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 (ACMA) is Australia's regulator for telecommunications, broadcasting, radiocommunications, unsolicited communications and certain online content. The ACMA’s purpose is to maximise the economic and social benefits of communications infrastructure, services and content for all Australia through:

* maintaining, enforcing and improving regulation to drive industry performance and protect consumers
* managing public resources to enable industry to deliver existing and new services
* understanding the changing communications sector to inform decision-making.

The communications and media sectors continue to be critical to the Australian economy and society during the COVID-19 recovery phase. Australians rely on communications networks, broadcasting and online media, and digital technologies to access information and essential services. This reliance does, however, increase the risks that Australians are exposed to, such as the impact of exposure to mis and disinformation online and threats of identity theft.

Interconnectivity and communications mobility are integral to the lives of all Australians and there is growing demand for larger amounts of data and faster, more reliable internet connections, requiring significant, ongoing infrastructure investments by telecommunications companies.

The ongoing growth in consumer use of digital platforms continues to cause disruption to consumption of traditional broadcast media. Boundaries between digital platforms and traditional broadcast media are increasingly blurred and there is a greater focus on the appropriate regulatory framework for content delivered over all platforms.

To achieve the outcome of ‘a communications and media environment that balances the needs of the industry and the Australian community through regulation, education and advice’ the ACMA has adopted the following three key activities that are outlined in its Corporate Plan:

* support an efficient and reliable communications infrastructure
* build consumer trust in the use of communications content and services
* use research, data and stakeholder feedback to inform, develop and deliver effective, risk-based regulation.

To deliver this outcome, the ACMA will actively engage with consumers, industry and government on shaping and applying the regulatory framework to maximise the benefits for all Australians.

The Office of the eSafety Commissioner (eSafety) is Australia’s independent regulator for online safety and is committed to helping Australians have safer, more positive online experiences in accordance with the *Online Safety Act 2021*.

eSafety’s remit includes administering regulatory schemes, mandatory industry codes, the Basic Online Safety Expectations, educational and promotional content and programs relevant to online safety and coordinating activities of Commonwealth Departments, authorities and agencies relating to online safety for Australians.

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 ACMA’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 (that is, appropriations/cash available) basis, whilst the ‘Budgeted expenses by Outcome 1’ 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 2022-23 as at Budget March 2022**

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Departmental** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Prior year appropriations available | 40,959 | 40,959 |
| Departmental appropriation (b) (c) | 119,869 | 127,566 |
| s74 External Revenue (d) | 100 | 100 |
| Departmental capital budget (e) | 15,788 | 7,865 |
| Total Departmental annual appropriations | 176,716 | 176,490 |
| Special accounts (f) |  |  |
| Opening balance | 4,453 | 4,453 |
| Appropriation receipts (g) | 44,636 | 42,761 |
| Total special accounts | 49,089 | 47,214 |
| less Departmental appropriations drawn from annual/special appropriations and credited to special accounts | 44,636 | 42,761 |
| **Total Departmental resourcing** | **181,169** | **180,943** |

**Table 1.1: ACMA resource statement — Budget estimates for 2022-23 as at Budget March 2022 (continued)**

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Administered** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Prior year appropriations available | 2,250 | - |
| Outcome 1 | 6,694 | 8,214 |
| Total administered annual appropriations | 8,944 | 8,214 |
| Administered special appropriations |  |  |
| Outcome 1 (h) | 8,300 | 8,300 |
| Total administered special appropriations | 8,300 | 8,300 |
| **Total administered resourcing** | **17,244** | **16,514** |
| **Total resourcing for the ACMA** | **198,413** | **197,457** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 518 | 520 |

Prepared on a resourcing (that is, appropriations available) basis.

All figures shown above are GST exclusive - these may not match figures in the cash flow statement.

1. Appropriation Bill (No. 1) 2022-23.
2. Excludes Departmental capital budget (DCB).
3. The 2021-22 amount does not include $1.513 million that will be received through Appropriation Bill (No. 3) 2021-22. The annual appropriations received from this Bill will be recognised in a future PB statement after the Bill has received Royal Assent.
4. Estimated external revenue receipts under section 74 of the PGPA Act.
5. 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'.
6. Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to Budget Paper No. 4 - Agency Resourcing. Please also see Table 2.1.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.
7. Amounts credited to the special accounts from the ACMA's annual and special appropriations.
8. Includes section 77 refunds under the PGPA Act which are not included as expenditure.

