

# PART 5

## FINANCIAL STATEMENTS



## FINANCIAL STATEMENTS

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*Part 5: Financial statements*

## **Audit Report**

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Audit Report to be inserted

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## Department of the Treasury statement by the Departmental Secretary

### Certification of financial statements

In my opinion, the attached financial statements give a true and fair view of the matters required by Schedule 1 to the Financial Management and Accountability (Financial Statements 2000-2001) Orders made under section 63 of the *Financial Management and Accountability Act 1997*.



Ken Henry  
Secretary to the Treasury  
3 September 2001

## Department of the Treasury statement of financial performance for the period ended 30 June 2001

|   | Notes | 2000-01<br>\$'000 | 1999-00<br>\$'000 |
|---|-------|-------------------|-------------------|
| <b>REVENUES FROM ORDINARY ACTIVITIES</b>  |       |                   |                   |
| Revenues from Government  | 3A    | 74,435            | 65,733            |
| Sales of goods and services   | 3B    | 51,632            | 50,545            |
| Proceeds from disposals of assets   | 3C    | 13                | 17                |
| Other revenues  | 3D    | 1,072             | 7,059             |
| <b>Total revenues from ordinary activities</b>  |       | <b>127,152</b>    | <b>123,354</b>    |
| <b>EXPENSES FROM ORDINARY ACTIVITIES</b>  |       |                   |                   |
| Employees   | 4A    | 47,111            | 46,687            |
| Suppliers   | 4B    | 65,587            | 61,261            |
| Disposals of assets   | 3C    | 313               | 78                |
| Write-down of assets  | 4D    | -                 | 3,145             |
| Depreciation and amortisation   | 4C    | 4,196             | 4,063             |
| Other operating expenses  | 4E    | 3,211             | 1,626             |
| <b>Total expenses from ordinary activities</b>  |       | <b>120,418</b>    | <b>116,860</b>    |
| Borrowing costs expense   | 5     | 1,097             | 90                |
| <b>Net operating surplus (deficit) from ordinary activities</b>                                   |       | <b>5,637</b>      | <b>6,404</b>      |
| Company tax expense equivalent  | 8H    | (79)              | (2,033)           |
| <b>Net surplus (deficit) attributable to the Commonwealth</b>                                     |       | <b>5,558</b>      | <b>4,371</b>      |
| <b>EQUITY INTERESTS</b>   |       |                   |                   |
| <b>Net surplus (deficit) attributable to the Commonwealth</b>                                     |       | <b>5,558</b>      | <b>4,371</b>      |
| Capitalisation of assets  | 8G    | -                 | 286               |
| Net credit (debit) to asset revaluation reserve   |       | (1,501)           | (458)             |
| <b>Total revenues, expenses and valuation adjustments recognised directly in equity</b>           |       | <b>(1,501)</b>    | <b>(172)</b>      |
| <b>Total changes in equity other than those resulting from transactions with owners as owners</b> |       | <b>4,057</b>      | <b>4,199</b>      |

The above statement should be read in conjunction with the accompanying notes.

Department of the Treasury statement of financial position  
as at 30 June 2001

|   | Notes  | 2000-01<br>\$'000 | 1999-00<br>\$'000 |
|---|--------|-------------------|-------------------|
| <b>ASSETS</b>                             |        |                   |                   |
| <b>Financial assets</b>                   |        |                   |                   |
| Cash                                      | 7A     | 4,823             | 2,642             |
| Investments                               | 7B     | 13,675            | 15,494            |
| Receivables                               | 7C     | 6,027             | 4,631             |
| <b>Total financial assets</b>             |        | <b>24,525</b>     | <b>22,767</b>     |
| <b>Non-financial assets</b>               |        |                   |                   |
| Infrastructure, plant and equipment       | 8A,B,D | 17,333            | 9,371             |
| Inventories                               | 8E     | 14,016            | 11,979            |
| Intangibles                               | 8C     | 2,665             | 3,622             |
| Other                                     | 8F     | 6,554             | 5,695             |
| <b>Total non-financial assets</b>         |        | <b>40,568</b>     | <b>30,667</b>     |
| <b>Total assets</b>                       |        | <b>65,093</b>     | <b>53,434</b>     |
| <b>LIABILITIES</b>                        |        |                   |                   |
| <b>Interest bearing liabilities</b>       |        |                   |                   |
| Loans                                     | 9A     | 9,101             | 758               |
| Leases                                    | 9B     | 869               | 1,379             |
| <b>Total interest bearing liabilities</b> |        | <b>9,970</b>      | <b>2,137</b>      |
| <b>Provisions</b>                         |        |                   |                   |
| Employees                                 | 10A    | 15,536            | 14,728            |
| Other                                     |        | 452               | -                 |
| <b>Total provisions</b>                   |        | <b>15,988</b>     | <b>14,728</b>     |
| <b>Payables</b>                           |        |                   |                   |
| Suppliers                                 | 11A    | 10,552            | 2,947             |
| Other                                     | 11B    | 2,454             | 8,447             |
| <b>Total payables</b>                     |        | <b>13,006</b>     | <b>11,394</b>     |
| <b>Total liabilities</b>                  |        | <b>38,964</b>     | <b>28,259</b>     |
| <b>EQUITY</b>                             |        |                   |                   |
| <b>Parent entity interest</b>             |        |                   |                   |
| Reserves                                  |        | 3,714             | 5,214             |
| Capital                                   |        | 3,763             | 3,763             |
| Accumulated surpluses (deficits)          |        | 18,652            | 16,198            |
| <b>Total parent entity interest</b>       | 12     | <b>26,129</b>     | <b>25,175</b>     |
| <b>Total equity</b>                       |        | <b>26,129</b>     | <b>25,175</b>     |
| <b>Current liabilities</b>                |        | <b>20,722</b>     | <b>19,949</b>     |
| <b>Non-current liabilities</b>            |        | <b>18,242</b>     | <b>8,310</b>      |
| <b>Current assets</b>                     |        | <b>41,435</b>     | <b>36,781</b>     |
| <b>Non-current assets</b>                 |        | <b>23,658</b>     | <b>16,653</b>     |

The above statement should be read in conjunction with the accompanying notes.



## Department of the Treasury statement of cash flows for the period ended 30 June 2001

|   | Notes | 2000-01<br>\$'000 | 1999-00<br>\$'000 |
|---|-------|-------------------|-------------------|
| <b>OPERATING ACTIVITIES</b>                             |       |                   |                   |
| <b>Cash received</b>                                    |       |                   |                   |
| Appropriations for outputs                              |       | 74,180            | 69,346            |
| Sale of goods and services                              |       | 52,123            | 53,662            |
| GST refunds   |       | 2,138             | -                 |
| Interest received                                       |       | 1,121             | 432               |
| <b>Total cash received</b>                              |       | <b>129,562</b>    | <b>123,440</b>    |
| <b>Cash used</b>  |       |                   |                   |
| Employees   |       | 46,695            | 45,090            |
| Suppliers   |       | 63,677            | 63,231            |
| <b>Total cash used</b>                                  |       | <b>110,372</b>    | <b>108,321</b>    |
| <b>Net cash from operating activities</b>               | 13    | <b>19,190</b>     | <b>15,119</b>     |
| <b>INVESTING ACTIVITIES</b>                             |       |                   |                   |
| <b>Cash received</b>                                    |       |                   |                   |
| Proceeds from sales of property, plant<br>and equipment |       | 13                | 17                |
| <b>Total cash received</b>                              |       | <b>13</b>         | <b>17</b>         |
| <b>Cash used</b>  |       |                   |                   |
| Purchase of property, plant and equipment               |       | 1,383             | 1,489             |
| Purchase of investments                                 |       | 3,500             | 9,500             |
| <b>Total cash used</b>                                  |       | <b>4,883</b>      | <b>10,989</b>     |
| <b>Net cash used by investing activities</b>            |       | <b>(4,870)</b>    | <b>(10,972)</b>   |
| <b>FINANCING ACTIVITIES</b>                             |       |                   |                   |
| <b>Cash received</b>                                    |       |                   |                   |
| Transfer from trust fund                                |       | -                 | 144               |
| Other   |       | -                 | 775               |
| <b>Total cash received</b>                              |       | <b>-</b>          | <b>919</b>        |
| <b>Cash used</b>  |       |                   |                   |
| Repayment of leases                                     |       | 430               | 992               |
| Repayment of debt                                       |       | 2,963             | 440               |
| Borrowing costs   |       | 1,097             | -                 |
| Capital use paid  |       | 3,369             | 1,539             |
| Transfer fund surplus (withheld) transferred            |       | 4,280             | -                 |
| <b>Total cash used</b>                                  |       | <b>12,139</b>     | <b>2,971</b>      |
| <b>Net cash from (used by) financing activities</b>     |       | <b>(12,139)</b>   | <b>(2,052)</b>    |
| <b>Net increase in cash held</b>                        |       | <b>2,181</b>      | <b>2,095</b>      |
| Cash at the beginning of the reporting period           |       | 2,642             | 547               |
| <b>Cash at the end of the reporting period</b>          |       | <b>4,823</b>      | <b>2,642</b>      |

The above statement should be read in conjunction with the accompanying notes.

## Schedule of commitments as at 30 June 2001

|  | 2000-01<br>\$'000 | 1999-00<br>\$'000 |
|--|-------------------|-------------------|
| <b>BY TYPE</b>                         |                   |                   |
| <b>CAPITAL COMMITMENTS</b>             |                   |                   |
| Infrastructure, plant and equipment(a) | 16,878            | 20,066            |
| <b>Total capital commitments</b>       | <b>16,878</b>     | <b>20,066</b>     |
| <b>OTHER COMMITMENTS</b>               |                   |                   |
| Operating leases(b)                    | 105,402           | 37,732            |
| Other commitments                      | 1,606             | -                 |
| <b>Total other commitments</b>         | <b>107,008</b>    | <b>37,732</b>     |
| <b>COMMITMENTS RECEIVABLE</b>          |                   |                   |
| GST receivable                         | (9,022)           | -                 |
| <b>Net commitments</b>                 | <b>114,864</b>    | <b>57,798</b>     |
| <b>BY MATURITY</b>                     |                   |                   |
| <b>All net commitments</b>             |                   |                   |
| One year or less                       | 9,978             | 8,461             |
| From one to five years                 | 35,677            | 42,582            |
| Over five years                        | 69,209            | 6,755             |
| <b>Net commitments</b>                 | <b>114,864</b>    | <b>57,798</b>     |
| <b>Operating lease commitments</b>     |                   |                   |
| One year or less                       | 8,030             | 5,273             |
| From one to five years                 | 27,461            | 32,459            |
| Over five years                        | 69,911            | -                 |
| <b>Net commitments</b>                 | <b>105,402</b>    | <b>37,732</b>     |

(a) Plant and equipment commitments are primarily for purchases of furniture and fittings for building refurbishment.

(b) Operating leases included are effectively non-cancellable and comprise the following:

| Nature of lease  | General description of leasing arrangement   |
|--|--|
| 1. Leases for office accommodation   | <ul style="list-style-type: none"> <li>lease payments are subject to annual changes and are reviewed biennially to market movements;</li> <li>the initial periods of office accommodation leases are still current and each may be renewed with options for a further 3 or 5 years.</li> </ul> |
| 2. Agreements for the provision of motor vehicles to Senior Executive Officers | <ul style="list-style-type: none"> <li>no contingent rentals exist;</li> <li>there are no renewal or purchase options available to the department.</li> </ul>  |
| 3. Leases for computer equipment   | <ul style="list-style-type: none"> <li>the lessor provides all computer equipment and software designated as necessary in the supply contract for 5 years with an option to extend the term for a fixed period as agreed by both parties.</li> </ul>   |

Note: All 2000-01 commitments are GST inclusive where relevant. The comparatives have not been adjusted to reflect GST.

The above schedules should be read in conjunction with the accompanying notes.

### Schedule of contingencies as at 30 June 2001

|                                | 2000-01<br>\$'000 | 1999-00<br>\$'000 |
|--------------------------------|-------------------|-------------------|
| <b>CONTINGENT LOSSES</b>       |                   |                   |
| Claims for damages/costs(a)    | 400               | 615               |
| <b>Total contingent losses</b> | <b>400</b>        | <b>615</b>        |
| <b>CONTINGENT GAINS</b>        |                   |                   |
| Claims for damages             | -                 | 10                |
| <b>Total contingent gains</b>  | <b>-</b>          | <b>10</b>         |
| <b>Net contingencies</b>       | <b>400</b>        | <b>605</b>        |

(a) The amount represents an estimate of the department's liability based on precedent cases. The department is defending the claims.

### Schedule of unquantifiable contingencies

As at 30 June 2001, the department had a number of legal claims outstanding. It is not possible to estimate the amounts of any eventual payments which may be required in relation to these claims.

### Schedule of remote contingencies

As at 30 June 2001, the department had a possible legal claim against it in relation to a contract that was entered into with the Tourism Council of Australia to perform work. This claim is to be offset against the amount owing by the Tourism Council of Australia to the department. The estimate of the amount of the remote liability in relation to these claims is \$90,000.

The above schedules should be read in conjunction with the accompanying notes.

