC Act, are:

- To provide within Australia innovative and comprehensive broadcasting services of a high standard as part of the Australian broadcasting system consisting of national, commercial and community sectors and to provide:
  - broadcasting programs that contribute to a sense of national identity and inform and entertain, and reflect the cultural diversity of, the Australian community; and
  - broadcasting programs of an educational nature.
- To transmit to countries outside Australia broadcasting programs of news, current affairs, entertainment and cultural enrichment that will:
  - encourage awareness of Australia and an international understanding of Australian attitudes on world affairs;

*ABC Budget Statements*

- enable Australian citizens living or travelling outside Australia to obtain information about Australian affairs and Australian attitudes on world affairs; and
- to encourage and promote the musical, dramatic and other performing arts in Australia.

The ABC Act guarantees the editorial and administrative independence of the Corporation from the Government. The ABC Board is charged with the duty 'to maintain the independence and integrity of the Corporation'.

As required under the ABC Act, the Board is responsible for preparing a Corporate Plan. The 2007–10 ABC Corporate Plan came into effect on 1 July 2007 and sets out the strategic direction of the Corporation. Throughout this period the ABC will strive to maintain a leadership position in digital media, capitalising fully on its strength in key content areas. The Corporation will build on its presence in broadcast and new media platforms while acknowledging the changing expectations of audiences for content and services on-demand – seeking access to information and entertainment when they want it, not just when the ABC wants to schedule it.

The ABC aims to deliver audiences more content on digital television and radio networks. It seeks to increase Australian content levels on television and to strengthen its presence in online news.

Throughout metropolitan and regional centres, the ABC looks to enrich further its commitment to localism, reflecting the interests of local communities while also connecting those communities with national and world issues.

The ABC plans to make available both current content and selected archival material for download and it will further engage audiences through the provision of opportunities for more user generated content.

Internationally, the ABC will work to extend the reach and relevance of Australia Network (funded by the Department of Foreign Affairs and Trade) and of Radio Australia.

The ABC Commercial Division will assist the Corporation to further develop modes of service delivery, including video-on-demand, access to digital archives and new partnerships that allow content to be more widely available. These initiatives will be compatible with the obligations of the ABC as a national public broadcaster and comply with the requirements of the ABC Act. The Corporation will also work to improve further its internal effectiveness and to assess the appropriate mix of internal and external television production.

The 2008–09 year represents the final year of the ABC's current triennial funding agreement with the Federal Government. The key directions outlined above will be

pursued during 2008–09 and into the next triennium. There is considerable external pressure which the ABC must respond to if it is to maintain a leadership position in the digital media. Audience expectations are changing rapidly resulting in fragmentation of markets increasing the need for new content, while the traditional platforms of radio, television and online are facing competition from new and emerging media. This changing external market requires the ABC to keep pace and to continue to anticipate audience expectations if it is to remain a distinctive and relevant national public broadcaster.

The ABC Board will fully assess the Government’s funding decisions and the impact they will have on the Corporation’s activities and confirm specific outcomes/output allocations in line with the strategic direction it has set for the 2007-10 period.