1.3 Budget measures

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

Table 1.2: ACMA 2022-23 Budget measures

**Measures announced since the 2021-22 Mid-Year Economic and Fiscal Outlook (MYEFO)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2021-22 $'000 | 2022-23 $'000 | 2023-24 $'000 | 2024-25 $'000 | 2025-26 $'000 |
| **Receipt measures** |  |  |  |  |  |  |
| Media Sector Reforms (a) | 1.1 |  |  |  |  |  |
| Administered receipt |  | - | - | - | - | - |
| **Total** |  | - | **-** | **-** | **-** | - |
| **Total receipt measures** |  |  |  |  |  |  |
| Administered |  | - | - | - | - | - |
| **Total** |  | **-** | **-** | **-** | **-** | **-** |
| **Payment measures** |  |  |  |  |  |  |
| Media Sector Reforms (b) | 1.1, 1.2 |  |  |  |  |  |
| Departmental payment |  | - | - | - | - | - |
| **Total** |  | **-** | **-** | **-** | **-** | **-** |
| Women’s Safety (c) | 1.3 |  |  |  |  |  |
| Administered payment |  | - | 2,000 | 2,000 | 2,000 | 2,000 |
| Departmental payment |  | - | 3,100 | 3,600 | 4,600 | 5,700 |
| **Total** |  | **-** | **5,100** | **5,600** | **6,600** | **7,700** |
| **Total payment measures** |  |  |  |  |  |  |
| Administered |  | - | 2,000 | 2,000 | 2,000 | 2,000 |
| Departmental |  | - | 3,100 | 3,600 | 4,600 | 5,700 |
| **Total** |  | **-** | **5,100** | **5,600** | **6,600** | **7,700** |

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

1. This measure was previously published under the title *Extending the Commercial Broadcasting Tax Transitional Support Payments* in the 2021-22 Infrastructure, Transport, Regional Development and Communications Portfolio Additional Estimates Statements. Provision for this measure has already been provided for by the Government.
2. This measure was previously published in the 2021-22 Infrastructure, Transport, Regional Development and Communications Portfolio Additional Estimates Statements. Funding for this measure has already been provided for by the Government.
3. Includes $0.140 million in capital funding in 2022-23.

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.

Each 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:  Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance measures 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 – to provide a complete picture of an entity’s planned and actual performance.  The most recent corporate plan for the ACMA can be found at: <https://www.acma.gov.au/publications/2021-08/plan/acmas-corporate-plan-2021-22>  The most recent annual performance statement can be found at: <https://www.acma.gov.au/publications/2021-10/report/australian-communications-and-media-authority-and-office-esafety-commissioner-annual-report-2020-21> |

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 |

**Linked programs**

| **Department of Infrastructure, Transport, Regional Development and Communications** |
| --- |
| **Programs**   * Program 5.1 – Digital Technologies and Communications Services Program |
| **Contribution to Outcome 1 made by linked programs**  The Department of Infrastructure, Transport, Regional Development and Communications (the Department) has responsibility for policy development and advice to promote an innovative and competitive communications sector including administering Portfolio legislation efficiently and effectively.  As the regulator of the media and communications sector, the ACMA ensures compliance with the Department’s policies and legislation, including:   * enforcing compliance with the *Telecommunications (Industry Levy) Act 2012* for the funding of public interest telecommunications services * recouping costs of the Consumer Representation Grants Program allocated to the Australian Communications Consumer Action Network (ACCAN) under section 593 of the *Telecommunications Act 1997* and costs related to the management of Australia’s membership and engagement with the International Telecommunications Union (ITU), from licensed carriers under the *Telecommunications (Carrier Licence Charges) Act 1997* * the administration of the Regional Broadband Scheme under the *Telecommunications (Consumer Protection and Service Standards) Act 1999.* |

**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**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.1: Communications regulation, planning and licensing** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 50 | 50 | 50 | 50 | 50 |
| **Administered total** | **50** | **50** | **50** | **50** | **50** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 42,954 | 43,134 | 41,261 | 41,254 | 41,440 |
| s74 External Revenue (a) | 52 | 52 | 52 | 52 | 52 |
| Expenses not requiring appropriation in the Budget year (b) | 4,570 | 4,436 | 4,436 | 4,436 | 4,436 |
| **Departmental total** | **47,576** | **47,622** | **45,749** | **45,742** | **45,927** |
| **Total expenses for program 1.1** | **47,626** | **47,672** | **45,799** | **45,792** | **45,977** |
| **Program 1.2: Consumer safeguards, education and information** | | | | | |
| Administered expenses |  |  |  |  |  |
| Special appropriations |  |  |  |  |  |
| *Telecommunications Act 1997 (c)* | 300 | 300 | 300 | 300 | 300 |
| **Administered total** | **300** | **300** | **300** | **300** | **300** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 40,893 | 41,186 | 39,963 | 39,506 | 39,683 |
| s74 External Revenue (a) | 48 | 48 | 48 | 48 | 48 |
| Expenses not requiring appropriation in the Budget year (b) | 4,219 | 4,094 | 4,094 | 4,094 | 4,094 |
| **Departmental total** | **45,160** | **45,328** | **44,105** | **43,648** | **43,826** |
| **Total expenses for program 1.2** | **45,460** | **45,628** | **44,405** | **43,948** | **44,126** |