**Schedule of administered revenues and expenses  
for the period ended 30 June 2001**

|   | Notes | 2000-01<br>\$'000 | 1999-00<br>\$'000 |
|---|-------|-------------------|-------------------|
| <b>REVENUES FROM ORDINARY ACTIVITIES</b>                  |       |                   |                   |
| <b>Non-taxation</b>                                       |       |                   |                   |
| Revenues from government                                  | 21A   | 28,582,555        | 18,685,892        |
| Interest  | 21B   | 10,993            | 129               |
| Dividends   | 21C   | 803,084           | 3,676,000         |
| Net foreign exchange gains                                | 21D   | 38,302            | 173,702           |
| Other sources of non-taxation revenue                     | 21E   | 805,308           | 356,518           |
| <b>Total revenues from ordinary activities</b>            |       | <b>30,240,242</b> | <b>22,892,241</b> |
| <b>EXPENSES FROM ORDINARY ACTIVITIES</b>                  |       |                   |                   |
| Grants  | 22B   | 27,804,224        | 18,018,994        |
| Subsidies   | 22A   | 6,043             | 298,879           |
| Other   | 22C   | 706,927           | 74,711            |
| <b>Total expenses from ordinary activities</b>            |       | <b>28,517,194</b> | <b>18,392,584</b> |
| Cash transferred to Official Public Account               |       | 2,650,998         | (3,463,974)       |
| <b>Net increase (decrease) in administered net assets</b> |       | <b>(927,950)</b>  | <b>1,035,683</b>  |

The above schedule should be read in conjunction with the accompanying notes.

Schedule of administered assets and liabilities  
as at 30 June 2001

|   | Notes | 2000-01<br>\$'000 | 1999-00<br>\$'000 |
|---|-------|-------------------|-------------------|
| <b>ASSETS</b>                               |       |                   |                   |
| <b>Financial assets</b>                     |       |                   |                   |
| Cash  |       | 2,599             | 263,694           |
| Receivables                                 | 23A   | 669,789           | 84,555            |
| Investments                                 | 23C   | 16,693,547        | 15,935,130        |
| Loans and advances                          | 23B   | 192,152           | 133,245           |
| Dividend receivable                         |       | -                 | 676,000           |
| Other                                       | 23D   | 1,300             | 1,200             |
| <b>Total financial assets</b>               |       | <b>17,559,387</b> | <b>17,093,824</b> |
| <b>Non-financial assets</b>                 |       |                   |                   |
| Deferred acquisition costs                  |       | 2,845             | 6,168             |
| Other                                       | 23E   | 1,153             | -                 |
| <b>Total non-financial assets</b>           |       | <b>3,998</b>      | <b>6,168</b>      |
| <b>Total assets</b>                         |       | <b>17,563,385</b> | <b>17,099,992</b> |
| <b>LIABILITIES</b>                          |       |                   |                   |
| <b>Non-Interest bearing liability</b>       |       |                   |                   |
| Loans                                       | 24A   | 5,290,225         | 4,718,483         |
| <b>Total non-interest bearing liability</b> |       | <b>5,290,225</b>  | <b>4,718,483</b>  |
| <b>Provisions</b>                           |       |                   |                   |
| Other                                       | 24F   | 680,821           | 118,631           |
| <b>Total provisions</b>                     |       | <b>680,821</b>    | <b>118,631</b>    |
| <b>Payables</b>                             |       |                   |                   |
| Grants                                      | 24B   | 20,000            | 22,500            |
| Suppliers                                   | 24D   | 168               | 210               |
| Subsidies                                   | 24C   | 309               | 260,297           |
| Other                                       | 24E   | 1,183,231         | 1,058,472         |
| <b>Total payables</b>                       |       | <b>1,203,708</b>  | <b>1,341,479</b>  |
| <b>Total liabilities</b>                    |       | <b>7,174,754</b>  | <b>6,178,593</b>  |
| <b>EQUITY</b>                               |       |                   |                   |
| Accumulated results                         |       | 2,315,992         | 2,866,544         |
| Capital                                     |       | 32,999            | 15,215            |
| Reserves                                    |       | 8,039,640         | 8,039,640         |
| <b>Total equity</b>                         | 25    | <b>10,388,631</b> | <b>10,921,399</b> |
| <b>Current liabilities</b>                  |       | <b>24,330</b>     | <b>284,671</b>    |
| <b>Non-current liabilities</b>              |       | <b>7,150,424</b>  | <b>5,893,922</b>  |
| <b>Current assets</b>                       |       | <b>237,686</b>    | <b>1,028,772</b>  |
| <b>Non-current assets</b>                   |       | <b>17,325,699</b> | <b>16,071,220</b> |

The above schedule should be read in conjunction with the accompanying notes

## Administered cash flows for the period ended 30 June 2001

|  | Notes | 2000-01<br>\$'000 | 1999-00<br>\$'000 |
|--|-------|-------------------|-------------------|
| <b>OPERATING ACTIVITIES</b>                            |       |                   |                   |
| <b>Cash received</b>                                   |       |                   |                   |
| GST administration fees                                |       | 993,468           | -                 |
| IMF remuneration                                       |       | 84,041            | 76,681            |
| Dividends  |       | 1,479,084         | 3,000,000         |
| Appropriations   |       | 27,943,365        | 18,676,471        |
| Goods and Services Tax refunds received                |       | 3,907             | -                 |
| Other  |       | 100,363           | 241,308           |
| <b>Total cash received</b>                             |       | <b>30,604,228</b> | <b>21,994,460</b> |
| <b>Cash used</b>                                       |       |                   |                   |
| Borrowing costs  |       | 50,585            | 37,889            |
| Grants   |       | 27,678,948        | 18,018,939        |
| Subsidies  |       | 266,533           | 38,582            |
| Cash to Official Public Account                        |       | 2,650,998         | 3,463,974         |
| Other  |       | 151,851           | 36,693            |
| <b>Total cash used</b>                                 |       | <b>30,798,915</b> | <b>21,596,077</b> |
| <b>Net cash (used by) from operating activities</b>    | 26    | <b>(194,687)</b>  | <b>398,383</b>    |
| <b>INVESTING ACTIVITIES</b>                            |       |                   |                   |
| <b>Cash received</b>                                   |       |                   |                   |
| Cash from Official Public Account                      |       | 17,784            | 15,215            |
| Other cash received                                    |       | -                 | 145,869           |
| <b>Total cash received</b>                             |       | <b>17,784</b>     | <b>161,084</b>    |
| <b>Cash used</b>                                       |       |                   |                   |
| Other cash paid  |       | 84,290            | 308,554           |
| <b>Total cash used</b>                                 |       | <b>84,290</b>     | <b>308,554</b>    |
| <b>Net cash from (used by) investing activities</b>    |       | <b>(66,506)</b>   | <b>(147,470)</b>  |
| <b>FINANCING ACTIVITIES</b>                            |       |                   |                   |
| <b>Cash received</b>                                   |       |                   |                   |
| GST appropriations                                     |       | 4,005             | -                 |
| <b>Total cash received</b>                             |       | <b>4,005</b>      | <b>-</b>          |
| <b>Cash used</b>                                       |       |                   |                   |
| Return of GST appropriation to Official Public Account |       | 3,907             | -                 |
| <b>Total cash used</b>                                 |       | <b>3,907</b>      | <b>-</b>          |
| <b>Net cash used by financing activities</b>           |       | <b>98</b>         | <b>-</b>          |
| <b>Net decrease in cash held</b>                       |       | <b>(261,095)</b>  | <b>250,913</b>    |
| Cash at the beginning of the reporting period          |       | 263,694           | 12,781            |
| <b>Cash at the end of the reporting period</b>         |       | <b>2,599</b>      | <b>263,694</b>    |

The above schedule should be read in conjunction with the accompanying notes.

### Schedule of administered commitments as at 30 June 2001

|                                | 2000-01<br>\$'000 | 1999-00<br>\$'000 |
|--------------------------------|-------------------|-------------------|
| <b>BY TYPE</b>                 |                   |                   |
| CAPITAL COMMITMENTS            | -                 | -                 |
| OTHER COMMITMENTS              |                   |                   |
| Other commitments <sup>1</sup> | 2,140             | 39,983            |
| <b>Total other commitments</b> | <b>2,140</b>      | <b>39,983</b>     |
| COMMITMENTS RECEIVABLE         | -                 | -                 |
| <b>Net commitments</b>         | <b>2,140</b>      | <b>39,983</b>     |
| <b>BY MATURITY</b>             |                   |                   |
| <b>All net commitments</b>     |                   |                   |
| One year or less               | 2,140             | 14,619            |
| From one to five years         | -                 | 22,140            |
| Over five years                | -                 | 3,224             |
| <b>Net commitments</b>         | <b>2,140</b>      | <b>39,983</b>     |

Note: All 2000-01 commitments are GST inclusive where relevant. The comparatives have been adjusted to reflect the GST.

- 1 Other commitments relate to :
- (a) additional budget balancing assistance payable to the States and Territories in relation to the first home owners scheme grant;
  - (b) Fees payable for the management of the Housing Loans Insurance Commission.

The above schedule should be read in conjunction with the accompanying notes.

### Schedule of administered contingencies as at 30 June 2001

|                                | 2000-01           | 1999-00          |
|--------------------------------|-------------------|------------------|
|                                | \$'000            | \$'000           |
| <b>CONTINGENT LOSSES</b>       |                   |                  |
| Uncalled shares                | 10,622,039        | 8,876,575        |
| PNG loans                      | -                 | 48,387           |
| Claims for damages/costs       | -                 | 10,759           |
| <b>Total contingent losses</b> | <b>10,622,039</b> | <b>8,935,721</b> |
| <b>CONTINGENT GAINS</b>        | -                 | -                |
| <b>Net contingencies</b>       | <b>10,622,039</b> | <b>8,935,721</b> |

Administered remote contingencies are disclosed in Note 27.

### Schedule of unquantifiable administered contingencies

#### Contingent Gain

As the Beneficiary of the HIH Claims Support Trust, the Commonwealth will be entitled to the residual balance of the Trust, after the collection of recoveries and making payments to claimants. Due to the inherent uncertainty regarding the measurement of the recoveries, it is not possible to quantify these amounts at this time.

The above schedule should be read in conjunction with the accompanying notes.



Notes to and forming part of the financial statements  
for the period ended 30 June 2001

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## Note 1: Summary of significant accounting policies

### 1.1 Objectives of the Department of the Treasury

The **Department of the Treasury** is structured to meet three outcomes:

Outcome 1: Sound macroeconomic environment;

Outcome 2: Effective government spending and taxation arrangements; and

Outcome 3: Well functioning markets.

The objective of the Department of the Treasury is to improve the wellbeing of the Australian community through strong sustainable economic growth. It does so by providing sound and timely advice to the government, based on objective and thorough analysis of options, and by assisting Treasury portfolio ministers in the administration of their responsibilities and in the implementation of government decisions.

The reporting entity comprises the Department of the Treasury, Australian Government Actuary and the Royal Australian Mint (the Mint), hereafter referred to as 'the department'. In these statements, 'the department' does not correspond with the Department of the Treasury.

Department activities contributing toward these outcomes are classified as either departmental or administered. Department activities involve the use of assets, liabilities, revenues and expenses controlled or incurred by the department in its own right. Administered activities involve the management or oversight by the department on behalf of the Government of items controlled or incurred by the Government.

### 1.2 Basis of accounting

The financial statements are required by section 49 of the *Financial Management and Accountability Act 1997* and are a general purpose financial report.

The statements have been prepared in accordance with:

- Schedule 1 of the Financial Management and Accountability (Financial Statements 2000-01) Orders;
- Australian Accounting Standards and Accounting Interpretations issued by the Australian Accounting Standards Boards;
- other authoritative pronouncements of the Boards; and
- the consensus views of the urgent issues group.

The Statements have been prepared having regard to:

## *Part 5: Financial statements*

- Statements of Accounting Concepts; and
- the Explanatory Notes to Schedule 1 and Guidance Notes issued by the Department of Finance and Administration.

The Department's Statements of Financial Performance and Financial Position have been prepared on an accrual basis and in accordance with the historical cost convention except for certain assets which, as noted, are at valuation. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

Assets and liabilities are recognised in the Department's Statement of Financial Position when and only when it is probable that future economic benefits will flow and that amounts of the assets or liabilities can be reliably measured. Assets and liabilities arising under agreements equally proportionately unperformed are however not recognised unless required by an Accounting Standard. Liabilities and assets, which are unrecognised, are reported in the Schedule of Commitments and the Schedule of Contingencies (other than remote contingencies, which are reported in Note 27).

The continued existence of the department in its present form, and with its present programmes, is dependent on government policy and on continuing appropriations by Parliament for the department's administration and programmes.

The Schedules of Administered Revenues and Expenses, Assets and Liabilities, and Cash Flows are prepared on the same basis and using the same policies as the departmental items, except where otherwise stated.

Administered items are distinguished from departmental items in the financial statements by shading.

### **1.3 Changes in accounting policy**

The accounting policies used in the preparation of these financial statements are consistent with those used in 1999-00.

The changes to administered items in 2000-01:

- (a) The department no longer discloses levy receipts and refunds collected by the Australian Prudential Regulation Authority (APRA) in its administered accounts. This information is now disclosed by APRA. An amount of \$7.8 million was written back against current year revenues, being a write off of receivables of \$7.75 million and cash at bank of \$0.05 million. However, the comparative figures still include the levy receipts and refunds; and

- (b) The unclaimed monies function was transferred to the Australian Securities and Investment Commission (ASIC) in March 2001. No revenues were recorded for this year.

#### 1.4 Revenues from government

Revenues described in this note are revenues relating to the core operating activities of the department.

- (a) Revenues from government — departmental appropriations

Appropriations for the department outputs are recognised as revenue to the extent that the Finance Minister is prepared to release appropriations for use (that is, the full amount of the appropriation passed by Parliament less any savings offered up at additional estimates and not subsequently released). Refer to Note 3A.

- (b) Resources received free of charge

Services received free of charge are recognised as revenue when and only when a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised at their fair value when the asset qualifies for recognition, unless received from another government department as a consequence of a restructuring of administrative arrangements.