## **1.2 AGENCY RESOURCE STATEMENT**

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

**Table 1.1: ABC resource statement — Budget estimates for 2008-09 as at Budget May 2008**

	Estimate of prior year amounts available in 2008-09 \$'000	Proposed at Budget = 2008-09 \$'000	Total Estimate 2008-09 \$'000	Estimated Available Appropriation 2007-08 \$'000
<b>Opening Balance/Reserves at Bank<sup>4</sup></b>	<b>109,196</b>	<b>-</b>	<b>109,196</b>	<b>-</b>
<b>REVENUE FROM GOVERNMENT</b>				
<b>Ordinary Annual Services<sup>1</sup></b>				
<b>Outcome 1:</b> Audiences throughout Australia - and overseas - are informed, educated and entertained	-	683,384	683,384	666,586
<b>Outcome 2:</b> Australian and international communities have access to at least the scale and quality of satellite and analog terrestrial radio and television transmission services that exist at 30 June 2003	-	90,671	90,671	87,317
<b>Outcome 3:</b> The Australian community has access to ABC digital television services in accordance with approved digital implementation plans	-	84,356	84,356	80,060
<b>Total ordinary annual services</b>	<b>-</b>	<b>858,411</b>	<b>858,411</b>	<b>833,963</b>
<b>Other services<sup>2</sup></b>				
<i>Non-Operating</i>		11,250	11,250	12,750
<b>Total other services</b>	<b>-</b>	<b>11,250</b>	<b>11,250</b>	<b>12,750</b>
<b>Payments from related entities<sup>3</sup></b>				
<i>Amounts from other agencies</i>		18,831	18,831	18,737
<b>Total</b>	<b>-</b>	<b>18,831</b>	<b>18,831</b>	<b>18,737</b>
<b>Total Annual Appropriations</b>	<b>-</b>	<b>888,492</b>	<b>888,492</b>	<b>865,450</b>
<b>Total Funds from Government</b>	<b>-</b>	<b>888,492</b>	<b>888,492</b>	<b>865,450</b>
<b>FUNDS FROM OTHER SOURCES</b>				
<i>Interest</i>	-	5,944	5,944	6,006
<i>Sale of goods and services</i>	-	184,456	184,456	184,225
<b>Total</b>	<b>-</b>	<b>190,400</b>	<b>190,400</b>	<b>190,231</b>
<b>Total net resourcing for Agency</b>	<b>109,196</b>	<b>1,078,892</b>	<b>1,188,088</b>	<b>1,055,681</b>

All figures are GST exclusive

The ABC is not directly appropriated as it is a CAC Act body. Appropriations are made to Department of Broadband, Communications and the Digital Economy, which are then paid to the ABC and are considered 'departmental' for the ABC.

1. Appropriation Bill (No. 1) 2008-09

2. Appropriation Bill (No. 2) 2008-09

3. Funding provided by another Government body.

4. Includes estimated cash at bank of \$3.456m and estimated other investments of \$105.740m.

### 1.3 Budget measures

Budget measures relating to ABC are detailed in Budget Paper No. 2. Table 1.2 provides a summary of government measures and identifies the relevant output groups associated with each measure.

**Table 1.2: Agency 2008-09 Budget measures**

	Output Group	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000
<b>Expense measures</b>					
ABC NewsRadio Rollout <sup>1</sup>	2.1				
Departmental outputs		nfp	nfp	nfp	nfp
<b>Total</b>		<b>nfp</b>	<b>nfp</b>	<b>nfp</b>	<b>nfp</b>
Digital Radio - introduction extended <sup>1</sup>	nfp				
Departmental outputs		nfp	nfp	nfp	nfp
<b>Total</b>		<b>nfp</b>	<b>nfp</b>	<b>nfp</b>	<b>nfp</b>
<b>Total expense measures</b>	Departmental	nfp	nfp	nfp	nfp
	<b>Total</b>	<b>nfp</b>	<b>nfp</b>	<b>nfp</b>	<b>nfp</b>
<b>Capital measures</b>					
Digital Radio - introduction extended <sup>1</sup>	nfp				
Departmental capital		nfp	nfp	nfp	nfp
<b>Total</b>		<b>nfp</b>	<b>nfp</b>	<b>nfp</b>	<b>nfp</b>
<b>Total capital measures</b>	Departmental	nfp	nfp	nfp	nfp
	<b>Total</b>	<b>nfp</b>	<b>nfp</b>	<b>nfp</b>	<b>nfp</b>

Prepared on a Government Financial Statistics (fiscal) basis

1. 'nfp' = not for publication. These estimates have been included in the Contingency Reserve.

## Section 2: Outcomes and planned performance

### **2.1 OUTCOMES AND PERFORMANCE INFORMATION**

The Australian Government requires agencies to measure their intended and actual performance in terms of outcomes. Government outcomes are the results, impacts or consequences of actions by the Government on the Australian community. Agencies are required to identify the output groups which demonstrate their contribution to Government outcomes over the coming year.

Each outcome is described below by output groups, specifying the performance indicators and targets used to assess and monitor the performance of the ABC in achieving Government outcomes.

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

##### **Outcome 1 Strategy**

The ABC aims to provide the leading Australian public media space where people engage and share their experiences. It will do so by focusing on:

- content that contributes to a sense of national identity;
- providing audiences with great media experiences, in more ways, more often; and
- building a digital public broadcaster to keep the ABC at the leading edge of media development.