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.3: Office of the eSafety Commissioner** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 8,944 | 8,214 | 6,020 | 2,000 | 2,000 |
| **Administered total** | **8,944** | **8,214** | **6,020** | **2,000** | **2,000** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 39,127 | 42,522 | 14,371 | 15,415 | 15,928 |
| Special accounts |  |  |  |  |  |
| Appropriation receipts (d) | 44,636 | 42,761 | 14,470 | 15,515 | 16,028 |
| less expenses made from appropriations credited to special accounts (e) | (44,636) | (42,761) | (14,470) | (15,515) | (16,028) |
| Expenses not requiring appropriation in the Budget year (b) | 425 | 425 | 425 | 425 | 336 |
| **Departmental total** | **39,552** | **42,947** | **14,796** | **15,840** | **16,264** |
| **Total expenses for program 1.3** | **48,496** | **51,161** | **20,816** | **17,840** | **18,264** |
| **Outcome 1 Totals by appropriation type** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 8,994 | 8,264 | 6,070 | 2,050 | 2,050 |
| Special appropriations (c) | 300 | 300 | 300 | 300 | 300 |
| **Total Administered expenses** | **9,294** | **8,564** | **6,370** | **2,350** | **2,350** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 122,974 | 126,842 | 95,595 | 96,175 | 97,051 |
| s74 External Revenue (a) | 100 | 100 | 100 | 100 | 100 |
| Special accounts |  |  |  |  |  |
| Appropriation receipts (d) | 44,636 | 42,761 | 14,470 | 15,515 | 16,028 |
| less expenses made from appropriations credited to special accounts (e) | (44,636) | (42,761) | (14,470) | (15,515) | (16,028) |
| Expenses not requiring appropriation in the Budget year (b) | 9,214 | 8,955 | 8,955 | 8,955 | 8,866 |
| **Total Departmental expenses** | **132,288** | **135,897** | **104,650** | **105,230** | **106,017** |
| **Total expenses for Outcome 1** | **141,582** | **144,461** | **111,020** | **107,580** | **108,367** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 518 | 520 |

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

1. Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013.
2. Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, and amortisation expenses.
3. The ACMA receives funds through Special Appropriations for refunds under the PGPA Act — s77 and funding for 'Other Trust Monies' which, when used, are not expensed and therefore not included in this table.
4. Two Budget Measures providing additional funding for the Office of the eSafety Commissioner terminate in 2022-23.
5. Appropriations credited to the Online Safety Special Account includes Departmental Capital Budget (DCB).

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 measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

| **Outcome 1** – A communications and media environment that balances the needs of the industry and the Australian community through regulation, education and advice | | |
| --- | --- | --- |
| **Program 1.1 – Communications regulation, planning and licensing**  This program contributes to the outcome by the allocation and use of Australia’s critical public resources, radiofrequency spectrum and telephone numbers, to maximise their value to the Australian community. | | |
| **Key Activities** | Key activity 1 - Support an efficient and reliable communications infrastructure.  Key activity 3 - Use research, data and stakeholder feedback to inform, develop and deliver effective, contemporary risk-based regulation. (a) | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Current year 2021‑22 (b) | Plan and allocate communications infrastructure resources | Target expected to be met |
|  | Efficient numbering allocation | Target expected to be met |
|  | Authorisation and licensing of communications infrastructure providers and individuals | Target expected to be met |
|  | Compliance and enforcement with communications infrastructure rules | Target expected to be met |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022‑23 | Plan and allocate communications infrastructure resources | Spectrum planning and allocation activities are delivered in accordance with the FYSO and annual work program.  Australia's interests are considered in World Radiocommunication Conference (WRC) and preparatory meeting attendance and delegation briefs. |
|  | Efficient numbering allocation | Numbering services are available 99% of the time and 99.9% of numbering transactions are processed within 5 seconds. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022‑23 (cont.) | Authorisation and licensing of communications infrastructure providers and individuals | Licencing and authorisation policies are updated to support technology and service innovation.  Radiocommunications and telecommunications licences: 90% actioned within 30 days of application.  The spectrum licensing system is enhanced to improve the licensees’ experience. |
|  | Compliance and enforcement with communications infrastructure rules | Investigations are informed by risk assessments and are completed within an average of 90 days.  Enforcement action is commensurate with realised or potential harm and incentivises improved compliance. |
| Forward Estimates  2023-26 | As per 2022-23 | As per 2022-23 |