- (c) Other revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from disposal of non-current assets is recognised when control of the asset is passed to the buyer.

#### 1.5 Transactions by the government as owner

Appropriations designated as 'Capital — equity injections' are recognised directly in equity to the extent drawn down as at the reporting date.

## *Part 5: Financial statements*

Net assets received under a restructuring of administrative arrangements are designated by the Finance Minister as contributions by owners and adjusted directly against equity. Net assets relinquished are designated as distributions to owners. Net assets transferred are initially recognised at the amounts at which they are recognised by the transferring department immediately prior to the transfer.

### **1.6 Employee entitlements**

#### **Leave**

The liability for employee entitlements includes provisions for annual leave and long service leave. No provision is made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the department is estimated to be less than the annual entitlement for sick leave.

The liability for superannuation includes a provision of \$356,833 for super-on-costs. This represents a calculation of the proportion of employer superannuation contributions accrued on leave, that is likely to be settled and is, in accordance with the accounting principles in AAS 30.

The liability for annual leave reflects the value of total annual leave entitlements of all employees at 30 June 2001 and is recognised at the nominal amount.

The non-current portion of the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at 30 June 2001. In determining the present value of the liability, the department has taken into account attrition rates and pay increases through promotion and inflation.

#### **Separation and redundancy**

Provision is also made for separation and redundancy payments in circumstances where the department has formally identified positions as excess to requirements and a reliable estimate of the amount of the payments can be determined.

#### **Superannuation**

Staff of the department contribute to the Commonwealth Superannuation Scheme and the Public Sector Superannuation Scheme. Employer contributions amounting to \$4,528,050 (1999-00 \$4,483,099) has been expensed in these financial statements.

No liability is shown for superannuation in the Department Statement of Financial Position as the employer contributions fully extinguish the accruing liability, which is assumed by the Commonwealth.

In 2000-01 Employer Superannuation Productivity Benefit contributions totalled \$922,343. In 1999-00 contributions totalled \$743,430.

### **1.7 Leases**

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased non-current assets, and operating leases under which the lessor effectively retains substantially all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is capitalised at the present value of minimum lease payments at the inception of the lease and a liability recognised for the same amount. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a basis which is representative of the pattern of benefits derived from the leased assets.

### **1.8 Borrowing costs**

All borrowing costs are expensed as incurred except to the extent that they are directly attributable to qualifying assets, in which case they are capitalised. The amount capitalised in the reporting period does not exceed the amounts of costs incurred in that period.

### **1.9 Cash**

Cash means notes and coins held, deposits held at call with a bank or financial institution and balances of Special Accounts held in the Official Public Account. The majority of the Special Accounts have been recorded using the revenue and expense method in accordance with Finance requirements.

### **1.10 Financial Instruments**

Accounting policies for financial instruments are stated at Notes 18 and 28.

### **1.11 Acquisition of assets**

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken.

## *Part 5: Financial statements*

Assets acquired at no cost or for nominal consideration are initially recognised as assets and revenue at their fair value at the date of acquisition, unless acquired as a consequence of restructuring administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor department's accounts immediately prior to the restructuring.

### **1.12 Infrastructure plant and equipment**

#### **Asset recognition threshold**

Purchases of infrastructure, plant and equipment are recognised initially at cost in the Department's Statement of Financial Position, except for purchases of less than \$2,000 which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

#### **Revaluation**

Buildings, infrastructure, plant and equipment will be revalued progressively in accordance with the 'deprival' method of valuation in successive three-year cycle, so that no asset has a value greater than three years old.

Revaluations of infrastructure, plant and equipment are accounted for by separately restating the gross amount and the related accumulated depreciation of the revalued asset.

The Mint performed a valuation of infrastructure, plant and equipment (except master tooling) on 30 June 2001. The valuation was performed by the Australian Valuation Office and was based on valuing the assets at depreciated replacement cost.

The department is implementing its progressive revaluations as follows:

- leasehold improvements are to be revalued every three years; and
- plant and equipment were revalued over the financial year 1998-99, and will be revalued in successive three-year periods.

Assets in each class acquired after the commencement of the progressive revaluation cycle will be reported on the basis of the value initially recognised on acquisition for the duration of the progressive revaluation then in progress.

The financial effect of the move to progressive revaluation is that the carrying amounts of assets will reflect current values and depreciation charges will reflect the current cost of the service potential consumed in each period.



The department has adopted the revised version of AAS 38 *Revaluation of Non-Current Assets* as at 30 June 2001.

#### Recoverable amount test

Schedule 1 requires the application of the recoverable amount test to departmental non-current assets in accordance with AAS 10 *Recoverable Amount of Non-current Assets*. The carrying amounts of infrastructure, plant and equipment held by the department have been reviewed to determine whether they are in excess of their recoverable amounts. In assessing recoverable amounts the relevant cash flows have been discounted to their present value.

#### Intangible assets

In-house software has been revalued over the financial year 1999-00 and brought to account at valuation. The remaining purchased software has been recorded at the lower of cost or recoverable amount. Software is amortised on a straight line basis over its anticipated useful life to the department.

#### Depreciation and amortisation

Depreciable infrastructure, plant and equipment are written off to their estimated residual values over their estimated useful lives to the department using the straight line method of depreciation. Leasehold improvements are amortised on a straight line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

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Depreciation and amortisation rates applying to each class of depreciable assets are based on the following useful lives:

|                                | <b>2000-01</b>     | 1999-00     |
|--------------------------------|--------------------|-------------|
| Computers, plant and equipment | <b>3-10 years</b>  | 3-20 years  |
| Leasehold improvements         | <b>5-10 years</b>  | 5-10 years  |
| Motor vehicles                 | <b>4 years</b>     | 4 years     |
| Office equipment               | <b>5 years</b>     | 5 years     |
| Capitalised software           | <b>3-5 years</b>   | 3-5 years   |
| Factory machinery              | <b>10-20 years</b> | 10-20 years |

Depreciation and amortisation rates and methods are reviewed at each balance date and necessary adjustments are recognised in the current and future reporting periods as appropriate.

The aggregate amount of depreciation allocated for each class of asset during the reporting period is disclosed in Note 4C.

### **1.13 Inventories**

Inventories are brought to account at the lower of cost and net realisable value. Work in progress and finished goods are brought to account to include direct costs and a proportion of direct labour and overhead. All precious metals are purchased and brought to account at cost and expensed as used. Indirect materials are expensed at the time of purchase.

### **1.14 Taxation**

The Department of the Treasury is exempt from all forms of taxation except for Fringe Benefits Tax and Goods and Services Tax. The Mint is liable for all forms of taxation including Payroll Tax, Company Income Tax, Fringe Benefits Tax and Goods and Services Tax on sales of products. Companies' income tax became applicable for the first time in 1998-99, as a result of the competitive neutrality arrangements.

### **1.15 Capital use charge**

A capital use charge of 12 per cent is imposed by the Government on the net departmental assets. The charge is adjusted to take account of asset gifts and revaluation increments during the financial year.

### **1.16 Foreign currency**

Transactions denominated in foreign currency are converted at the exchange rate at the date of the transaction. Foreign currency receivables and payables are translated at the exchange rates current as at balance date and any differences are brought to account in the Statement of Financial Performance. Where a purchase is specifically hedged, exchange gains or losses on the hedging transaction arising up to the date of purchase or sale and costs, premiums and discounts relative to the hedging transaction are included with the purchase or sale. Exchange gains and losses arising on the hedge transaction after that date are taken to the Statement of Financial Performance.

### **1.17 Insurance**

The department has insured for risks through the Government's insurable risk managed fund, called 'Comcover'. Workers compensation is insured through Comcare Australia.

### **1.18 Comparative figures**

Comparative figures have been adjusted to conform to changes in presentation within these financial statements where required.

### **1.19 Rounding**

Amounts are rounded to the nearest \$1,000 except in relation to the following items:

- act of grace payments and waivers;
- appropriations note, special accounts and special public monies;
- remuneration of executives; and
- remuneration of auditors.

### **1.20 Bad and doubtful debts**

Bad debts are written off during the year in which they are identified to the extent to which they have not been provided for.

A provision is raised for any doubtful debts based on a review of all outstanding accounts as at year end.

### **1.21 Principles of consolidation/aggregation**

The financial statements of the Mint are consolidated into the department's financial statements. All balances and transactions between the Mint and the Department of the Treasury have been eliminated on consolidation. Australian Government Actuary

*Part 5: Financial statements*

(AGA) has also been consolidated into the department's financial statements and all balances and transactions between AGA and the Department of the Treasury have been eliminated on consolidation. HHH Claims Support Limited (HCSL) has not been consolidated into the department's financial statements as the material amount of the transactions in relation to this entity have passed through Treasury's accounts.

### **1.22 Royal Australian Mint — seigniorage and repurchase of circulating coins**

Seigniorage is collected by the Mint on behalf of the Commonwealth. Seigniorage represents the difference between the face value of coinage sold to the Reserve Bank of Australia and its cost of production to the Mint.

The Mint repurchases circulating coins on behalf of the Commonwealth. The costs incurred by the Mint in repurchasing circulating coins are offset to an extent by the sale of scrap metal and the balance is supplemented by the Commonwealth via a reduction in the total amount paid to the Commonwealth.

The revenues from circulating coin sales are not directly available to be used by the Mint for its own purposes and are remitted to the Commonwealth's Official Public Account. The collection and remittance of seigniorage is within the same reporting period and there are no outstanding balances at year end, seigniorage for 2000-01 is \$59.838 million (1999-00 \$107.913 million).

### **1.23 Investment in Sydney 2000 Olympic Coin Program**

#### **General**

The Royal Australian Mint and the Perth Mint are joint venturers in the Sydney 2000 Olympic Coin Program (STOCP), marketing and distributing Sydney 2000 Olympic Coins. This joint venture will conclude in December 2001.

The Royal Australian Mint's interest in STOCP is carried at the recoverable amount.

The Sydney 2000 Olympic Coin Program consists of 28 base metal coins, 16 silver coins, 8 gold coins and one kilo silver coin.

### Profit distribution

The distribution of any profit is made on the following basis:

|            | Royal Australian Mint<br>% | Perth Mint<br>% |
|------------|----------------------------|-----------------|
| Base metal | 60                         | 40              |
| Silver     | 40                         | 60              |
| Gold       | 40                         | 60              |

### 1.24 Foreign currency hedge

The STOCP entered into a foreign currency hedge (the hedge) on 25 June 1997 to the value of \$US34 million for the purpose of reducing the risk of foreign currency exposure on overseas sales. The currency hedge matured on 29 June 2001.

The hedge has been accounted for in accordance with *AAS 20 (Part A) Foreign Currency Transactions*. Pursuant to this accounting standard the hedge has been classified as a specific hedge, being a specific hedge of all future overseas sales of the STOCP.

### 1.25 Administered revenue

All revenues described in this note are revenues relating to the core operating activities performed by the department on behalf of the Commonwealth.

#### (a) Revenue from government — administered appropriations

Appropriations for administered expenses may be unlimited or limited as to amount. Where the appropriation is an annual appropriation and limited as to amount, revenue is recognised to the extent of the lesser of:

- the amount appropriated by the Parliament; and
- an amount determined by the Finance Minister — this amount is determined having regard to the expenses incurred for the reporting period.

Where unlimited, revenue is recognised to the extent that expenses have been incurred. Similarly, appropriations credited to administered special accounts are recognised as revenue to the extent that expenses have been incurred.

#### (b) Other revenue

##### Guarantees

Guarantees provided under legislation within the portfolio responsibility of the Treasurer are recognised as liabilities when it is probable that the guarantee will be

called and it can be reliably measured. In all other instances such guarantees are disclosed in the Schedule of Administered Remote Contingencies (Note 27).

#### Reserve Bank of Australia dividend

Dividends from the Reserve Bank of Australia (RBA) are recognised when determination is made by the Treasurer. The basis of payment of dividends is a memorandum of understanding with the Treasurer. Dividend revenue is brought to account once the right to control the income stream is established. On this basis the RBA's dividend for 2000-01 will be recognised in Treasury's account in 2001-02.

### 1.26 Administered capital

Appropriations of 'administered capital' are recognised in administered equity as the amounts appropriated by Parliament are drawn down.

### 1.27 Grants

Grants are recognised as expenses at the time that conditions under the grant agreement have been satisfied or payment has been made.

#### GST Start-Up Assistance Grants

Treasury, through the GST Start-Up Assistance Office, provided grants to a number of peak industry and professional bodies to have them deliver education and information on *The New Tax System* to small and medium enterprises, the community sector and the education sector.

#### Payments to the States and Territories

The introduction of *The New Tax System* on 1 July 2000 has significantly reformed payments made under Commonwealth-State financial relations. Treasury has responsibility for administering these payments.

The largest payment is the provision of GST revenue. The Commonwealth pays to the States all GST collected and commenced monthly payments of GST revenue to the States in July 2000. GST revenue payments to the States were distributed in accordance with relativities recommended by the Commonwealth Grants Commission and agreed at the 17 March 2000 Ministerial Council.

As a consequence of the ATO collecting GST for distribution to the States, the States commenced payments to the Commonwealth to meet the agreed costs incurred in administering the GST.

Treasury also administers General Revenue Assistance payments to the States and Territories consisting of Budget Balancing Assistance, National Competition Policy Payments and Special Revenue Assistance.