**Outcome 1 Resource statement**

Table 2.1.1 provides additional detail of Budget funding and the total resourcing for Outcome 1.

**Table 2.1.1: Total resources for Outcome 1**

	2008-09 Total estimate of available resources \$'000	2007-08 Estimated actual \$'000
<b>Outcome 1:</b> Audiences throughout Australia - and overseas - are informed, educated and entertained		
<b>Output 1.1: Radio</b>		
Departmental Outputs		
Revenue from Government	232,966	227,239
Revenues from other sources	41,860	41,807
<b>Subtotal for Output 1.1</b>	<b>274,826</b>	<b>269,046</b>
<b>Output 1.2: Television</b>		
Departmental Outputs		
Revenue from Government	432,640	422,006
Revenues from other sources	163,459	163,254
<b>Subtotal for Output 1.2</b>	<b>596,099</b>	<b>585,260</b>
<b>Output 1.3: New Media Services</b>		
Departmental Outputs		
Revenue from Government	17,778	17,341
Revenues from other sources	3,912	3,907
<b>Subtotal for Output 1.3</b>	<b>21,690</b>	<b>21,248</b>
<b>Total resources for Outcome 1</b>	<b>892,615</b>	<b>875,554</b>
<b>Average staffing level (number)</b>	<b>4,400</b>	<b>4,400</b>

Notes:

Departmental revenue from Government splits and totals, by outcome and output, are indicative estimates and may change in the course of the budget year as Government priorities change.

The ABC is not directly appropriated as it is a CAC Act body. Appropriations are made to the Department of Broadband, Communications and the Digital Economy, which are then paid to the ABC and are considered 'departmental' for the ABC.

Estimated staffing numbers may vary depending on staffing levels associated with various projects and production activity.

### Contributions to Outcome 1

<b>Output 1.1: Radio</b>	
Provides distinctive radio programs that give an Australia-wide focus to local and regional communities, and satisfy diverse audience needs, nationally and internationally.	
Key Performance Indicators	2008-09 Target
Radio Share	Levels achieved in 2008–09 compared to results in 2007–08.
Radio Reach	Levels achieved in 2008–09 compared to results in 2007–08.
Audience Appreciation	Percentage of people who consider the quality of programming on ABC Radio is good in 2008–09 compared to results achieved in 2007-08.
Levels of Australian music on networks which broadcast music	Achieve or exceed annual targets.
Levels of Australian drama on ABC Radio National	Maintain level of Australian drama at 75% of all drama broadcasts.
Recording of music concerts	Record 600 major music concerts.
Support new artists	A minimum of five initiatives to identify and support new Australian artists.

<b>Output 1.2: Television</b>	
Presents television programs of wide appeal and more specialised interest that contribute to the diversity, quality and innovation of the industry generally.	
Key Performance Indicators	2008-09 Target
Audience Share	Levels achieved in 2008–09 compared to results in 2007–08.
Audience Reach	Levels achieved in 2008–09 compared to results in 2007–08.
Audience Appreciation	Percentage of people who consider the quality of programming on ABC Television is good in 2008–09 compared to results achieved in 2007-08.
Australian Content	Percentage of first-run Australian content (between 6pm and midnight) and between 6am and midnight) in 2008–09 compared to 2007-08 levels.

Key Performance Indicators	2008-09 Target
	Percentage of Australian television programs in the ABC's 20 highest rating programs in 2008-09 compared to results achieved in 2007-08.
State/Local Television	Percentage of state/local 'breakout' television broadcast hours achieved in 2008-09 compared with 2007-08.

Output 1.3: New Media Services	
Engages audiences through new media services including the internet and emerging broadband platforms.	
Key Performance Indicators	2008-09 Target
Audience Share	Levels achieved in 2008-09 compared to results in 2007-08.
Audience Reach	Levels achieved in 2008-09 compared to results in 2007-08.
Audience Appreciation	Percentage of people who consider the quality of programming on ABC Online is good in 2008-09 compared to results achieved in 2008-09.
Total podcasts	Levels achieved in 2008-09 compared to results in 2007-08.
Total vodcasts	Levels achieved in 2008-09 compared to results in 2007-08.
Total streamed media	Levels achieved in 2008-09 compared to results in 2007-08.