1. Key Activity 3 supports the delivery of both Program 1.1 and 1.2. The associated performance measures are provided in the ACMA’s Corporate plan and will be reported against in the 2021-22 Annual Performance Statement.
2. The ACMA has updated the performance measures to those reported in the 2021‑22 Corporate plan.

| **Program 1.2 – Consumer safeguards, education and information**  This program contributes to the outcome by ensuring efficient, effective and contemporary safeguards protect users of media and communication services so that the Australian community can confidently use those services. | | |
| --- | --- | --- |
| **Key Activities** | Key activity 2 - Build consumer trust in the use of communications content and services.  Key activity 3 - Use research, data and stakeholder feedback to inform, develop and deliver effective, contemporary risk-based regulation. **(a)** | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Current year 2021‑22 **(b)** | Compliance and enforcement of communications content and services rules | Target expected to be met |
|  | Establish and maintain the National Self Exclusion Register | Target expected to be met |
|  | Maintain the Do Not Call Register | Target expected to be met |
|  | Educate consumers on content and service protections and industry on their obligations | Target expected to be met |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022‑23 | Compliance and enforcement of communications content and services rules | Decisions to open investigations are informed by risk assessments and consideration of potential harm to consumers.  Enforcement action is commensurate with realised or potential harm and incentivises improved compliance.  95% or more of investigations are completed within 6 months and all investigations within an average of 4 months. |
|  | Establish and maintain the National Self Exclusion Register | The NSER data checking service is available to the wagering industry 99.95% of the time during each month.  Other components of the NSER solution are available 99.5% of the time during each month. |
|  | Maintain the Do Not Call Register | The Do Not Call Register (DNCR) service centre and website are available to the Australian public 99.5% of the time.  80% of calls to the DNCR are answered within 20 seconds. |
|  | Educate consumers on content and service protections and industry on their obligations | Updated information on consumer rights and protections is available on our website to coincide with the commencement of any changes in those rights and protections.  Updated information on content and service obligations is available on our website to coincide with the commencement of any changes in those obligations.  Finalised investigation or enforcement outcomes are published on the ACMA website within 45 days unless it is not in the public interest to do so. |
| Forward Estimates  2023-26 | As per 2022-23 | As per 2022-23 |

1. Key Activity 3 supports the delivery of both Program 1.1 and 1.2. The associated performance measures are provided in the ACMA’s Corporate plan and will be reported against in the 2021-22 Annual Performance Statement.
2. The ACMA has updated the performance measures to those reported in the 2021‑22 Corporate plan.

| **Program 1.3 – Office of the eSafety Commissioner**  Support positive online experiences through national leadership and administration of statutory schemes and educational and awareness activities that promote online safety for all Australians. | | |
| --- | --- | --- |
| **Key Activities (a)** | Improve and promote online safety for Australians. | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Current year 2021‑22 | Operation of a complaints scheme to deal with serious cyberbullying affecting Australian children | Target expected to be met |
|  | Operation of a complaints scheme to deal with image based abuse affecting Australians | Target expected to be met |
|  | Operation of a complaints scheme for the removal of online content that breaches legislative standards | Target expected to be met |
|  | Operation of a response capability to block terrorist and extreme violent material in online crisis events | Target expected to be met |
|  | Promote online safety for all Australians | Target expected to be met |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022‑23 | Operation of statutory schemes | Effectively administer the following schemes and powers:   * Complaints scheme for Cyberbulling material targeted at Australian children * Complaints scheme for cyber abuse material targeted at Australian adults * Complaints scheme for non consensual sharing of intimate images * Online Content Scheme to address the posting of illegal and restricted online content. * Abhorrent Violent Conduct material blocking powers. |
|  | Basic Online Basic Expectations | Effectively administer the Basic Online Safety Expectations. |
|  | Industry Codes | Registration and administration of Industry Codes. |
|  | Promote online safety for all Australians | Provide research and evidence based, advice, programs, and resources to empower all Australians to have a safer online experience. |
| Forward Estimates  2023-26 | As per 2022-23 | As per 2022-23 |

1. eSafety is currently developing a corporate plan for 2022-23, which will include reviewing all performance measures.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of the ACMA’s finances for the 2022-23 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

**3.1.1 Explanatory notes and analysis of budgeted financial statements**

The ACMA is budgeting for a break-even position in 2022-23 and the forward estimates, excluding depreciation and amortisation expenses, and adjustments for leases under the AASB 16 Leases accounting standard.

Through the 2022-23 Budget, the ACMA has been appropriated for one additional measure relating to a national plan to prevent and respond to online violence against women and children.