- Budget Balancing Assistance arises from the Commonwealth's guarantee that in each of the transitional years following the introduction of the GST, each State's budgetary position will be no worse off than had the reforms in the Intergovernmental Agreement on Commonwealth State Financial Relations not been implemented.
- National Competition Policy Payments to the States and Territories are conditional on the States and Territories meeting their obligations under the Agreement to implement the National Competition Policy and related reforms.
- Special Revenue Assistance is provided to the ACT in recognition that certain functions (for example, Family Court) are not directly funded by the Commonwealth, in contrast to the funding arrangements in other jurisdictions.

The Commonwealth also collects a number of revenue replacement taxes as an agent for the States and Territories. These taxes have replaced constitutionally invalid business franchise fees and are passed directly by the Commonwealth to the State and Territory governments, with an adjustment for administration costs. Reflecting the Commonwealth's departmental role in the collection of these taxes, they have not been recognised in these financial statements.

In accordance with the Intergovernmental Agreement, Revenue Replacement Payments ceased on 1 July 2000. However, due to collections and refunds being received which relate to taxable dealings that occurred before 1 July 2000, lagged payments continued to be made in 2000-01.

#### **Mirror taxes collected by State and Territory governments**

On behalf of the States, the Commonwealth imposes mirror taxes, which replace State taxes on Commonwealth places that may be constitutionally invalid. Mirror taxes are collected by the States and are paid to the Commonwealth and immediately repaid to the States. The State governments bear the administration costs of collecting mirror taxes. There has to date been a relatively small amount of mirror taxes collected because most States need to enter into formal arrangements with the Commonwealth for their State Revenue Offices to collect the mirror taxes in order to bring the mirror tax regime into effect.

## 1.28 Restructuring

On July 1, 2000 the department assumed the function of collection of GST administration fees from the States and Territories. This was previously a function of the Australian Taxation Office (refer to Note 33B).

## 1.29 Administered investments

### *Development banks*

Investments in development banks are classified as non-monetary assets.

Where the information is available, these investments are recognised at historical cost. Where historical cost records are not readily obtainable, a notional cost has been established at 30 June 1993 by reference to the Development banks' financial statements and exchange rates at that time.

The investment in the European Bank for Reconstruction and Development is recognised at historical cost, whereas the investments in the Asian Development Bank, the International Finance Corporation, the Multilateral Investment Guarantee Agency and the International Bank for Reconstruction and Development are recognised at notional cost.

Owing to their nature, these investments are not revalued.

### *International Monetary Fund (IMF)*

The *quota* is the current value in Australian dollars of Australia's subscription to the IMF.

The Special Drawing Rights (SDR) allocation liability reflects the current value in Australian dollars of the liability to repay to the IMF Australia's cumulative allocation of SDRs, and is classified as an 'Other Provisions and Payables'.

### *Portfolio agencies*

The Commonwealth's investment in other controlled authorities and companies in this portfolio is valued at the aggregate of the Commonwealth's share of the net assets and net liabilities of each entity as at 30 June 1997.

## 1.30 Promissory notes

Promissory notes, which have been issued in foreign currencies, are translated at the spot rate at balance date. Foreign currency gains and losses are recognised where applicable. Promissory notes have been issued to the International Monetary Fund, International Bank for Reconstruction and Development, the European Bank for



Reconstruction and Development, the Asian Development Bank and the Multilateral Investment Guarantee Agency.

### **1.31 Mortgage insurance policies written by Housing Loans Insurance Corporation up to 12 December 1997**

The Commonwealth sold the Housing Loans Insurance Corporation (HLIC) on 12 December 1997. Terms and conditions of the sale included that the Commonwealth shall remain responsible for the mortgage insurance policies written up to the time of the sale.

The sale of the HLIC was conducted by the Office of Asset Sales and Information Technology Outsourcing.

Accounting policies adopted are:

#### ***Premiums***

Premiums comprise amounts charged to the policyholder or other insurer, excluding amounts collected on behalf of third parties, principally stamp duties. The earned portion of premiums received and receivable is recognised as revenue. Premiums are treated as earned from the date of attachment of risk.

Premiums received in respect of insured loans are apportioned over a number of years in accordance with an actuarial determination of the pattern of risk in relation to the loans. Premium amounts carried forward in this way are credited to 'Provision for unearned premiums'.

#### ***Claims***

Claims incurred expense and a liability for outstanding claims are recognised in respect of insurance policies. The liability is assessed on actuarial basis and covers claims incurred but not yet paid, incurred but not yet reported and the anticipated direct and indirect costs of settling those claims.

#### ***Acquisition costs***

A portion of acquisition costs relating to unearned premium revenue is deferred in recognition that it represents future benefits. Deferred acquisition costs are amortised on an actuarial basis over the reporting periods expected to benefit from the expenditure.

### **1.32 HIH Claims Support Program Liability**

The figure of \$640 million represents an assessment of the extent of the Commonwealth's exposure for claims referable to the Government's HIH Claims

## *Part 5: Financial statements*

Support Program. The amount of the liability has been based on information provided by the Liquidator to Treasury on 25 May 2001. The amount takes into account the limitations of the scheme, which for example constrain the Commonwealth's exposure to 90 cents in the dollar in some cases. Consistent with this, an amount of \$640 million was included as a provision in the 2001-02 Budget and later passed in a Special Appropriation Bill.

There is however, inherent uncertainty regarding the measurement of the Commonwealth's liability and actuarial analysis of the liability and the measurement of the recoveries is continuing. According to the advice received from the Liquidator, the results of this further analysis will not be available prior to December 2001. Further assessments will also include quantifying possible recoveries to be made by HIH Claims Support Limited (HCSL), which is acting as the Trustee on behalf of the Commonwealth in relation to the HIH Claims Support Program. HCSL was established as a not-for-profit company to provide assistance to policyholders suffering financial hardship as a result of the failure of the HIH Insurance Group. As the Beneficiary of this Trust the Commonwealth is entitled to any residual balance of the Trust, after the collection of recoveries and making of payments to claimants.

### **Note 2: Events occurring after balance date**

1. The RBA has calculated a dividend of \$2.834 billion in respect of its results for the year ended 30 June 2001. The Treasurer will ratify the payment in accordance with the recommendation of the RBA's Board of Directors.

As a consequence, Treasury will record this dividend income in its accounts for the year ended 30 June 2002 in accordance with its accounting policy (Note 1.25).

2. The Commonwealth Government entered into an arrangement with HIH Claims Support Limited (HCSL) to provide assistance to policyholders suffering financial hardship as a result of the failure of the HIH Insurance Group. HCSL is a not-for-profit company and is the Trustee for the HIH Claims Support Trust. The agreement between HCSL and the Commonwealth was finalised on 6 July 2001, the same day as the Trust was formed.
3. On 27 August 2001, the NSW Supreme Court placed each of the 19 companies of the HIH group into formal liquidation and ordered the winding up. Tony McGrath and Alex Macintosh, partners from KPMG were formally appointed as Liquidators of each of the HIH Companies.

### Note 3: Operating revenues

|   | 2000-01       | 1999-00       |
|---|---------------|---------------|
|   | \$'000        | \$'000        |
| <b>Note 3A: Revenues from government</b>                      |               |               |
| Appropriations for outputs                                    | 74,180        | 65,583        |
| Resources received free of charge                             |               |               |
| ANAO audit fees   | 255           | 150           |
| <b>Total revenues from government</b>                         | <b>74,435</b> | <b>65,733</b> |
| <b>Note 3B: Sales of goods and services</b>                   |               |               |
| Sale of goods and services                                    | 9,432         | 13,527        |
| Net coin sales  | 42,200        | 37,018        |
| <b>Total sales of goods and services</b>                      | <b>51,632</b> | <b>50,545</b> |
| <b>Note 3C: Proceeds and expenses from sales of assets</b>    |               |               |
| Non-financial assets - infrastructure, plant<br>and equipment |               |               |
| Revenue (proceeds) from sale                                  | 13            | 17            |
| Expense from sale   | (313)         | (78)          |
| <b>Total proceeds and expenses from sales of assets</b>       | <b>(300)</b>  | <b>(61)</b>   |
| <b>Note 3D: Other revenues</b>                                |               |               |
| Interest  | 1,045         | 508           |
| Revenue from STOC Program                                     | -             | 6,550         |
| Other   | 27            | 1             |
| <b>Total other revenues</b>                                   | <b>1,072</b>  | <b>7,059</b>  |

## Note 4: Operating expenses

|   | 2000-01       | 1999-00       |
|---|---------------|---------------|
|   | \$'000        | \$'000        |
| <b>Note 4A: Employee expenses</b>                 |               |               |
| Remuneration (for services provided)              | 46,161        | 45,284        |
| Separation and redundancy                         | 115           | 424           |
| <b>Total remuneration</b>                         | <b>46,276</b> | <b>45,708</b> |
| Other employee expenses                           | 835           | 979           |
| <b>Total employee expenses</b>                    | <b>47,111</b> | <b>46,687</b> |
| <b>Note 4B: Suppliers expenses</b>                |               |               |
| Supply of goods and services                      | 59,271        | 60,825        |
| Operating lease rentals                           | 6,316         | 436           |
| <b>Total supplier expenses</b>                    | <b>65,587</b> | <b>61,261</b> |
| <b>Note 4C: Depreciation and amortisation</b>     |               |               |
| Depreciation of property, plant and equipment     | 2,003         | 2,639         |
| Amortisation of software                          | 1,182         | 1,424         |
| Amortisation of leased assets                     | 1,011         | -             |
| <b>Total depreciation and amortisation</b>        | <b>4,196</b>  | <b>4,063</b>  |
| <b>Note 4D: Write down of assets</b>              |               |               |
| Non-financial assets                              |               |               |
| Software & mastering tool - revaluation decrement | -             | 3,117         |
| Write-down of assets                              | -             | 28            |
| <b>Total write down of assets</b>                 | <b>-</b>      | <b>3,145</b>  |
| <b>Note 4E: Other operating expenses</b>          |               |               |
| Other   | 1,624         | -             |
| Repurchase of numismatic coins                    | 537           | 557           |
| Royalty on numismatic sales                       | 1,050         | 1,069         |
| <b>Total other operating expenses</b>             | <b>3,211</b>  | <b>1,626</b>  |

## Note 5: Borrowing cost expenses

|              | 2000-01      | 1999-00   |
|--------------|--------------|-----------|
|              | \$'000       | \$'000    |
| Loans        | 1,017        | -         |
| Leases       | 80           | 90        |
| <b>Total</b> | <b>1,097</b> | <b>90</b> |

## Note 6A: Consolidation

|   | Treasury          |                   | Royal Australian Mint |                   | Total             |                   |
|---|-------------------|-------------------|-----------------------|-------------------|-------------------|-------------------|
|   | 2000-01<br>\$'000 | 1999-00<br>\$'000 | 2000-01<br>\$'000     | 1999-00<br>\$'000 | 2000-01<br>\$'000 | 1999-00<br>\$'000 |
| <b>Revenues from ordinary activities</b>  |                   |                   |                       |                   |                   |                   |
| Revenues from government  | 74,355            | 65,733            | 80                    | -                 | 74,435            | 65,733            |
| Sales of goods and services   | 2,715             | 3,758             | 48,917                | 46,787            | 51,632            | 50,545            |
| Proceeds from disposals of assets   | -                 | 17                | 13                    | -                 | 13                | 17                |
| Other revenue   | 899               | 504               | 173                   | 6,555             | 1,072             | 7,059             |
| <b>Total revenues from ordinary activities</b>  | <b>77,969</b>     | <b>70,012</b>     | <b>49,183</b>         | <b>53,342</b>     | <b>127,152</b>    | <b>123,354</b>    |
| <b>Expenses from ordinary activities</b>  |                   |                   |                       |                   |                   |                   |
| Employee expenses   | 40,792            | 40,067            | 6,319                 | 6,620             | 47,111            | 46,687            |
| Suppliers expenses  | 27,248            | 23,523            | 38,339                | 37,738            | 65,587            | 61,261            |
| Disposal of assets  | 219               | 78                | 94                    | -                 | 313               | 78                |
| Write down of assets  | -                 | 2,340             | -                     | 805               | -                 | 3,145             |
| Depreciation and amortisation   | 3,222             | 3,158             | 974                   | 905               | 4,196             | 4,063             |
| Other operating expenses  | 20                | -                 | 3,191                 | 1,626             | 3,211             | 1,626             |
| <b>Total expenses from ordinary activities</b>  | <b>71,501</b>     | <b>69,166</b>     | <b>48,917</b>         | <b>47,694</b>     | <b>120,418</b>    | <b>116,860</b>    |
| Borrowing costs expense   | 1,097             | 90                | -                     | -                 | 1,097             | 90                |
| <b>Operating surplus before income tax expense</b>  | <b>5,371</b>      | <b>756</b>        | <b>266</b>            | <b>5,648</b>      | <b>5,637</b>      | <b>6,404</b>      |
| Company tax expenses equivalent   | -                 | -                 | (79)                  | (2,033)           | (79)              | (2,033)           |
| <b>Net surplus after income tax expense</b>   | <b>5,371</b>      | <b>756</b>        | <b>187</b>            | <b>3,615</b>      | <b>5,558</b>      | <b>4,371</b>      |
| <b>Net surplus attributable to the Commonwealth</b>   | <b>5,371</b>      | <b>756</b>        | <b>187</b>            | <b>3,615</b>      | <b>5,558</b>      | <b>4,371</b>      |
| Capitalisation of assets  | -                 | 286               | -                     | -                 | -                 | 286               |
| Net credit (debit) to asset revaluation reserve   | -                 | -                 | (1,501)               | (458)             | (1,501)           | (458)             |
| <b>Total revenues, expenses and valuation adjustments recognised directly in equity</b>           | <b>-</b>          | <b>286</b>        | <b>(1,501)</b>        | <b>(458)</b>      | <b>(1,501)</b>    | <b>(172)</b>      |
| <b>Total changes in equity other than those resulting from transactions with owners as owners</b> | <b>5,371</b>      | <b>1,042</b>      | <b>(1,314)</b>        | <b>3,157</b>      | <b>4,057</b>      | <b>4,199</b>      |

Note: The above amounts have been consolidated into the department's balances shown in these financial statements.

