

HIGH COURT OF AUSTRALIA

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The High Court of Australia is the highest court in the Australian judicial system. It was established in 1901 by section 71 of the Constitution.

The Constitution confers both an appellate and an original jurisdiction upon the High Court. Appeals from the supreme courts of the states and territories, from the Federal Court of Australia and from the Family Court of Australia are heard pursuant to special leave granted. The High Court is also the final arbiter upon constitutional questions. These may come on appeal from a lower court or be initiated by an application to the High Court itself.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the High Court for its operations.

Table 1.1 is prepared on a resourcing (that is, appropriations and cash available) basis, while the outcome expenses table in section 2 and the financial statements in section 3 are prepared on an accrual basis.

Table 1.1: Entity resource statement—Budget estimates for 2017–18 as at Budget May 2017

	2016–17 Estimated actual \$'000	2017–18 Estimate \$'000
Opening balance and cash reserves at 1 July	11,923	8,011
FUNDS FROM GOVERNMENT		
Annual appropriations—ordinary annual services(a)		
Departmental appropriation	13,372	13,859
Departmental capital budget(b)	2,522	2,621
Annual appropriations—other services(c)		
Equity injection	1,450	1,450
Total funds from government	17,344	17,930
FUNDS FROM OTHER SOURCES		
Interest	280	260
Sale of goods and services	270	270
Other	100	100
Total funds from other sources	650	630
Total net resourcing for entity	29,917	26,571
	2016–17	2017–18
Average staffing level (number)	73	73

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

Note: All figures are GST exclusive and may not match figures in the cash flow statement.

The High Court is not a prescribed entity under the *Public Governance, Performance and Accountability Act 2013*. Consequently, tables for the High Court may differ from the standard tables for entities.

(a) Appropriation Bill (No. 1) 2017–18.

(b) Departmental capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. See Table 3.5 for further details. For accounting purposes, this amount is designated as 'contributions by owners'.

(c) Appropriation Bill (No. 2) 2017–18.

1.3 BUDGET MEASURES

The High Court has no new budget measures.

Section 2: Objectives and outcomes

The High Court is not subject to the *Public Governance, Performance and Accountability Act 2013* and is therefore not subject to the requirements under the Commonwealth performance framework.

The functions of the High Court are to:

- interpret and apply the law of Australia
- decide cases of special federal significance, including challenges to the constitutional validity of laws
- hear appeals, by special leave, from federal, state and territory courts.

The High Court's outcome is described below.

2.1 BUDGETED EXPENSES FOR OUTCOME 1

Outcome 1: To interpret and uphold the Australian Constitution and perform the functions of the ultimate appellate Court in Australia

Budgeted expenses for Outcome 1

Table 2.1 shows how much the High Court intends to spend (on an accrual basis) on achieving Outcome 1. The budgeted expenditure for Outcome 1 does not include judicial salaries and allowances. The salaries and allowances paid to the Chief Justice and other Justices of the High Court are paid by the Attorney-General's Department from a special appropriation held by the Australian Public Service Commission.

Table 2.1: Budgeted expenses for Outcome 1

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
Program 1.1: High Court Business					
Revenue from government					
Ordinary annual services (Appropriation Bill No. 1)	13,372	13,859	13,942	14,039	14,153
Revenue from other independent sources	650	630	610	610	590
Expenses not requiring appropriation in the budget year(a)	8,298	8,105	8,220	8,280	8,340
Total expenses for Outcome 1	22,320	22,594	22,772	22,929	23,083

	2016–17	2017–18
Average staffing level (number)	73	73

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

(a) Expenses not requiring appropriation in the budget year are made up of depreciation and amortisation expenses and services received free of charge (these services include auditing and accommodation).

Section 3: Budgeted financial statements

This section presents budgeted financial statements that provide a comprehensive snapshot of entity finances for the 2017–18 Budget year, including the impact of budget measures and resourcing.

3.1 DIFFERENCES BETWEEN ENTITY RESOURCING AND FINANCIAL STATEMENTS

There is no material difference between the entity resourcing and financial statements.

3.2 ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

Comprehensive income statement

After adjusting for unfunded depreciation and amortisation expenses, the High Court is budgeting for a break-even operating result in 2017–18. Revenue from government is budgeted to increase by \$0.487m and reflects efficiency dividend and parameter adjustments.

Compared to 2016–17, total own-source revenue will decline over the budget year and forward estimates period due to a reduction in expected interest revenue as a consequence of using cash reserves to fund capital works, including the refurbishment of the High Court building's heating, ventilation and air conditioning.

Total budgeted operating expenditure for 2017–18 is estimated at \$22.594m, an increase of \$0.274m from 2016–17.

Budgeted departmental balance sheet

The value of the High Court's total assets is estimated to be \$218.904m at 30 June 2018. The estimated decrease of \$1.829m in total assets compared to 30 June 2017 reflects the \$4.071m in capital appropriations received, offset by depreciation expenses of \$5.900m.