The ACMA completed the 850/900MHz spectrum auction in December 2021. This auction will raise $2.092 billion in cash receipts to Consolidated Revenue in 2023-24, with the administered revenue recognised the following year on the commencement of these 20-year licences on 1 July 2024. The outcome of the auction is initially recognised as a gain in accordance with AASB 138 Intangible Assets, and subsequently treated as a finance lease from the commencement of the licence under AASB 16 Leases. All proceeds from auctions are returned to consolidated revenue by the ACMA.

3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 72,850 | 74,478 | 57,568 | 57,569 | 57,250 |
| Suppliers | 41,108 | 43,417 | 29,152 | 29,807 | 32,277 |
| Depreciation and amortisation (a) | 17,713 | 17,454 | 17,454 | 17,454 | 16,155 |
| Finance costs | 617 | 548 | 476 | 400 | 335 |
| **Total expenses** | **132,288** | **135,897** | **104,650** | **105,230** | **106,017** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of services | 100 | 100 | 100 | 100 | 100 |
| **Total own-source revenue** | **100** | **100** | **100** | **100** | **100** |
| **Net (cost of)/contribution by services** | **(132,188)** | **(135,797)** | **(104,550)** | **(105,130)** | **(105,917)** |
| Revenue from Government | 120,596 | 127,110 | 96,189 | 97,107 | 98,104 |
| **Surplus/(deficit) attributable to the Australian Government** | **(11,592)** | **(8,687)** | **(8,361)** | **(8,023)** | **(7,813)** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **(11,592)** | **(8,687)** | **(8,361)** | **(8,023)** | **(7,813)** |
| **Note: Impact of net cash appropriation arrangements** | | |  |  |  |
| **Total comprehensive income/(loss) - as per statement of comprehensive income** | **(11,592)** | **(8,687)** | **(8,361)** | **(8,023)** | **(7,813)** |
| plus: depreciation/amortisation of assets funded through appropriations (Departmental capital budget funding and/or equity injections) (a) | 9,214 | 8,955 | 8,955 | 8,955 | 8,866 |
| plus: depreciation/amortisation expenses for ROU assets (b) | 8,499 | 8,499 | 8,499 | 8,499 | 7,289 |
| less: lease principal repayments (b) | (6,121) | (8,767) | (9,093) | (9,431) | (8,342) |
| **Net cash operating surplus/ (deficit)** | **-** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

1. From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
2. Applies leases under AASB 16 Leases.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 5,922 | 6,378 | 6,378 | 6,378 | 6,378 |
| Trade and other receivables | 40,806 | 40,350 | 40,350 | 40,350 | 40,350 |
| ***Total financial assets*** | ***46,728*** | ***46,728*** | ***46,728*** | ***46,728*** | ***46,728*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 63,657 | 56,401 | 47,245 | 35,789 | 25,632 |
| Property, plant and equipment | 10,297 | 9,591 | 8,560 | 8,268 | 7,976 |
| Intangibles | 16,214 | 14,587 | 14,142 | 15,188 | 16,280 |
| Other non-financial assets | 2,920 | 2,920 | 2,920 | 2,920 | 2,920 |
| ***Total non-financial assets*** | ***93,088*** | ***83,499*** | ***72,867*** | ***62,165*** | ***52,808*** |
| **Total assets** | **139,816** | **130,227** | **119,595** | **108,893** | **99,536** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 3,740 | 3,740 | 3,740 | 3,740 | 3,740 |
| Other payables | 4,126 | 4,126 | 4,126 | 4,126 | 4,126 |
| ***Total payables*** | ***7,866*** | ***7,866*** | ***7,866*** | ***7,866*** | ***7,866*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 63,460 | 54,693 | 45,600 | 36,169 | 27,827 |
| ***Total interest bearing liabilities*** | ***63,460*** | ***54,693*** | ***45,600*** | ***36,169*** | ***27,827*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 22,765 | 22,765 | 22,765 | 22,765 | 22,765 |
| Other provisions | 2,813 | 2,813 | 2,813 | 2,813 | 2,813 |
| ***Total provisions*** | ***25,578*** | ***25,578*** | ***25,578*** | ***25,578*** | ***25,578*** |
| **Total liabilities** | **96,904** | **88,137** | **79,044** | **69,613** | **61,271** |
| **Net assets** | **42,912** | **42,090** | **40,551** | **39,280** | **38,265** |
| **EQUITY** |  |  |  |  |  |
| Contributed equity | 157,488 | 165,353 | 172,175 | 178,927 | 185,725 |
| Reserves | 2,175 | 2,175 | 2,175 | 2,175 | 2,175 |
| Retained surplus (accumulated deficit) | (116,751) | (125,438) | (133,799) | (141,822) | (149,635) |
| **Total equity** | **42,912** | **42,090** | **40,551** | **39,280** | **38,265** |

Prepared on Australian Accounting Standards basis.