## Note 6B: Consolidation (continued)

|  | Treasury          |                   | Royal Australian Mint |                   | Total             |                   |
|--|-------------------|-------------------|-----------------------|-------------------|-------------------|-------------------|
|  | 2000-01<br>\$'000 | 1999-00<br>\$'000 | 2000-01<br>\$'000     | 1999-00<br>\$'000 | 2000-01<br>\$'000 | 1999-00<br>\$'000 |
| <b>ASSETS</b>                          |                   |                   |                       |                   |                   |                   |
| <b>Financial assets</b>                |                   |                   |                       |                   |                   |                   |
| Cash                                   | 3,194             | 2,219             | 1,629                 | 423               | 4,823             | 2,642             |
| Investments                            | 13,000            | 9,500             | 675                   | 5,994             | 13,675            | 15,494            |
| Receivables                            | 1,674             | 1,050             | 4,353                 | 3,581             | 6,027             | 4,631             |
| <b>Total financial assets</b>          | <b>17,868</b>     | <b>12,769</b>     | <b>6,657</b>          | <b>9,998</b>      | <b>24,525</b>     | <b>22,767</b>     |
| <b>Non-financial assets</b>            |                   |                   |                       |                   |                   |                   |
| Infrastructure, plant<br>and equipment | 14,755            | 5,108             | 2,578                 | 4,263             | 17,333            | 9,371             |
| Inventories                            | -                 | -                 | 14,016                | 11,979            | 14,016            | 11,979            |
| Intangibles                            | 2,208             | 2,779             | 457                   | 843               | 2,665             | 3,622             |
| Other                                  | 1,340             | 840               | 5,214                 | 4,855             | 6,554             | 5,695             |
| <b>Total non-financial assets</b>      | <b>18,303</b>     | <b>8,727</b>      | <b>22,265</b>         | <b>21,940</b>     | <b>40,568</b>     | <b>30,667</b>     |
| <b>Total assets</b>                    | <b>36,171</b>     | <b>21,496</b>     | <b>28,922</b>         | <b>31,938</b>     | <b>65,093</b>     | <b>53,434</b>     |
| <b>LIABILITIES</b>                     |                   |                   |                       |                   |                   |                   |
| <b>Interest bearing liabilities</b>    |                   |                   |                       |                   |                   |                   |
| Loans                                  | 9,101             | 758               | -                     | -                 | 9,101             | 758               |
| Leases                                 | 869               | 1,379             | -                     | -                 | 869               | 1,379             |
| <b>Total debt</b>                      | <b>9,970</b>      | <b>2,137</b>      | <b>-</b>              | <b>-</b>          | <b>9,970</b>      | <b>2,137</b>      |
| <b>Provisions</b>                      |                   |                   |                       |                   |                   |                   |
| Employees                              | 12,788            | 12,150            | 2,748                 | 2,578             | 15,536            | 14,728            |
| Other                                  | -                 | -                 | 452                   | -                 | 452               | -                 |
| <b>Total provisions</b>                | <b>12,788</b>     | <b>12,150</b>     | <b>3,200</b>          | <b>2,578</b>      | <b>15,988</b>     | <b>14,728</b>     |
| <b>Payables</b>                        |                   |                   |                       |                   |                   |                   |
| Suppliers                              | 4,839             | 1,668             | 5,713                 | 1,279             | 10,552            | 2,947             |
| Other                                  | 1,760             | 994               | 694                   | 7,453             | 2,454             | 8,447             |
| <b>Total payables</b>                  | <b>6,599</b>      | <b>2,662</b>      | <b>6,407</b>          | <b>8,732</b>      | <b>13,006</b>     | <b>11,394</b>     |
| <b>Total liabilities</b>               | <b>29,357</b>     | <b>16,949</b>     | <b>9,607</b>          | <b>11,310</b>     | <b>38,964</b>     | <b>28,259</b>     |
| <b>EQUITY</b>                          |                   |                   |                       |                   |                   |                   |
| <b>Parent entity interest</b>          |                   |                   |                       |                   |                   |                   |
| Reserves                               | 720               | 720               | 2,994                 | 4,494             | 3,714             | 5,214             |
| Capital                                | 3,763             | 3,763             | -                     | -                 | 3,763             | 3,763             |
| Accumulated surpluses                  | 2,331             | 64                | 16,321                | 16,134            | 18,652            | 16,198            |
| <b>Total parent entity interest</b>    | <b>6,814</b>      | <b>4,547</b>      | <b>19,315</b>         | <b>20,628</b>     | <b>26,129</b>     | <b>25,175</b>     |
| <b>Total equity</b>                    | <b>6,814</b>      | <b>4,547</b>      | <b>19,315</b>         | <b>20,628</b>     | <b>26,129</b>     | <b>25,175</b>     |

Note: The above amounts have been consolidated into the department's balances shown in these financial statements.

## Note 7: Financial assets

|   | 2000-01       | 1999-00       |
|---|---------------|---------------|
|   | \$'000        | \$'000        |
| <b>Note 7A: Cash</b>                            |               |               |
| Cash at bank and on hand                        | 4,823         | 2,642         |
| <b>Note 7B: Investments</b>                     |               |               |
| Term deposits                                   | 13,000        | 9,500         |
| RAM Interest in the STOCP at recoverable amount | 675           | 5,994         |
| <b>Total investments</b>                        | <b>13,675</b> | <b>15,494</b> |
| <b>Note 7C: Receivables</b>                     |               |               |
| Goods and services                              | 4,888         | 4,614         |
| Net GST receivable                              | 669           | -             |
| Other debtors                                   | 555           | 96            |
| Less: Provision for doubtful debts              | (85)          | (79)          |
| <b>Total receivables</b>                        | <b>6,027</b>  | <b>4,631</b>  |
| Receivables (gross) are aged as follow s:       |               |               |
| Not overdue                                     | 5,482         | 3,920         |
| Overdue by                                      |               |               |
| Less than 30 days                               | 285           | 390           |
| 30 to 60 days                                   | 40            | 400           |
| 60 to 90 days                                   | 305           | -             |
| More than 90 days                               | -             | -             |
|   | <b>6,112</b>  | <b>4,710</b>  |

## Note 8: Non-financial assets

### Note 8A: Leasehold improvements

|                                     | 2000-01<br>\$'000 | 1999-00<br>\$'000 |
|-------------------------------------|-------------------|-------------------|
| Leasehold improvements - at cost    | 6,450             | 645               |
| Accumulated amortisation            | (347)             | (116)             |
| <b>Total leasehold improvements</b> | <b>6,103</b>      | <b>529</b>        |

### Note 8B: Infrastructure, plant and equipment

|  | 2000-01<br>\$'000 | 1999-00<br>\$'000 |
|--|-------------------|-------------------|
| Plant and equipment - at cost              | 8,456             | 3,543             |
| Accumulated depreciation                   | (1,350)           | (1,602)           |
|  | <b>7,106</b>      | <b>1,941</b>      |
| Plant and equipment - at 1999-02 valuation | 10,764            | 7,184             |
| Accumulated depreciation                   | (7,705)           | (2,076)           |
|  | <b>3,059</b>      | <b>5,108</b>      |
| Plant and equipment under finance lease    | 3,216             | 2,955             |
| Accumulated amortisation                   | (2,150)           | (1,162)           |
|  | <b>1,066</b>      | <b>1,793</b>      |
| <b>Total plant and equipment</b>           | <b>11,231</b>     | <b>8,842</b>      |

### Note 8C: Computer software — total Intangibles

|                                    | 2000-01<br>\$'000 | 1999-00<br>\$'000 |
|------------------------------------|-------------------|-------------------|
| Intangibles - at cost              | 3,495             | 4,369             |
| Accumulated amortisation           | (2,188)           | (2,442)           |
|                                    | <b>1,307</b>      | <b>1,927</b>      |
| Intangibles - at 1999-02 valuation | 1,695             | 1,695             |
| Accumulated amortisation           | (337)             | -                 |
|                                    | <b>1,358</b>      | <b>1,695</b>      |
| <b>Total intangibles</b>           | <b>2,665</b>      | <b>3,622</b>      |



## Note 8: Non-financial assets (continued)

### Note 8D: Analysis of property, plant, equipment and intangibles

**Table A: Movement summary 2000-01 for all assets irrespective of valuation basis**

|  | Buildings -<br>leasehold<br>improvements<br>\$'000 | Plant &<br>equipment<br>\$'000 | Intangibles -<br>software<br>\$'000 | Total<br>\$'000 |
|--|--|--------------------------------|-------------------------------------|-----------------|
| <b>Gross value as at 1 July 2000</b>                                 | 645  | 14,154                         | 6,064                               | <b>20,863</b>   |
| Additions: Purchases of assets                                       | 5,958  | 6,823                          | 339                                 | <b>13,120</b>   |
| Revaluations:  |  |                                |                                     |                 |
| w rite-ups/(w rite-downs)  | -  | 4,108                          | -                                   | <b>4,108</b>    |
| Assets transferred in/(out)  | -  | -                              | -                                   | -               |
| Write-offs   | -  | -                              | -                                   | -               |
| Disposals  | (153)  | (2,649)                        | (1,211)                             | <b>(4,013)</b>  |
| <b>Gross value as at 30 June 2001</b>                                | <b>6,450</b>                                       | <b>22,436</b>                  | <b>5,193</b>                        | <b>34,078</b>   |
| <b>Accumulated depreciation/<br/>amortisation as at 1 July 2000</b>  | 116  | 5,311                          | 2,442                               | <b>7,869</b>    |
| Disposals  | (114)  | (2,371)                        | (1,096)                             | <b>(3,581)</b>  |
| Depreciation/amortisation charge<br>for the year                     | 345  | 2,669                          | 1,182                               | <b>4,196</b>    |
| Revaluations:  |  |                                |                                     |                 |
| w rite-ups/(w rite-downs)  | -  | 5,596                          | -                                   | <b>5,596</b>    |
| Assets transferred in/(out)  | -  | -                              | -                                   | -               |
| Write-offs   | -  | -                              | -                                   | -               |
| <b>Accumulated depreciation/<br/>amortisation as at 30 June 2001</b> | <b>347</b>   | <b>11,205</b>                  | <b>2,528</b>                        | <b>14,080</b>   |
| <b>Net book value as<br/>at 30 June 2001</b>                         | <b>6,103</b>                                       | <b>11,231</b>                  | <b>2,665</b>                        | <b>19,998</b>   |
| <b>Net book value as at 1 July 2000</b>                              | <b>529</b>   | <b>8,842</b>                   | <b>3,622</b>                        | <b>12,993</b>   |

**Table B: Summary of balances of assets at valuation  
as at 30 June 2001**

|   | Buildings -<br>leasehold<br>improvements<br>\$'000 | Plant &<br>equipment<br>\$'000 | Intangibles -<br>software<br>\$'000 | Total<br>\$'000 |
|---|--|--------------------------------|-------------------------------------|-----------------|
| <b>As at 30 June 2001</b>                 |  |                                |                                     |                 |
| Gross value                               | -  | 10,764                         | 1,695                               | <b>12,459</b>   |
| Accumulated depreciation/<br>amortisation | -  | (7,705)                        | (337)                               | <b>(8,042)</b>  |
| <b>Net book value</b>                     | <b>-</b>   | <b>3,059</b>                   | <b>1,358</b>                        | <b>4,417</b>    |
| <b>As at 30 June 2000</b>                 |  |                                |                                     |                 |
| Gross value                               | -  | 7,184                          | 1,695                               | <b>8,879</b>    |
| Accumulated depreciation/<br>amortisation | -  | (2,076)                        | -                                   | <b>(2,076)</b>  |
| <b>Net book value</b>                     | <b>-</b>   | <b>5,108</b>                   | <b>1,695</b>                        | <b>6,803</b>    |

Note 8D: Analysis of property, plant, equipment and intangibles

**Table C: Summary of balances of assets held under finance lease as at 30 June 2001**

| Item                                      | Buildings -<br>leasehold<br>improvements<br>\$'000 | Plant &<br>equipment<br>\$'000 | Intangibles -<br>software<br>\$'000 | Total<br>\$'000 |
|---|--|--------------------------------|-------------------------------------|-----------------|
| <b>As at 30 June 2001</b>                 |  |                                |                                     |                 |
| Gross value                               | -  | 3,216                          | -                                   | <b>3,216</b>    |
| Accumulated depreciation/<br>amortisation | -  | (2,150)                        | -                                   | <b>(2,150)</b>  |
| <b>Net book value</b>                     | <b>-</b>   | <b>1,066</b>                   | <b>-</b>                            | <b>1,066</b>    |
| <b>As at 30 June 2000</b>                 |  |                                |                                     |                 |
| Gross value                               | -  | 2,955                          | -                                   | <b>2,955</b>    |
| Accumulated depreciation/<br>amortisation | -  | (1,162)                        | -                                   | <b>(1,162)</b>  |
| <b>Net book value</b>                     | <b>-</b>   | <b>1,793</b>                   | <b>-</b>                            | <b>1,793</b>    |

**Table D: Summary of assets under construction as at 30 June 2001**

|   | Buildings -<br>leasehold<br>improvements<br>\$'000 | Plant &<br>equipment<br>\$'000 | Intangibles-<br>software<br>\$'000 | Total<br>\$'000 |
|---|--|--------------------------------|------------------------------------|-----------------|
| <b>As at 30 June 2001</b>                 |  |                                |                                    |                 |
| Gross value                               | 75   | 179                            | -                                  | <b>254</b>      |
| Accumulated depreciation/<br>amortisation | -  | -                              | -                                  | <b>-</b>        |
| <b>Net book value</b>                     | <b>75</b>  | <b>179</b>                     | <b>-</b>                           | <b>254</b>      |
| <b>As at 30 June 2000</b>                 |  |                                |                                    |                 |
| Gross value                               | 452  | -                              | -                                  | <b>452</b>      |
| Accumulated depreciation/<br>amortisation | -  | -                              | -                                  | <b>-</b>        |
| <b>Net book value</b>                     | <b>452</b>   | <b>-</b>                       | <b>-</b>                           | <b>452</b>      |

Note 8E: Inventory

|   | 2000-01<br>\$'000 | 1999-00<br>\$'000 |
|---|-------------------|-------------------|
| All departmental inventories are current assets |                   |                   |
| Raw materials                                   | <b>7,632</b>      | 7,043             |
| Work in progress                                | <b>2,901</b>      | 1,718             |
| Finished goods                                  | <b>3,483</b>      | 3,218             |
| <b>Total inventories</b>                        | <b>14,016</b>     | 11,979            |

**Note 8F: Other**

|                        | <b>2000-01</b> | 1999-00 |
|------------------------|----------------|---------|
|                        | <b>\$'000</b>  | \$'000  |
| Coin collection        | <b>3,660</b>   | 3,660   |
| Prepayments            | <b>2,355</b>   | 1,838   |
| Prepaid precious metal | <b>539</b>     | 197     |
| <b>Total other</b>     | <b>6,554</b>   | 5,695   |

**Note 8G: Capitalisation of assets**

|                          | <b>2000-01</b> | 1999-00 |
|--------------------------|----------------|---------|
|                          | <b>\$'000</b>  | \$'000  |
| Capitalisation of assets | -              | 286     |

The above amount represents the value of assets not capitalised in prior years.