3.3 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
EXPENSES					
Employee benefits	8,543	8,792	8,872	9,034	9,147
Suppliers	7,877	7,902	7,900	7,845	7,836
Depreciation and amortisation	5,900	5,900	6,000	6,050	6,100
Total expenses	22,320	22,594	22,772	22,929	23,083
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	270	270	270	270	270
Interest	280	260	240	240	220
Other	100	100	100	100	100
Total own-source revenue	650	630	610	610	590
Gains					
Resource received free of charge	2,198	2,205	2,220	2,230	2,240
Other	1,360	–	–	–	–
Total gains	3,558	2,205	2,220	2,230	2,240
Total own-source income	4,208	2,835	2,830	2,840	2,830
Net (cost of)/contribution by services	(18,112)	(19,759)	(19,942)	(20,089)	(20,253)
Revenue from government	13,372	13,859	13,942	14,039	14,153
Surplus/(deficit) attributable to the Australian Government	(4,740)	(5,900)	(6,000)	(6,050)	(6,100)
Total comprehensive income/(loss) attributable to the Australian Government	(4,740)	(5,900)	(6,000)	(6,050)	(6,100)

Note: Impact of net cash appropriation arrangements

	2016–17 \$'000	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	1,160	–	–	–	–
Less depreciation/amortisation expenses previously funded through revenue appropriations	5,900	5,900	6,000	6,050	6,100
Total comprehensive income/(loss) as per the statement of comprehensive income	(4,740)	(5,900)	(6,000)	(6,050)	(6,100)

Prepared on Australian Accounting Standards basis.

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

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,511	1,011	618	618	618
Trade and other receivables	222	222	222	222	222
Other investments	6,500	4,035	4,620	6,072	7,322
Total financial assets	8,233	5,268	5,460	6,912	8,162
Non-financial assets					
Land and buildings	189,939	190,585	188,004	184,437	180,995
Property, plant and equipment	17,824	18,159	18,614	18,814	19,014
Intangibles	203	358	389	384	429
Heritage and cultural assets	4,424	4,424	4,424	4,424	4,424
Other non-financial assets	110	110	110	110	110
Total non-financial assets	212,500	213,636	211,541	208,169	204,972
Total assets	220,733	218,904	217,001	215,081	213,134
LIABILITIES					
Payables					
Suppliers	224	224	224	224	224
Other payables	156	156	156	156	156
Total payables	380	380	380	380	380
Provisions					
Employee provisions	2,629	2,629	2,629	2,629	2,629
Total provisions	2,629	2,629	2,629	2,629	2,629
Total liabilities	3,009	3,009	3,009	3,009	3,009
Net assets	217,724	215,895	213,992	212,072	210,125
EQUITY					
Parent entity interest					
Contributed equity	91,503	95,574	99,671	103,801	107,954
Reserves	169,217	169,217	169,217	169,217	169,217
Retained surplus/(accumulated deficit)	(42,996)	(48,896)	(54,896)	(60,946)	(67,046)
Total parent entity interest	217,724	215,895	213,992	212,072	210,125
Total equity	217,724	215,895	213,992	212,072	210,125

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity—summary of movement (budget year 2017–18)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2017				
Balance carried forward from previous period	(42,996)	169,217	91,503	217,724
Adjustment for changes in accounting policies	–	–	–	–
Adjusted opening balance	(42,996)	169,217	91,503	217,724
Comprehensive income				
Surplus/(deficit) for the period	(5,900)	–	–	(5,900)
Total comprehensive income	(5,900)	–	–	(5,900)
Of which:				
Attributable to the Australian Government	5,900	–	–	5,900
Transactions with owners				
Contributions by owners				
Equity injection	–	–	1,450	1,450
Departmental capital budget	–	–	2,621	2,621
Sub-total transactions with owners	–	–	4,071	4,071
Estimated closing balance as at 30 June 2018	(48,896)	169,217	95,574	215,895
Closing balance attributable to the Australian Government	(48,896)	169,217	95,574	215,895

Prepared on Australian Accounting Standards basis.

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

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	13,372	13,859	13,942	14,039	14,153
Sale of goods and rendering of services	270	270	270	270	270
Interest	280	260	240	240	220
Net GST received	800	800	800	800	800
Other	100	100	100	100	100
Total cash received	14,822	15,289	15,352	15,449	15,543
Cash used					
Employees	8,543	8,792	8,872	9,034	9,147
Suppliers	6,479	6,497	6,480	6,415	6,396
Total cash used	15,022	15,289	15,352	15,449	15,543
Net cash from/(used by) operating activities	(200)	–	–	–	–
INVESTING ACTIVITIES					
Cash received					
Investments	3,000	2,465	–	–	–
Total cash received	3,000	2,465	–	–	–
Cash used					
Purchase of property, plant and equipment and intangibles	7,684	7,036	3,905	2,678	2,903
Investments	–	–	585	1,452	1,250
Total cash used	7,684	7,036	4,490	4,130	4,153
Net cash from/(used by) investing activities	(4,684)	(4,571)	(4,490)	(4,130)	(4,153)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	3,972	4,071	4,097	4,130	4,153
Total cash received	3,972	4,071	4,097	4,130	4,153
Net cash from/(used by) financing activities	3,972	4,071	4,097	4,130	4,153
Net increase/(decrease) in cash held	(912)	(500)	(393)	–	–
Cash and cash equivalents at the beginning of the reporting period	2,423	1,511	1,011	618	618
Cash and cash equivalents at the end of the reporting period	1,511	1,011	618	618	618

Prepared on Australian Accounting Standards basis.