1. The increase in cash and cash equivalents between 2021-22 and 2022-23 relates to the usage of cash reserves to meet expenditure related to the Consumer Safeguards. The ACMA will receive a Departmental Supplementation in Appropriation Bill No. 1 in 2022-23 to replenish the utilised cash reserves.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2022** |  |  |  |  |
| Balance carried forward from previous period | (116,751) | 2,175 | 157,488 | 42,912 |
| ***Adjusted opening balance*** | ***(116,751)*** | ***2,175*** | ***157,488*** | ***42,912*** |
| **Comprehensive income** |  |  |  |  |
| Surplus/(deficit) for the period | (8,687) | - | - | (8,687) |
| ***Total comprehensive income*** | ***(8,687)*** | ***-*** | ***-*** | ***(8,687)*** |
| **Transactions with owners** |  |  |  |  |
| ***Contributions by owners*** |  |  |  |  |
| Departmental capital budget (DCB) | - | - | 7,865 | 7,865 |
| ***Sub-total transactions with owners*** | ***-*** | ***-*** | ***7,865*** | ***7,865*** |
| **Closing balance attributable to the Australian Government** | **(125,438)** | **2,175** | **165,353** | **42,090** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 121,382 | 127,566 | 96,189 | 97,107 | 98,104 |
| Sale of goods and rendering of services | 100 | 100 | 100 | 100 | 100 |
| Net GST received | 3,169 | 3,169 | 3,169 | 3,169 | 3,169 |
| ***Total cash received*** | ***124,651*** | ***130,835*** | ***99,458*** | ***100,376*** | ***101,373*** |
| **Cash used** |  |  |  |  |  |
| Employees | 72,410 | 74,478 | 57,568 | 57,569 | 57,250 |
| Suppliers | 44,717 | 46,586 | 32,321 | 32,976 | 35,446 |
| Interest payments on lease liability | 617 | 548 | 476 | 400 | 335 |
| ***Total cash used*** | ***117,744*** | ***121,612*** | ***90,365*** | ***90,945*** | ***93,031*** |
| **Net cash from/(used by) operating activities** | **6,907** | **9,223** | **9,093** | **9,431** | **8,342** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 15,260 | 7,865 | 6,822 | 6,752 | 6,798 |
| ***Total cash used*** | ***15,260*** | ***7,865*** | ***6,822*** | ***6,752*** | ***6,798*** |
| **Net cash from/(used by) investing activities** | **(15,260)** | **(7,865)** | **(6,822)** | **(6,752)** | **(6,798)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 15,788 | 7,865 | 6,822 | 6,752 | 6,798 |
| ***Total cash received*** | ***15,788*** | ***7,865*** | ***6,822*** | ***6,752*** | ***6,798*** |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 6,121 | 8,767 | 9,093 | 9,431 | 8,342 |
| ***Total cash used*** | ***6,121*** | ***8,767*** | ***9,093*** | ***9,431*** | ***8,342*** |
| **Net cash from/(used by) financing activities** | **9,667** | **(902)** | **(2,271)** | **(2,679)** | **(1,544)** |
| **Net increase/(decrease) in cash held** | **1,314** | **456** | **-** | **-** | **-** |
| Cash and cash equivalents at the beginning of the reporting period | 4,608 | 5,922 | 6,378 | 6,378 | 6,378 |
| **Cash and cash equivalents at the end of the reporting period** | **5,922** | **6,378** | **6,378** | **6,378** | **6,378** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital budget - Bill 1 (DCB) (a) | 15,788 | 7,865 | 6,822 | 6,752 | 6,798 |
| **Total new capital appropriations** | **15,788** | **7,865** | **6,822** | **6,752** | **6,798** |
| ***Provided for:*** |  |  |  |  |  |
| Purchase of non-financial assets | 15,260 | 7,865 | 6,822 | 6,752 | 6,798 |
| ***Total items*** | **15,260** | **7,865** | **6,822** | **6,752** | **6,798** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriation - DCB (b) | 15,260 | 7,865 | 6,822 | 6,752 | 6,798 |
| **TOTAL** | **15,260** | **7,865** | **6,822** | **6,752** | **6,798** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 15,260 | 7,865 | 6,822 | 6,752 | 6,798 |
| **Total cash used to acquire assets** | **15,260** | **7,865** | **6,822** | **6,752** | **6,798** |

Prepared on Australian Accounting Standards basis.