**Note 8H: Company tax equivalent**

|  | <b>2000-01</b> | 1999-00 |
|--|----------------|---------|
|  | <b>\$'000</b>  | \$'000  |
| Company tax equivalent for business operations | <b>79</b>      | 2,033   |
| <b>Total company tax equivalent</b>            | <b>79</b>      | 2,033   |

## Note 9: Interest bearing liabilities

|   | 2000-01      | 1999-00      |
|---|--------------|--------------|
|   | \$'000       | \$'000       |
| <b>Note 9A: Loans</b>                             |              |              |
| Loans from government                             | 9,101        | 758          |
| <b>Total loans</b>                                | <b>9,101</b> | <b>758</b>   |
| Maturity schedule for loans:<br>Payable           |              |              |
| within one year                                   | 1,263        | 138          |
| in one to two years                               | 1,263        | 310          |
| in two to five years                              | 3,789        | 310          |
| more than five years                              | 2,786        | -            |
|   | <b>9,101</b> | <b>758</b>   |
| <b>Note 9B: Lease liability</b>                   |              |              |
| Finance lease commitments:                        |              |              |
| Not later than one year                           | 661          | 804          |
| Later than one year and not later than five years | 216          | 552          |
| Later than five years                             | 63           | 133          |
| Minimum lease payments                            | 940          | 1,489        |
| Deduct: future finance charges                    | (71)         | (110)        |
| <b>Lease liability</b>                            | <b>869</b>   | <b>1,379</b> |
| Total lease liability is represented by:          |              |              |
| Current   | 610          | 792          |
| Non-current                                       | 259          | 587          |
| <b>Total lease liability</b>                      | <b>869</b>   | <b>1,379</b> |

## Note 10: Provisions

|   | 2000-01       | 1999-00       |
|---|---------------|---------------|
|   | \$'000        | \$'000        |
| <b>Note 10A: Employee provisions</b>            |               |               |
| Salaries and wages                              | 1,091         | 906           |
| Annual leave                                    | 5,163         | 5,061         |
| Long service leave                              | 8,772         | 8,593         |
| Superannuation                                  | 510           | 168           |
| <b>Aggregate employee entitlement liability</b> | <b>15,536</b> | <b>14,728</b> |
| Other   | 452           | -             |
| <b>Total</b>                                    | <b>15,988</b> | <b>14,728</b> |

## Note 11: Payables

|                                    | 2000-01       | 1999-00      |
|------------------------------------|---------------|--------------|
|                                    | \$'000        | \$'000       |
| <b>Note 11A: Supplier payables</b> |               |              |
| Trade creditors                    | 10,552        | 2,947        |
| <b>Total payables</b>              | <b>10,552</b> | <b>2,947</b> |
| <b>Note 11B: Other payables</b>    |               |              |
| Other creditors                    | 1,325         | 1,346        |
| STOCP payables                     | 217           | 2,344        |
| Trust fund surplus                 | 912           | 4,757        |
| <b>Total other</b>                 | <b>2,454</b>  | <b>8,447</b> |

## Note 12: Equity

|                                  | Accumulated results |               | Asset revaluation reserve |              | Total reserves |              | Capital      |              | Total equity  |               |
|----------------------------------|---------------------|---------------|---------------------------|--------------|----------------|--------------|--------------|--------------|---------------|---------------|
|                                  | 2000-01             | 1999-00       | 2000-01                   | 1999-00      | 2000-01        | 1999-00      | 2000-01      | 1999-00      | 2000-01       | 1999-00       |
|                                  | \$'000              | \$'000        | \$'000                    | \$'000       | \$'000         | \$'000       | \$'000       | \$'000       | \$'000        | \$'000        |
| <b>Note 12A: Equity - agency</b> |                     |               |                           |              |                |              |              |              |               |               |
| Balance 1 July 2000              | 16,198              | 12,943        | 5,215                     | 5,673        | 5,215          | 5,673        | 3,763        | 3,763        | 25,176        | 22,379        |
| Operating result                 | 5,558               | 4,371         | -                         | -            | -              | -            | -            | -            | 5,558         | 4,371         |
| Restructuring                    | -                   | 137           | -                         | -            | -              | -            | -            | -            | -             | 137           |
| Capital use charge               | (3,104)             | (1,539)       | -                         | -            | -              | -            | -            | -            | (3,104)       | (1,539)       |
| Capitalisation of assets         | -                   | 286           | -                         | -            | -              | -            | -            | -            | -             | 286           |
| Net asset revaluation decrease   | -                   | -             | (1,501)                   | (459)        | (1,501)        | (459)        | -            | -            | (1,501)       | (459)         |
| <b>Balance 30 June 2001</b>      | <b>18,652</b>       | <b>16,198</b> | <b>3,714</b>              | <b>5,214</b> | <b>3,714</b>   | <b>5,214</b> | <b>3,763</b> | <b>3,763</b> | <b>26,129</b> | <b>25,175</b> |

## Note 12B: Restructuring

In respect of programmes or sub-programmes assumed, the following assets and liabilities were recognised at the date of transfer:

|   | <b>2000-01</b> | 1999-00      |
|---|----------------|--------------|
|   | <b>\$'000</b>  | \$'000       |
|   | <b>AGA(a)</b>  | AGA(a)       |
| <b>Assets</b>                           |                |              |
| Receivables                             | -              | 419          |
| Property, plant and equipment           | -              | 11           |
| Other                                   | -              | 100          |
| <b>Total assets recognised</b>          | <b>-</b>       | <b>530</b>   |
| <b>Liabilities</b>                      |                |              |
| Provisions                              | -              | (492)        |
| <b>Total liabilities recognised</b>     | <b>-</b>       | <b>(492)</b> |
| <b>Net assets/(liabilities) assumed</b> | <b>-</b>       | <b>38</b>    |

In respect of programmes and sub-programmes relinquished, the following assets and liabilities were transferred:

|  | <b>2000-01</b> | 1999-00      |
|--|----------------|--------------|
|  | <b>\$'000</b>  | \$'000       |
|  | <b>AOFM(b)</b> | AOFM(b)      |
| <b>Assets</b>  |                |              |
| Property, plant and equipment                              | -              | (242)        |
| <b>Total assets recognised</b>                             | <b>-</b>       | <b>(242)</b> |
| <b>Liabilities</b>   |                |              |
| Provisions   | -              | 341          |
| <b>Total liabilities recognised</b>                        | <b>-</b>       | <b>341</b>   |
| <b>Net (assets)/liabilities relinquished</b>               | <b>-</b>       | <b>99</b>    |
| <b>Net appropriation/(distribution) from restructuring</b> | <b>-</b>       | <b>137</b>   |

### Note 13: Departmental cash flow reconciliation

|  | 2000-01<br>\$'000 | 1999-00<br>\$'000 |
|--|-------------------|-------------------|
| <b>Reconciliation of cash per Statement of Financial Position to Statement of Cash Flows</b> |                   |                   |
| Cash at year end per Statement of Cash flows   | 4,823             | 2,642             |
| Statement of Financial Position items comprising above cash: 'Financial Asset - Cash'        | 4,823             | 2,642             |
| Extraordinary item - restructuring   | -                 | -                 |
| <b>Reconciliation of operating surplus to net cash provided by operating activities:</b>     |                   |                   |
| Net surplus ( deficit)   | 5,558             | 4,371             |
| Capitalised share of profit distribution   | 1,604             | (5,994)           |
| Depreciation/amortisation  | 4,196             | 4,063             |
| Asset write-off (Olympic Coin project costs)   | -                 | 28                |
| Loss on sale   | 300               | 61                |
| Profit on sale on disposal of non current assets   | -                 | (1)               |
| Doubtful debts expense   | 21                | -                 |
| Finance charges  | 1,097             | 90                |
| Revaluation decrement-software   | -                 | 3,117             |
| Increase (decrease) in other current assets  | 4,960             | (742)             |
| Increase (decrease) in receivables   | (2,149)           | 1,332             |
| Decrease (increase) in prepayments   | (500)             | 1,944             |
| Decrease (increase) in inventories   | (2,037)           | 1,214             |
| Increase (decrease) in employee liabilities  | 790               | 1,527             |
| Increase (decrease) in suppliers   | 6,894             | 1,845             |
| Increase in other liabilities  | (1,544)           | 2,264             |
| <b>Net cash provided by operating activities</b>   | <b>19,190</b>     | <b>15,119</b>     |



**Note 14: Executive remuneration**

|                        | <b>2000-01</b> | 1999-00   |
|------------------------|----------------|-----------|
|                        | <b>Number</b>  | Number    |
| \$110,001 to \$120,000 | -              | 2         |
| \$120,001 to \$130,000 | 3              | 5         |
| \$130,001 to \$140,000 | 9              | 10        |
| \$140,001 to \$150,000 | 10             | 5         |
| \$150,001 to \$160,000 | 4              | 4         |
| \$160,001 to \$170,000 | 2              | 2         |
| \$170,001 to \$180,000 | 2              | 3         |
| \$180,001 to \$190,000 | 3              | -         |
| \$190,001 to \$200,000 | -              | 1         |
| \$200,001 to \$210,000 | 1              | -         |
| \$210,001 to \$220,000 | -              | 1         |
| \$220,001 to \$230,000 | -              | 2         |
| \$230,001 to \$240,000 | 1              | 1         |
| \$240,001 to \$250,000 | 1              | -         |
| \$270,001 to \$280,000 | 1              | -         |
| \$300,001 to \$310,000 | 1              | -         |
| \$310,001 to \$320,000 | -              | 1         |
|                        | <b>38</b>      | <b>37</b> |

The aggregate amount of total remuneration of executive officers shown above **\$6,184,010** \$5,836,022

The aggregate amount of performance pay paid during the year to executive officers shown above **\$170,422** \$419,880

The aggregate amount of performance pay shown in 2000-01 relates only to the August 2000-February 2001 appraisal period. No decision had been made as to the amounts to be paid for the February-August 2001 appraisal period prior to finalising the 2000-01 Financial Statements.

The aggregate amount of separation and redundancy payments to the executive officers shown above - -

Total remuneration includes actual salary, all allowances, employer superannuation component, vehicles costs and an estimate of the non-salary component of the Senior Executive Service package.

For 2000-01 remuneration also now includes net accruals for annual leave and long service leave.