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

**Outcome 2 Strategy**

Through funds provided under its Outcome 1 revenue from Government, the ABC delivers its radio and television programming streams to the interface at analog terrestrial transmission sites around Australia and in some cases via satellite.

Through a Domestic Analog Transmission Services Agreement, and a Radio Australia Transmission Services Agreement, the ABC oversees the transmission of its services to audiences in Australia and overseas.

**Outcome 2 Resource statement**

Table 2.1.2 provides additional detail of Budget appropriations and the total resourcing for Outcome 2.

**Table 2.1.2: Total resources for Outcome 2**

<b>Outcome 2:</b>	2008-09 Total estimate of available resources \$'000	2007-08 Estimated actual \$'000
Australian and international communities have access to at least the scale and quality of satellite and analog terrestrial radio and television transmission services that exist at 30 June 2003.		
<b>Output 2.1: Analog Terrestrial Transmission Services</b>		
Departmental Outputs		
Revenue from Government	90,671	87,317
<b>Subtotal for Output 2.1</b>	90,671	87,317
<b>Total resources for Outcome 2</b>	90,671	87,317
	2008-09	2007-08
<b>Average staffing level (number)</b>	-	-

Note: Departmental Appropriation splits and totals, by outcome and output, are indicative estimates and may change in the course of the budget year as Government priorities change.

**Contributions to Outcome 2**

<b>Output 2.1: Analog Terrestrial Transmission Services</b>	
Provides ABC satellite and analog terrestrial transmission services through the effective management of Transmission Service Agreements.	
Key Performance Indicators	2008-09 Target
Number of analog terrestrial transmission services	Number in 2008-09 compared to 2007-08.
Audience contacts via the ABC Reception Advice Line	Contacts received in 2008-09 compared to 2007-08.

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

**Outcome 3 Strategy**

The ABC, through funds provided under its Outcome 1 and Outcome 2 revenue from Government, delivers its radio and television programming streams which are broadcast from analog terrestrial transmission sites around Australia.

Outcome 3 provides for the televising of programs in a digital format. Funding under this Outcome provides the capacity to distribute and transmit the digital signal, which comprises the simulcast of the existing analog signal, as well as additional services. These include high definition transmission, dig digital radio and ABC2, the Corporation's digital multichannel.

**Outcome 3 Resource statement**

Table 2.1.3 provides additional detail of Budget appropriations and the total resourcing for Outcome 3.

**Table 2.1.3: Total resources for Outcome 3**

<b>Outcome 3:</b>	2008-09	2007-08
The Australian community has access to ABC digital television services in accordance with approved digital implementation plans.	Total estimate of available resources \$'000	Estimated actual \$'000
<b>Output 3.1: Digital Television Services</b>		
Departmental Outputs		
Revenue from Government	84,356	80,060
<b>Subtotal for Output 3.1</b>	<b>84,356</b>	<b>80,060</b>
<b>Total resources for Outcome 3</b>	<b>84,356</b>	<b>80,060</b>
	2008-09	2007-08
<b>Average staffing level (number)</b>	-	-

Note: Departmental Appropriation splits and totals, by outcome and output, are indicative estimates and may change in the course of the budget year as Government priorities change.

**Contributions to Outcome 3**

**Output 3.1: Digital Television Services**

<b>Output 3.1: Digital Television Services</b>	
Implements the roll-out of digital television transmission services while keeping the Australian community aware of the changes to broadcast services.	
Key Performance Indicators	2008-09 Target
The degree to which the Australian population has access to ABC digital television transmissions	2008-09 results compared to 2007-08.
Terrestrial facilities operate within the limits set by the relevant Transmitter Licence and the approved Implementation Plan	All facilities meet the requirements.
The number of digital terrestrial television facilities in operation against the approved Implementation Plans	Number of facilities in operation and in test mode compared to approved Implementation Plans.

## Section 3: Explanatory tables and budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of agency finances for the budget year 2008-09. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between the agency and outcome resource statements and government indigenous expenditure.