1. DCB received in 2021-22 includes $0.528 million to reimburse the ACMA for capital payments in 2020-21 relating to the Media Sector Support measure.
2. Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental capital budgets (DCBs).

Table 3.6: Statement of Departmental asset movements (Budget year 2022-23)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Asset Category** | | | | |
|  | Land    $'000 | Buildings    $'000 | Other property, plant and equipment $'000 | Computer software and intangibles  $'000 | Total    $'000 |
| **As at 1 July 2022** |  |  |  |  |  |
| Gross book value | 1,595 | 13,176 | 13,822 | 61,717 | 90,310 |
| Gross book value - ROU assets | - | 78,413 | - | - | 78,413 |
| Accumulated depreciation/ amortisation and impairment | - | (9,593) | (3,525) | (45,503) | (58,621) |
| Accumulated depreciation/ amortisation and impairment - ROU assets | - | (19,934) | - | - | (19,934) |
| **Opening net book balance** | **1,595** | **62,062** | **10,297** | **16,214** | **90,168** |
| **Capital asset additions** |  |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |  |
| By purchase - appropriation ordinary annual services (a) | - | 4,200 | 1,000 | 2,665 | 7,865 |
| **Total additions** | **-** | **4,200** | **1,000** | **2,665** | **7,865** |
| **Other movements** |  |  |  |  |  |
| Depreciation/amortisation expense | - | (2,957) | (1,806) | (4,192) | (8,955) |
| Depreciation/amortisation on ROU assets | - | (8,499) | - | - | (8,499) |
| Reclassification | - | - | 100 | (100) | - |
| **Total other movements** | **-** | **(11,456)** | **(1,706)** | **(4,292)** | **(17,454)** |
| **As at 30 June 2023** |  |  |  |  |  |
| Gross book value | 1,595 | 17,376 | 14,922 | 64,282 | 98,175 |
| Gross book value - ROU assets | - | 78,413 | - | - | 78,413 |
| Accumulated depreciation/amortisation and impairment | - | (12,550) | (5,331) | (49,695) | (67,576) |
| Accumulated depreciation/amortisation and impairment - ROU assets | - | (28,433) | - | - | (28,433) |
| **Closing net book balance** | **1,595** | **54,806** | **9,591** | **14,587** | **80,579** |

Prepared on Australian Accounting Standards basis.

1. Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2022-23 for depreciation/amortisation expenses, Departmental capital budget or other operational expenses.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Suppliers | 5,099 | 4,432 | 4,320 | 573 | 300 |
| Grants | 4,623 | 4,250 | 2,000 | 2,000 | 2,000 |
| Other expenses | 50 | 50 | 50 | 50 | 50 |
| **Total expenses administered on behalf of Government** | **9,772** | **8,732** | **6,370** | **2,623** | **2,350** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| **Taxation revenue** |  |  |  |  |  |
| Other taxes | 1,200,612 | 1,257,073 | 1,262,323 | 1,283,492 | 1,322,695 |
| ***Total taxation revenue*** | ***1,200,612*** | ***1,257,073*** | ***1,262,323*** | ***1,283,492*** | ***1,322,695*** |
| **Non-taxation revenue** |  |  |  |  |  |
| Sale of goods and rendering of services | 5,033 | 5,033 | 5,033 | 5,033 | 5,033 |
| Fees and fines | 35,513 | 37,659 | 37,413 | 37,324 | 37,324 |
| Interest | 790 | 593 | 395 | 199 | - |
| Other revenue | 4,530 | 12,948 | 11,952 | 12,017 | 12,018 |
| ***Total non-taxation revenue*** | ***45,866*** | ***56,233*** | ***54,793*** | ***54,573*** | ***54,375*** |
| **Total own-source revenue administered on behalf of Government** | **1,246,478** | **1,313,306** | **1,317,116** | **1,338,065** | **1,377,070** |
| **Gains** |  |  |  |  |  |
| Resource received free of charge (a) (b) | 656,028 | - | - | 2,091,618 | - |
| **Total gains administered on behalf of Government** | **656,028** | **-** | **-** | **2,091,618** | **-** |
| **Total own-sourced income administered on behalf of Government** | **1,902,506** | **1,313,306** | **1,317,116** | **3,429,683** | **1,377,070** |
| **Net (cost of)/contribution by services** | **1,892,734** | **1,304,574** | **1,310,746** | **3,427,060** | **1,374,720** |

Prepared on Australian Accounting Standards basis.