### Note 15: Services provided by the Auditor-General

|                       | 2000-01        | 1999-00        |
|-----------------------|----------------|----------------|
|                       | \$             | \$             |
| Royal Australian Mint | 80,000         | 75,000         |
| Treasury              | 175,000        | 175,000        |
| <b>Total</b>          | <b>255,000</b> | <b>250,000</b> |

### Note 16: Average staffing level as at 30 June 2001

|                       | 2000-01    | 1999-00    |
|-----------------------|------------|------------|
|                       | Number     | Number     |
| Treasury              | 525        | 548        |
| Royal Australian Mint | 115        | 119        |
| <b>Total</b>          | <b>640</b> | <b>667</b> |

### Note 17: Act of grace payments, waivers and amounts written off

|   | 2000-01 | 1999-00 |
|---|---------|---------|
|   | \$      | \$      |
| <b>Department</b>   |         |         |
| No Act of Grace payments were made during the reporting period  | -       | -       |
| No waivers of amounts owing to the Commonwealth were made pursuant to subsection 34(1) of the <i>Financial Management and Accountability Act 1997</i> | -       | -       |
| Amounts written off in accordance with subsection 47 (1) of the <i>Financial Management and Accountability Act 1997</i>                               | -       | -       |

## Note 18: Financial instruments departmental

### Note 18A: Terms, conditions and accounting policies

| Financial instruments              | Notes | Accounting policies and methods<br>(including recognition criteria and measurement basis)   | Nature of underlying instruments<br>(including significant terms and conditions affecting the amount, timing and certainty of cash flows)   |
|------------------------------------|-------|---|---|
| <b>Financial assets</b>            |       | Financial assets are recognised when control over future economic benefits is established and the amount of the benefit can be reliably measured.   |   |
| Cash — at bank                     | 7A    | Deposits are recognised at their nominal amounts.   | The Department of the Treasury maintains a bank account with the Reserve Bank of Australia for the administration of petty cash and for the receipt and payment of moneys. Monies in the Departments's bank accounts are swept into the Official Public Account nightly.<br>The Royal Australian Mint maintains its own commercial accounts for the conduct of its business operations. |
| Receivables for goods and services | 7C    | These receivables are recognised at the nominal amounts due less any provision for bad and doubtful debts. Collectability of debts is reviewed at balance date. Provisions are made when collection of the debt is judged to be less rather than more likely. | Credit sales are normally on 30 day terms.  |
| Investments                        | 7B    | Deposits are recognised at their nominal amounts. Interest is credited to revenue as it accrues.  | The Department of the Treasury maintains term deposit accounts with the Reserve Bank of Australia. Rates have averaged 4.88 per cent for the year (2000-01).  |

### Note 18A: Financial instruments departmental (continued)

| Financial instruments        | Notes | Accounting policies and methods<br>(including recognition criteria and measurement basis)   | Nature of underlying instruments<br>(including significant terms and conditions affecting the amount, timing and certainty of cash flows)   |
|------------------------------|-------|---|---|
| <b>Financial liabilities</b> |       |   |   |
| Trade creditors and accruals | 11A   | Financial liabilities are recognised when a present obligation to another party is entered into and the amount of the liability can be reliably measured.<br>Creditors and accruals are recognised at their nominal amounts, being the amounts at which the liabilities will be settled. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced). | Trade liabilities are normally settled on 30 day terms.   |
| Finance lease liabilities    | 9B    | Liabilities are recognised at the present value of minimum lease payments at the beginning of the lease. The discount rates used are estimates of the interest rates implicit in the leases.  | At reporting date, the department had finance leases with terms averaging 3 years. The interest rate implicit in the leases averaged 9.6 per cent. The lease assets secure the lease liabilities. |

Note 18B: Interest rate risk — Departmental

| Financial instrument                            | Notes | Floating interest rate |              | Fixed interest rate |              |              |            |              |            | Non-interest bearing |          | Total         |               | Weighted average effective interest rate |               |               |     |     |
|---|-------|------------------------|--------------|---------------------|--------------|--------------|------------|--------------|------------|----------------------|----------|---------------|---------------|--|---------------|---------------|-----|-----|
|   |       | rate                   |              | 1 year or less      |              | 1 to 2 years |            | 2 to 5 years |            | > 5 years            |          |               |               | rate                                     |               |               |     |     |
|   |       | 00/01                  | 99/00        | 00/01               | 99/00        | 00/01        | 99/00      | 00/01        | 99/00      | 00/01                | 99/00    | 00/01         | 99/00         | 00/01                                    | 99/00         | %             | %   |     |
|   |       | \$ '000                | \$ '000      | \$ '000             | \$ '000      | \$ '000      | \$ '000    | \$ '000      | \$ '000    | \$ '000              | \$ '000  | \$ '000       | \$ '000       | \$ '000                                  |               |               |     |     |
| <b>Financial assets</b>                         |       |                        |              |                     |              |              |            |              |            |                      |          |               |               |  |               |               |     |     |
| Cash at bank                                    | 7A    | 4,823                  | 2,642        | -                   | -            | -            | -          | -            | -          | -                    | -        | -             | -             | 4,823                                    | 2,642         | 4.9           | 6.0 |     |
| Investments                                     | 7B    | -                      | -            | 13,000              | 9,500        | -            | -          | -            | -          | -                    | -        | -             | -             | 13,000                                   | 9,500         | 4.9           | 5.2 |     |
| Receivables for goods and services              | 7C    | -                      | -            | -                   | -            | -            | -          | -            | -          | -                    | -        | -             | 5,178         | 4,614                                    | 5,178         | 4,614         | n/a | n/a |
| <b>Total financial assets (recognised)</b>      |       | <b>4,823</b>           | <b>2,642</b> | <b>13,000</b>       | <b>9,500</b> | <b>-</b>     | <b>-</b>   | <b>-</b>     | <b>-</b>   | <b>-</b>             | <b>-</b> | <b>-</b>      | <b>5,178</b>  | <b>4,614</b>                             | <b>23,001</b> | <b>16,756</b> |     |     |
| <b>TOTAL ASSETS</b>                             |       |                        |              |                     |              |              |            |              |            |                      |          | <b>65,093</b> | <b>53,434</b> |  |               |               |     |     |
| <b>Financial liabilities</b>                    |       |                        |              |                     |              |              |            |              |            |                      |          |               |               |  |               |               |     |     |
| Finance lease liabilities                       | 9B    | -                      | -            | 661                 | 804          | 216          | 552        | 63           | 133        | -                    | -        | -             | -             | 940                                      | 1,489         | 9.6           | 9.6 |     |
| Trade creditors                                 | 11A   | -                      | -            | -                   | -            | -            | -          | -            | -          | -                    | -        | 10,552        | 2,947         | 10,552                                   | 2,947         |               |     |     |
| <b>Total financial liabilities (recognised)</b> |       | <b>-</b>               | <b>-</b>     | <b>661</b>          | <b>804</b>   | <b>216</b>   | <b>552</b> | <b>63</b>    | <b>133</b> | <b>-</b>             | <b>-</b> | <b>10,552</b> | <b>2,947</b>  | <b>11,492</b>                            | <b>4,436</b>  |               |     |     |
| <b>TOTAL LIABILITIES</b>                        |       |                        |              |                     |              |              |            |              |            |                      |          | <b>38,964</b> | <b>28,259</b> |  |               |               |     |     |

**Note 18C: Net fair values of financial assets and liabilities**

|   | Note | 2000-01               |                          | 1999-00               |                          |
|---|------|-----------------------|--------------------------|-----------------------|--------------------------|
|   |      | Total carrying amount | Aggregate net fair value | Total carrying amount | Aggregate net fair value |
|   |      | \$'000                | \$'000                   | \$'000                | \$'000                   |
| <b>Departmental financial assets</b>            |      |                       |                          |                       |                          |
| Cash at bank                                    | 7A   | 4,823                 | 4,823                    | 2,642                 | 2,642                    |
| Investments                                     | 7B   | 13,000                | 13,000                   | 15,494                | 15,494                   |
| Receivables for goods and services              | 7C   | 5,178                 | 5,178                    | 4,631                 | 4,631                    |
| <b>Total financial assets</b>                   |      | <b>23,001</b>         | <b>23,001</b>            | <b>22,767</b>         | <b>22,767</b>            |
| <b>Financial liabilities (recognised)</b>       |      |                       |                          |                       |                          |
| Finance lease liabilities                       | 9B   | 940                   | 940                      | 1,379                 | 1,379                    |
| Trade creditors                                 | 11A  | 10,552                | 10,552                   | 2,947                 | 2,947                    |
| <b>Total financial liabilities (recognised)</b> |      | <b>11,492</b>         | <b>11,492</b>            | <b>4,326</b>          | <b>4,326</b>             |

**I8D: Credit Risk Exposures**

The department's maximum exposures to credit risk at reporting date in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the Statement of Financial Position.

The department has no significant exposures to any concentrations of credit risk.

All figures for credit risk referred to do not take into account the value of any collateral or other security.

**Note 19: Related party transactions**

|  | 2000-01 | 1999-00 |
|--|---------|---------|
|  | \$'000  | \$'000  |
| Sale of goods and services   |         |         |
| Coin sales   | 4,629   | 5,700   |
| Other income   |         |         |
| Profit share   | (1,604) | 6,385   |
| Administration fee   | -       | 357     |
| Expenditure paid on behalf of the STOCP that has been or is to be reimbursed | -       | 835     |
| Receivables  |         |         |
| Coin sales   | -       | 549     |
| Administration fee   | -       | -       |
| Reimbursable expenditure   | -       | 548     |
| Investments  |         |         |
| Interest in STOCP  | 675     | 6,186   |

## Note 20: Payments to the Commonwealth from business operations

|  | 2000-01       | 1999-00        |
|--|---------------|----------------|
|  | \$'000        | \$'000         |
| Seigniorage  | 59,839        | 107,913        |
| Royalty on numismatic coin sales                     | 1,049         | 1,069          |
| STOCP royalty to Treasury                            | 4,961         | 4,496          |
| Loss from withdrawal n circulating coin              | (582)         | (752)          |
| Trust fund surplus                                   | 4,280         | (144)          |
| Company and payroll tax equivalents                  | 453           | 2,418          |
| <b>Actual surplus funds paid to the Commonwealth</b> | <b>70,000</b> | <b>115,000</b> |

Note: Budget estimates include section 31 deemed appropriation.

## Note 21: Administered Revenues

|  | 2000-01           | 1999-00           |
|--|-------------------|-------------------|
|  | \$'000            | \$'000            |
| <b>Note 21A: Revenues from government</b>      |                   |                   |
| Annual appropriations                          | 194,890           | 595,190           |
| Special appropriations                         | 27,740,054        | 18,081,282        |
| Appropriations accrued                         | 647,611           | 9,420             |
| <b>Total revenues from government</b>          | <b>28,582,555</b> | <b>18,685,892</b> |
| <b>Note 21B: Administered interest revenue</b> |                   |                   |
| Interest on Papua New Guinea loan              | 10,855            | -                 |
| Other  | 138               | 129               |
| <b>Total administered interest revenue</b>     | <b>10,993</b>     | <b>129</b>        |
| <b>Note 21C: Administered dividend revenue</b> |                   |                   |
| Reserve Bank of Australia                      | 803,084           | 3,676,000         |
| <b>Total administered dividend revenue</b>     | <b>803,084</b>    | <b>3,676,000</b>  |
| <b>Note 21D: Net foreign exchange gains</b>    |                   |                   |
| IMF quota revaluation                          | 717,642           | 660,451           |
| IMF maintenance of value                       | (561,449)         | (381,054)         |
| IMF SDR allocation revaluation                 | (104,339)         | (96,024)          |
| Other  | (13,552)          | (9,671)           |
| <b>Total net foreign exchange gains</b>        | <b>38,302</b>     | <b>173,702</b>    |
| <b>Note 21E: Other administered revenue</b>    |                   |                   |
| GST Administration Fees                        | 616,068           | -                 |
| IMF remuneration                               | 82,067            | 79,027            |
| Other  | 107,173           | 277,491           |
| <b>Total other administered revenue</b>        | <b>805,308</b>    | <b>356,518</b>    |

**Note 22: Administered expenses**

|  | 2000-01           | 1999-00           |
|--|-------------------|-------------------|
|  | \$'000            | \$'000            |
| <b>Note 22A: Subsidies</b>                   |                   |                   |
| GST direct assistance payments               | 6,043             | 298,879           |
| <b>Total subsidies</b>                       | <b>6,043</b>      | <b>298,879</b>    |
| <b>Note 22B: Grants</b>                      |                   |                   |
| Grants to State and Territory governments    | 27,773,800        | 17,886,602        |
| GST assistance grants                        | 30,424            | 130,378           |
| Other  | -                 | 2,014             |
| <b>Total grants</b>                          | <b>27,804,224</b> | <b>18,018,994</b> |
| <b>Note 22C: Other administered expenses</b> |                   |                   |
| IMF charges                                  | 50,378            | 40,393            |
| HLIC claims                                  | 15,643            | 15,947            |
| HIH claims                                   | 640,906           | -                 |
| Other  | -                 | 18,371            |
| <b>Total other administered expenses</b>     | <b>706,927</b>    | <b>74,711</b>     |



## Note 23: Administered assets

|   | 2000-01<br>\$'000 | 1999-00<br>\$'000 |
|---|-------------------|-------------------|
| <b>Note 23A: Administered financial assets - receivables</b>        |                   |                   |
| Repayment of subsidies  | 97                | -                 |
| Net GST receivable  | 99                | -                 |
| Special appropriation   | 647,603           | 63,702            |
| Annual appropriations   | 8                 | -                 |
| PNG loan interest receivable  | 10,855            | -                 |
| APRA Supervisory levies   | -                 | 7,752             |
| IMF related moneys owing  | 11,127            | 13,101            |
| <b>Total other receivables</b>                                      | <b>669,789</b>    | <b>84,555</b>     |
| <b>Note 23B: Administered financial assets - loans and advances</b> |                   |                   |
| Loan to Papua New Guinea  | 192,152           | 133,245           |
| <b>Total loans and advances</b>                                     | <b>192,152</b>    | <b>133,245</b>    |
| Maturity schedule for Loans as at 30 June 2001 is as follows:       |                   |                   |
| Payable   |                   |                   |
| Within one year   | -                 | -                 |
| In one to two years   | 49,246            | -                 |
| In two to five years  | 142,906           | 133,245           |
| In more than five years   | -                 | -                 |
|   | <b>192,152</b>    | <b>133,245</b>    |
| <b>Note 23C: Administered financial assets - investments</b>        |                   |                   |
| <b>International financial institutions</b>                         |                   |                   |
| Asian Development Bank  | 281,431           | 281,431           |
| European Bank for Reconstruction and Development                    | 87,262            | 51,486            |
| International Finance Corporation                                   | 69,144            | 69,144            |
| International Bank for Reconstruction and Development               | 265,115           | 265,115           |
| Multilateral Investment Guarantee Agency                            | 10,818            | 5,819             |
|   | <b>713,770</b>    | <b>672,995</b>    |
| <b>Quota</b>  |                   |                   |
| International Monetary Fund   | 7,940,137         | 7,222,495         |
| <b>Commonwealth entities</b>  |                   |                   |
| Reserve Bank of Australia   | 8,035,041         | 8,035,041         |
| Australian Securities and Investments Commission                    | 4,267             | 4,267             |
| Companies and Securities Advisory Committee                         | 332               | 332               |
|   | <b>8,039,640</b>  | <b>8,039,640</b>  |
| <b>Total investments</b>  | <b>16,693,547</b> | <b>15,935,130</b> |
| <b>Note 23D: Administered financial assets - other</b>              |                   |                   |
| Gold Corporation royalty receivable                                 | 1,300             | 700               |
| Other   | -                 | 500               |
| <b>Total other financial assets</b>                                 | <b>1,300</b>      | <b>1,200</b>      |
| <b>Note 23E: Administered non-financial assets - other</b>          |                   |                   |
| Prepayment of BBA grants States and Territories                     | 1,153             | -                 |
| <b>Total other non-financial assets</b>                             | <b>1,153</b>      | <b>-</b>          |