### 3.1 EXPLANATORY TABLES

#### 3.1.4 Australian Government Indigenous Expenditure

**Table 3.1.4: Australian Government Indigenous Expenditure**

Outcome	Revenue from Government				Other \$'000	Total \$'000	Output Group
	Bill	Bill	Special	Total			
	No. 1 \$'000	No. 2 \$'000	Approp \$'000	Approp \$'000			
<b>ABC</b>							
<b>Outcome 1</b>							
<b>Departmental 2008-09</b>	<b>2,736</b>	-	-	<b>2,736</b>	-	<b>2,736</b>	<b>All</b>
<i>Departmental 2007-08</i>	<i>2,734</i>	-	-	<i>2,734</i>	-	<i>2,734</i>	<i>All</i>
<b>Total Outcome 2008-09</b>	<b>2,736</b>	-	-	<b>2,736</b>	-	<b>2,736</b>	
<i>Total Outcome 2007-08</i>	<i>2,734</i>	-	-	<i>2,734</i>	-	<i>2,734</i>	
<b>Total AGIE 2008-09</b>	<b>2,736</b>	-	-	<b>2,736</b>	-	<b>2,736</b>	
<i>Total AGIE 2007-08</i>	<i>2,734</i>	-	-	<i>2,734</i>	-	<i>2,734</i>	

## **3.2 BUDGETED FINANCIAL STATEMENTS**

### **3.2.2 Analysis of budgeted financial statements**

#### **Departmental Income Statement**

The ABC is budgeting for an operating surplus of \$14.846m in 2008-09. This represents a component of the Corporation's ongoing funding base that is received as part of revenues from Government, which is applied to debt financing.

Revenues from Government are budgeted to increase by \$24.448m for 2008-09. This is comprised principally of indexation and additional funding for the rollout of NewsRadio and digital transmission services.

Non-government revenues are principally comprised of revenues from ABC Commercial activities, as well as other minor amounts from co-production arrangements, facilities hire, services provided, commissions, etc. These revenues are largely offset by related costs of sales or represent recoveries of costs incurred.

Total expenses are budgeted to increase by \$29.711m for 2008-09. This is comprised principally of increased Employees' expenses from negotiated salaries and wages outcomes, inflation cost increases for Goods and Services Expenses, and increased costs relating to the rollout of NewsRadio and digital transmission services. Finance cost expenses decline in 2008-09 and forward years, reflecting a gradual reduction in loans from Government.

#### **Departmental Balance Sheet**

The ABC's budgeted net asset position for 2008-09 of \$819.366m represents an increase of \$21.096m from the estimated actual for 2007-08. This increase comprises the budgeted operating surplus of \$14.846m for 2007-08, being the annual base funding component applied to debt financing, and an equity injection of \$11.250m for 2008-09, less an estimated return of capital in respect of 2008-09 transmission funds in excess of requirements.

Loans currently held by the ABC have all been sourced from the Budget. This debt relates to major property projects.

### 3.2.3 Budgeted financial statements tables

**Table 3.2.1: Budgeted departmental income statement  
(for the period ended 30 June)**

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	833,963	858,411	876,625	896,189	913,725
Goods and services	184,225	184,456	184,692	184,934	189,581
Interest	6,006	5,944	6,000	6,000	6,000
Other	18,737	18,831	19,289	19,354	
<b>Total revenue</b>	<b>1,042,931</b>	<b>1,067,642</b>	<b>1,086,606</b>	<b>1,106,477</b>	<b>1,109,306</b>
<b>Gains</b>					
<b>Total gains</b>	-	-	-	-	-
<b>Total income</b>	<b>1,042,931</b>	<b>1,067,642</b>	<b>1,086,606</b>	<b>1,106,477</b>	<b>1,109,306</b>
<b>EXPENSE</b>					
Employees	354,352	364,984	375,932	387,212	398,829
Suppliers	577,491	596,433	605,018	614,942	607,525
Grants					
Depreciation and amortisation	85,569	87,069	87,819	87,819	87,819
Finance costs	5,673	4,310	2,991	1,658	287
<b>Total expenses</b>	<b>1,023,085</b>	<b>1,052,796</b>	<b>1,071,760</b>	<b>1,091,631</b>	<b>1,094,460</b>
<b>Surplus (Deficit) before income tax</b>	<b>19,846</b>	<b>14,846</b>	<b>14,846</b>	<b>14,846</b>	<b>14,846</b>
<b>Income tax expense</b>	-	-	-	-	-
<b>Surplus/(Deficit)</b>	<b>19,846</b>	<b>14,846</b>	<b>14,846</b>	<b>14,846</b>	<b>14,846</b>
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>19,846</b>	<b>14,846</b>	<b>14,846</b>	<b>14,846</b>	<b>14,846</b>