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

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget—Bill 1 (DCB)	2,522	2,621	2,647	2,680	2,703
Equity injections—Bill 2	1,450	1,450	1,450	1,450	1,450
Total new capital appropriations	3,972	4,071	4,097	4,130	4,153
Provided for:					
Purchase of non-financial assets	3,972	4,071	4,097	4,130	4,153
Total items	3,972	4,071	4,097	4,130	4,153
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations(a)	918	900	900	900	900
Funded by capital appropriation—DCB(b)	6,766	4,636	2,505	1,778	2,003
Funded internally from departmental resources(c)	1,360	1,500	500	–	–
Total purchases of non-financial assets	9,044	7,036	3,905	2,678	2,903
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	9,044	7,036	3,905	2,678	2,903
Less gifted assets	(1,360)	–	–	–	–
Total cash used to acquire assets	7,684	7,036	3,905	2,678	2,903

Prepared on Australian Accounting Standards basis.

DCB = departmental capital budget.

(a) Includes both current Bill 2 and prior year Act 2, 4 and 6 appropriations.

(b) Includes purchases from current and previous years' DCBs.

(c) Includes gifts, revenue receipts, and proceeds from the sale of assets.

Table 3.6: Statement of asset movements (budget year 2017–18)

	Land \$'000	Buildings \$'000	Other property, plant & equipment \$'000	Heritage & cultural \$'000	Computer software & intangibles \$'000	Total \$'000
As at 1 July 2017						
Gross book value	8,500	186,370	19,386	4,424	1,107	219,787
Accumulated depreciation/ amortisation and impairment	–	(4,931)	(1,562)	–	(904)	(7,397)
Opening net book balance	8,500	181,439	17,824	4,424	203	212,390
CAPITAL ASSET ADDITIONS						
Estimated expenditure on new or replacement assets						
By purchase—appropriation equity(a)	–	–	900	–	–	900
By purchase—appropriation ordinary annual services(b)	–	4,081	335	–	220	4,636
By purchase—departmental resources	–	1,500	–	–	–	1,500
Total additions	–	5,581	1,235	–	220	7,036
Other movements						
Depreciation/amortisation expense	–	(4,935)	(900)	–	(65)	(5,900)
Total other movements	–	(4,935)	(900)	–	(65)	(5,900)
As at 30 June 2018						
Gross book value	8,500	191,951	20,621	4,424	1,327	226,823
Accumulated depreciation/ amortisation and impairment	–	(9,866)	(2,462)	–	(969)	(13,297)
Closing net book balance	8,500	182,085	18,159	4,424	358	213,526

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injection appropriations provided through Appropriation Bill (No. 2) 2017–18.

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2017–18 for depreciation and amortisation expenses, departmental capital budgets or other operational expenses.

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

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
EXPENSES					
Total expenses administered on behalf of government	–	–	–	–	–
LESS:					
OWN-SOURCE INCOME					
Non-taxation revenue					
Sale of goods and rendering of services	1,840	1,854	1,869	1,878	1,856
Total non-taxation revenue	1,840	1,854	1,869	1,878	1,856
Total own-source income administered on behalf of government	1,840	1,854	1,869	1,878	1,856
Net (cost of)/contribution by services	1,840	1,854	1,869	1,878	1,856
Surplus/(deficit)	1,840	1,854	1,869	1,878	1,856
Total comprehensive income/(loss)	1,840	1,854	1,869	1,878	1,856

Prepared on Australian Accounting Standards basis.

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

The High Court has no assets or liabilities administered on behalf of government.

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

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sale of goods and rendering of services	1,840	1,854	1,869	1,878	1,856
Total cash received	1,840	1,854	1,869	1,878	1,856
Net cash from/(used by) operating activities	1,840	1,854	1,869	1,878	1,856
Net increase/(decrease) in cash held	1,840	1,854	1,869	1,878	1,856
Cash and cash equivalents at the beginning of the reporting period	40	–	–	–	–
Cash to Official Public Account for:					
Other	(1,880)	(1,854)	(1,869)	(1,878)	(1,856)
Cash and cash equivalents at the end of the reporting period	–	–	–	–	–

Prepared on Australian Accounting Standards basis.