1. Resources received free of charge from the sale of spectrum is recognised at the commencement of each licence. The 2021-22 gain is a result of the commencement of 26GHz spectrum licences. The winning bidders pay a premium to the auction price to make five annual cash instalments with the first instalment in June 2021. No estimates are made for the outcome of future spectrum auctions.
2. The 2024-25 gain is a result of the commencement of 850/900MHz spectrum licences. The winning bidders are expected to pay the full amount of the auction price in 2023-24 before the licences commence.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 815 | 815 | 815 | 815 | 815 |
| Taxation receivables | 750,630 | 797,154 | 826,700 | 856,812 | 895,277 |
| Trade and other receivables (a) | 586,555 | 499,429 | 368,223 | 236,821 | 105,220 |
| Other financial assets | 18 | 18 | 18 | 18 | 18 |
| ***Total financial assets*** | ***1,338,018*** | ***1,297,416*** | ***1,195,756*** | ***1,094,466*** | ***1,001,330*** |
| **Total assets administered on behalf of Government** | **1,338,018** | **1,297,416** | **1,195,756** | **1,094,466** | **1,001,330** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Grants | 158 | 158 | 158 | 158 | 158 |
| Unearned revenue (b) | - | - | 2,091,618 | - | - |
| Other payables | 124,835 | 124,835 | 124,835 | 124,835 | 124,835 |
| ***Total payables*** | ***124,993*** | ***124,993*** | ***2,216,611*** | ***124,993*** | ***124,993*** |
| **Total liabilities administered on behalf of Government** | **124,993** | **124,993** | **2,216,611** | **124,993** | **124,993** |
| **Net assets/(liabilities)** | **1,213,025** | **1,172,423** | **(1,020,855)** | **969,473** | **876,337** |

Prepared on Australian Accounting Standards basis.

1. The sale of the 26 GHz spectrum results in the recognition of a finance lease receivable in 2021-22, which is reduced through the expected instalment payments made by the winning auction bidders.
2. The unearned revenue in 2023-24 relates to the cash expected to be received ahead of the commencement of the 850/900MHz licences sold in at auction held in December 2021.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Sales of goods and rendering of services | 38,962 | 41,898 | 41,652 | 41,563 | 41,563 |
| Rental Income (a) (b) | - | 131,008 | 2,222,824 | 131,402 | 131,601 |
| Interest (a) | 790 | 593 | 395 | 199 | - |
| Taxes | 532,249 | 489,369 | 519,377 | 510,434 | 511,172 |
| Other | 5,324 | 13,742 | 12,746 | 12,811 | 12,812 |
| ***Total cash received*** | ***577,325*** | ***676,610*** | ***2,796,994*** | ***696,409*** | ***697,148*** |
| **Cash used** |  |  |  |  |  |
| Grant | 4,623 | 4,250 | 2,000 | 2,000 | 2,000 |
| Suppliers | 5,099 | 4,432 | 4,320 | 573 | 300 |
| Other | 50 | 50 | 50 | 50 | 50 |
| ***Total cash used*** | ***9,772*** | ***8,732*** | ***6,370*** | ***2,623*** | ***2,350*** |
| **Net cash from/(used by) operating activities** | **567,553** | **667,878** | **2,790,624** | **693,786** | **694,798** |
| ***Net increase/(decrease) in cash held*** | ***567,553*** | ***667,878*** | ***2,790,624*** | ***693,786*** | ***694,798*** |
| Cash and cash equivalents at beginning of reporting period | 815 | 815 | 815 | 815 | 815 |
| Cash from Official Public Account for: |  |  |  |  |  |
| - Appropriations | 9,244 | 8,564 | 6,370 | 2,300 | 2,300 |
| - Special accounts | 50 | 50 | 50 | 50 | 50 |
| *Total cash from Official Public Account* | *9,294* | *8,614* | *6,420* | *2,350* | *2,350* |
| Cash to Official Public Account for: |  |  |  |  |  |
| - Appropriations | (576,797) | (676,442) | (2,796,994) | (696,086) | (697,098) |
| - Special accounts | (50) | (50) | (50) | (50) | (50) |
| *Total cash to Official Public Account* | *(576,847)* | *(676,492)* | *(2,797,044)* | *(696,136)* | *(697,148)* |
| **Cash and cash equivalents at end of reporting period** | **815** | **815** | **815** | **815** | **815** |

Prepared on Australian Accounting Standards basis.

1. Approximately $130m per annum relates to sale of the 26GHz spectrum, reflecting the accounting treatment under AASB 16 Leases. The winning bidders pay a premium to the auction price to make five annual cash instalments. The first instalment was paid in June 2021, the second instalment is expected to be made by 1 August 2022 and the remaining three instalments are expected annually by 1 August in each relevant year.
2. The significant increase in 2023-24 relates to the sale of the 850/900MHz spectrum licences at auction in December 2021. The winning bidders are expected to make a full payment of the auction price ahead of the commencement of the licences on 1 July 2024.