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	3,456	3,456	3,456	3,456	3,456
Trade and other Receivables	129,254	106,600	95,946	84,792	94,638
Other	10,277	10,277	10,277	10,277	10,277
<b>Total financial assets</b>	<b>142,987</b>	<b>120,333</b>	<b>109,679</b>	<b>98,525</b>	<b>108,371</b>
<b>Non-financial assets</b>					
Land and buildings	504,114	481,114	469,114	469,114	457,114
Infrastructure, plant and equipment	249,072	292,850	305,378	305,378	317,905
Inventories	84,076	84,076	84,076	84,076	84,076
Intangibles	10,759	10,231	9,703	9,703	9,176
Other	71,749	71,749	71,749	71,749	71,749
<b>Total non-financial assets</b>	<b>919,770</b>	<b>940,020</b>	<b>940,020</b>	<b>940,020</b>	<b>940,020</b>
<b>Total assets</b>	<b>1,062,757</b>	<b>1,060,353</b>	<b>1,049,699</b>	<b>1,038,545</b>	<b>1,048,391</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
Loans	80,000	56,500	31,000	5,000	-
<b>Total interest bearing liabilities</b>	<b>80,000</b>	<b>56,500</b>	<b>31,000</b>	<b>5,000</b>	<b>-</b>
<b>Provisions</b>					
Employees	122,551	126,332	130,225	130,225	130,225
Other	56,541	52,760	48,867	48,867	48,867
<b>Total provisions</b>	<b>179,092</b>	<b>179,092</b>	<b>179,092</b>	<b>179,092</b>	<b>179,092</b>
<b>Payables</b>					
Other	5,395	5,395	5,395	5,395	5,395
<b>Total payables</b>	<b>5,395</b>	<b>5,395</b>	<b>5,395</b>	<b>5,395</b>	<b>5,395</b>
Liabilities included in disposal groups held for sale					
<b>Total liabilities</b>	<b>264,487</b>	<b>240,987</b>	<b>215,487</b>	<b>189,487</b>	<b>184,487</b>
<b>Net assets</b>	<b>798,270</b>	<b>819,366</b>	<b>834,212</b>	<b>849,058</b>	<b>863,904</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	134,385	140,635	140,635	140,635	140,635
Reserves	366,668	366,668	366,668	366,668	366,668
Retained surpluses or accumulated deficits	297,217	312,063	326,909	341,755	356,601
<b>Total parent entity interest</b>	<b>798,270</b>	<b>819,366</b>	<b>834,212</b>	<b>849,058</b>	<b>863,904</b>
<b>Minority interest</b>					
<b>Total minority interest</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>798,270</b>	<b>819,366</b>	<b>834,212</b>	<b>849,058</b>	<b>863,904</b>
<b>Current assets</b>	<b>298,812</b>	<b>276,158</b>	<b>265,504</b>	<b>254,350</b>	<b>264,196</b>
<b>Non-current assets</b>	<b>763,945</b>	<b>784,195</b>	<b>784,195</b>	<b>784,195</b>	<b>784,195</b>
<b>Current liabilities</b>	<b>179,092</b>	<b>179,092</b>	<b>179,092</b>	<b>179,092</b>	<b>179,092</b>
<b>Non-current liabilities</b>	<b>80,000</b>	<b>56,500</b>	<b>31,000</b>	<b>5,000</b>	<b>-</b>

\* 'Equity' is the residual interest in assets after deduction of liabilities. Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	184,225	184,456	184,692	184,934	189,581
Revenue received from Government	833,963	858,411	876,625	896,189	913,725
Interest	6,006	5,944	6,000	6,000	6,000
Other	69,252	69,346	69,804	69,869	50,515
<b>Total cash received</b>	<b>1,093,446</b>	<b>1,118,157</b>	<b>1,137,121</b>	<b>1,156,992</b>	<b>1,159,821</b>
<b>Cash used</b>					
Employees	354,352	364,984	375,932	387,212	398,829
Suppliers	577,491	596,433	605,018	614,942	607,525
Borrowing costs	5,673	4,310	2,991	1,658	287
Other	57,015	55,515	50,515	50,515	50,515
<b>Total cash used</b>	<b>994,531</b>	<b>1,021,242</b>	<b>1,034,456</b>	<b>1,054,327</b>	<b>1,057,156</b>
<b>Net cash from or (used by) operating activities</b>	<b>98,915</b>	<b>96,915</b>	<b>102,665</b>	<b>102,665</b>	<b>102,665</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	-	11,000	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>11,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	98,319	118,319	87,819	87,819	87,819
Other	13,346	846	14,846	14,846	14,846
<b>Total cash used</b>	<b>111,665</b>	<b>119,165</b>	<b>102,665</b>	<b>102,665</b>	<b>102,665</b>
<b>Net cash from or (used by) investing activities</b>	<b>-111,665</b>	<b>-108,165</b>	<b>-102,665</b>	<b>-102,665</b>	<b>-102,665</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	12,750	11,250	-	-	-
Other	22,000	23,500	25,500	26,000	5,000
<b>Total cash received</b>	<b>34,750</b>	<b>34,750</b>	<b>25,500</b>	<b>26,000</b>	<b>5,000</b>
<b>Cash used</b>					
Repayments of debt	22,000	23,500	25,500	26,000	5,000
<b>Total cash used</b>	<b>22,000</b>	<b>23,500</b>	<b>25,500</b>	<b>26,000</b>	<b>5,000</b>
<b>Net cash from or (used by) financing activities</b>	<b>12,750</b>	<b>11,250</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash at the beginning of the reporting period	3,456	3,456	3,456	3,456	3,456
<b>Cash at the end of the reporting period</b>	<b>3,456</b>	<b>3,456</b>	<b>3,456</b>	<b>3,456</b>	<b>3,456</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2008-09)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2008</b>					
Balance carried forward from previous period	297,217	366,708	(40)	134,385	798,270
<b>Adjusted opening balance</b>	297,217	366,708	(40)	134,385	798,270
<b>Income and expense</b>					
Income and expense recognised directly in equity:					
Gain/loss on revaluation of property	-	-	-	-	-
<b>Sub-total income and expense</b>	-	-	-	-	-
Surplus (deficit) for the period	14,846	-	-	-	14,846
<b>Total income and expenses recognised directly in equity</b>	14,846	-	-	-	14,846
<b>Transactions with owners</b>					
<i>Distribution to owners</i>					
Returns of capital					
Other*	-	-	-	(5,000)	(5,000)
<i>Contribution by owners</i>					
Equity injection	-	-	-	11,250	11,250
Other:					
Restructuring	-	-	-	-	-
<b>Sub-total transactions with owners</b>	-	-	-	6,250	6,250
Transfers between equity components	-	-	-	-	-
<b>Estimated closing balance as at 30 June 2009</b>	312,063	366,708	(40)	140,635	819,366

Prepared on Australian Accounting Standards basis.

\*Return of capital represents an estimated return of equity of \$5m in respect of unspent prior year Outcome 3 funding.

### **3.2.4 Notes to the financial statements**

#### **Basis of Accounting**

The ABC's budget statements are prepared in compliance with the Australian Accounting Standards, Accounting Guidance Releases and having regard to Statements of Accounting Concepts and the Australian Equivalents to International Financial Reporting Standards (AEIFRS).

#### **Departmental**

Under the Commonwealth's accrual budgeting framework, transactions that agencies control (Departmental transactions) are separately budgeted for and reported on from transactions agencies do not have control over (Administered transactions). This ensures that agencies are only held fully accountable for the transactions they control. The ABC does not have any administered transactions.

#### **Debt**

In accordance with the Government's preference on risk management, the ABC now sources debt through the Budget rather than from external financial markets.

As a result of this decision, all debt currently held by the ABC has been sourced from the Budget. This debt relates to major property projects.

#### **GST in Cash Flow Statement**

The amounts shown on the Cash Flow Statement under Operating Activities: Cash Received Other and Cash Used Other, include estimated net amounts in respect of cash receipts and payments in relation to the GST.