## Note 24: Administered liabilities

|   | 2000-01<br>\$'000 | 1999-00<br>\$'000 |
|---|-------------------|-------------------|
| <b>Note 24A: Loans</b>                        |                   |                   |
| IMF promissory notes                          | 5,176,501         | 4,615,077         |
| Other promissory notes                        | 113,724           | 103,406           |
| <b>Total loans</b>                            | <b>5,290,225</b>  | <b>4,718,483</b>  |
| Maturity schedule for loans is as follows:    |                   |                   |
| Payable                                       |                   |                   |
| within one year                               | 8,880             | 12,669            |
| in one to two years                           | 6,343             | 11,619            |
| in two to five years                          | 10,999            | 4,951             |
| in more than five years                       | -                 | -                 |
| Promissory notes payable on demand            | 5,264,003         | 4,689,244         |
|   | <b>5,290,225</b>  | <b>4,718,483</b>  |
| <b>Note 24B: Grants</b>                       |                   |                   |
| Grants  |                   |                   |
| IMF - enhanced structural adjustment facility | 20,000            | 22,500            |
| Maturity schedule for loans is as follows:    |                   |                   |
| Payable                                       |                   |                   |
| within one year                               | 2,500             | 2,500             |
| in one to two years                           | 2,500             | 2,500             |
| in two to five years                          | 7,500             | 7,500             |
| in more than five years                       | 7,500             | 10,000            |
|   | <b>20,000</b>     | <b>22,500</b>     |
| <b>Note 24C: Subsidies</b>                    |                   |                   |
| Provision for direct assistance payments      | 309               | 260,297           |
| <b>Note 24D: Suppliers</b>                    |                   |                   |
| Trade creditors                               | 70                | 210               |
| GST appropriation payable                     | 98                | -                 |
| <b>Total suppliers</b>                        | <b>168</b>        | <b>210</b>        |
| <b>Note 24E: Other payables</b>               |                   |                   |
| IMF SDR allocation                            | 1,154,427         | 1,050,089         |
| IMF related monies owing                      | 7,603             | 7,810             |
| Other   | 21,201            | 573               |
| <b>Total other payables</b>                   | <b>1,183,231</b>  | <b>1,058,472</b>  |
| <b>Note 24F: Other provisions</b>             |                   |                   |
| Provision for unclaimed monies repayments     | -                 | 55,892            |
| Provision for insurance claims                | 15,986            | 14,169            |
| Provision for unearned premiums               | 24,835            | 48,570            |
| Provision for HIH claims                      | 640,000           | -                 |
| <b>Total other provisions</b>                 | <b>680,821</b>    | <b>118,631</b>    |

## Note 25: Movements in equity — administered

| Item                                  | Accumulated results |              | Asset revaluation |           | Total reserves   |           | Capital       |         | Total equity       |              |
|---------------------------------------|---------------------|--------------|-------------------|-----------|------------------|-----------|---------------|---------|--------------------|--------------|
|                                       | 2000-01             | 1999-00      | 2000-01           | 1999-00   | 2000-01          | 1999-00   | 2000-01       | 1999-00 | 2000-01            | 1999-00      |
|                                       | \$'000              | \$'000       | \$'000            | \$'000    | \$'000           | \$'000    | \$'000        | \$'000  | \$'000             | \$'000       |
| Balance 1 July 2000                   | <b>2,866,544</b>    | (82,266,414) | <b>8,039,640</b>  | 8,039,640 | <b>8,039,640</b> | 8,039,640 | <b>15,215</b> | -       | <b>10,921,399</b>  | (74,226,774) |
| Capital appropriations                | -                   | -            | -                 | -         | -                | -         | <b>17,784</b> | 15,215  | <b>17,784</b>      | 15,215       |
| Restructuring                         | <b>377,400</b>      | 84,097,275   | -                 | -         | -                | -         | -             | -       | <b>377,400</b>     | 84,097,275   |
| Net change in administered net assets |                     |              |                   |           |                  |           |               |         |                    |              |
| from operations                       | <b>1,723,046</b>    | 4,499,657    | -                 | -         | -                | -         | -             | -       | <b>1,723,046</b>   | 4,499,657    |
| Amount to Official Public Account     | <b>(2,650,998)</b>  | (3,463,974)  | -                 | -         | -                | -         | -             | -       | <b>(2,650,998)</b> | (3,463,974)  |
| <b>Balance 30 June 2001</b>           | <b>2,315,992</b>    | 2,866,544    | <b>8,039,640</b>  | 8,039,640 | <b>8,039,640</b> | 8,039,640 | <b>32,999</b> | 15,215  | <b>10,388,631</b>  | 10,921,399   |

**Note 26: Administered cash flow reconciliation**

|   | 2000-01<br>\$'000 | 1999-00<br>\$'000 |
|---|-------------------|-------------------|
| <b>Reconciliation of cash per Statement of Financial Position to cash flows:</b>  |                   |                   |
| <b>Cash at year end per Statement of Cash Flows</b>   | <b>2,599</b>      | 263,694           |
| <b>Statement of Financial Position items comprising above cash: Financial Asset - Cash</b>  | <b>2,599</b>      | 263,694           |
| <b>Reconciliation of 'Net Change in administered net assets' from Schedule of Administered Revenues and Expenses to net cash provided by operating activities</b> |                   |                   |
| <b>Net surplus (deficit)</b>  | <b>(927,950)</b>  | 1,035,683         |
| Net foreign exchange losses (gains)   | <b>(38,302)</b>   | (173,702)         |
| Restructuring   | <b>377,400</b>    | (9,155)           |
| Increase (decrease) in provision for direct assistance payments   | <b>(259,989)</b>  | 260,297           |
| (Increase) decrease in dividend and interest receivables  | <b>676,000</b>    | (676,000)         |
| (Increase) decrease in IMF remuneration receivables   | <b>1,974</b>      | (2,474)           |
| (Increase) decrease in appropriations receivable  | <b>(639,190)</b>  | (9,421)           |
| (Increase) decrease in other financial assets   | <b>(4,602)</b>    | 2,996             |
| (Increase) decrease on other non-financial assets   | <b>3,323</b>      | -                 |
| Increase (decrease) in insurance claims and unearned premium provisions and payables  | <b>(21,918)</b>   | (39,315)          |
| Increase (decrease) in payables   | <b>(1,226)</b>    | 54                |
| Increase (decrease) in unclaimed moneys provisions and payables   | -                 | 6,916             |
| Increase (decrease) in grant provisions and payables  | -                 | -                 |
| Increase (decrease) in IMF provisions and payables  | <b>(207)</b>      | 2,504             |
| Increase (decrease) in HIH provision  | <b>640,000</b>    | -                 |
| <b>Net cash provided by operating activities</b>  | <b>(194,687)</b>  | 398,383           |

## Note 27: Administered remote contingencies

| Borrower   | Legislation Authorising Guarantee                         | Balance                          | Balance                          |
|--|---|----------------------------------|----------------------------------|
|  |   | outstanding<br>2000-01<br>\$'000 | outstanding<br>1999-00<br>\$'000 |
| Papua New Guinea   | <i>PNG Act 1949-75 &amp; PNG Loans Guarantee Act 1975</i> | 5,775                            | 5,775                            |
| Commonwealth Bank of Australia(a)                                  | <i>CBA Act 1959 s117</i>                                  | (d)                              | (d)                              |
| Commonwealth Bank of Australia Officers' of Superannuation Fund(a) | <i>CBA Act 1959 s117</i>                                  | (d)                              | (d)                              |
| Commonwealth Development Bank(a)                                   | <i>CBA Act 1959 s117</i>                                  | (d)                              | (d)                              |
| Reserve Bank of Australia(b)                                       | <i>RBA Act s77</i>  | 45,848,000                       | 45,228,000                       |
| Housing Loans Insurance Corporation(c)                             | <i>HLIC Act 1965 s30,31(b)</i>                            | -                                | -                                |

- (a) In relation to the Commonwealth Bank of Australia, the Commonwealth Bank of Australia Officers' Superannuation Fund and the Commonwealth Development Bank, the Commonwealth guarantees all moneys that are, or may at any time become, payable to a person other than the Commonwealth. Such guarantee will be progressively phased out following the government sell-down on 19 July 1996.
- (b) In relation to the Reserve Bank of Australia, the Commonwealth guarantees all moneys that are, or may at any time become, payable to a person other than the Commonwealth.
- (c) The HLIC was sold by the Commonwealth on 12 December 1997 and all residual contingencies have been assumed by the Commonwealth. The principal amount covered by the guarantee and the balances outstanding are unable to be reliably measured. The guarantee relates essentially to the Housing Loans Insurance Corporation's (HLIC) contracts of mortgage insurance and any borrowings approved by the Treasurer up to the time of sale.
- (d) At the finalisation of these statements this figure was not reliably measurable.

## Note 28: Financial instruments administered

### Note 28A: Terms, conditions and accounting policies

| Financial instruments                    | Notes | Accounting policies and methods   | Nature of underlying instruments  |
|--|-------|---|---|
| <b>Financial assets</b>                  |       | Financial assets are recognised when control over future economic benefits is established and the amount of the benefit can be reliably measured. |   |
| Cash — at bank                           |       | Deposits are recognised at their nominal amounts.   | The department maintains two bank accounts with a commercial bank for the purposes of administering mortgage insurance policies written by the Housing Loans Insurance Corporation (HLIC) up to 12 December 1997 and a bank account for administering the wrap-up of the final accounts and other minor details up to the point of sale of the HLIC.                                |
| Dividends receivable                     |       | Dividends from the Reserve Bank of Australia are recognised when determination is made by the Treasurer.  | The basis of payment of dividends is a memorandum of understanding with the Treasurer.  |
| International Monetary Fund moneys owing |       | Amounts owing from the International Monetary Fund are credited to revenue as they accrue.  | Where the IMF's holdings of Australian dollars fall below a specified level, it pays remuneration on Australia's average remunerated reserve tranche position. The rate of remuneration is equal to the Special Drawing Rights (SDR) interest rate (this rate is then adjusted for burden sharing). Remuneration is calculated and paid at the end of the IMF's financial quarters. |

Note 28A: Terms, conditions and accounting policies (continued)

| Financial instruments        | Notes | Accounting policies and methods   | Nature of underlying instruments   |
|------------------------------|-------|---|--|
| <b>Financial liabilities</b> |       | Financial liabilities are recognised when a present obligation to another party is entered into and the amount of the liability can be reliably measured. |  |
| Grant liabilities            |       | Grants are recognised as liabilities and expensed in the year in which the grant agreements are made.   | This represents Australia's contribution to the Enhanced Structural Adjustment Facility (ESAF) of the IMF. The ESAF will enable the IMF to provide concessional funding to support medium term macroeconomic adjustment and structural reforms in low income members of the IMF facing protracted balance of payment problems. The ESAF will assist Australia to promote its international economic and aid interests with developing countries in the Asian region. Australia's contribution involves \$30 million to be paid in annual instalments of \$2.5 million over a 12 year period. |

Note 28A: Terms, conditions and accounting policies (continued)

| Financial instruments   | Notes | Accounting policies and methods  | Nature of underlying instruments  |
|---|-------|--|---|
| <b>International Monetary Fund</b> (IMF) Special Drawing Right (SDR) allocation liability |       | This liability is recognised as a monetary liability. It is valued at the Australian dollar equivalent of its liability in Special Drawing Rights. Interest expense is recognised as it accrues. | The SDR allocation liability reflects the current value in Australian dollars of the department's liability to repay to the IMF Australia's cumulative allocations of SDRs. Interest is payable to the IMF in relation to the amount of SDR holdings that are below Australia's net cumulative allocations.   |
| Loans — promissory notes  |       | The promissory notes are measured at nominal face value.   | The department has on issue promissory notes to the International Monetary Fund (IMF), the International Bank for Reconstruction and Development (IBRD), the Asian Development Bank (ADB) and European Bank for Reconstruction and Development (ERDB). These promissory notes are in relation to undrawn paid-in capital subscriptions. Promissory notes to the value of \$5.26 million do not possess established drawdown schedules. The promissory notes are non-interest bearing. |



## Note 28B: Interest rate exposures

The department's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out below.

| Financial<br>Instrument                   | Floating interest<br>rate |         | Fixed interest rate |         |              |         |              |         |           |         | Total                |         | Weighted<br>average effective<br>interest rate |                   |       |       |
|---|---------------------------|---------|---------------------|---------|--------------|---------|--------------|---------|-----------|---------|----------------------|---------|--|-------------------|-------|-------|
|   | 00/01                     | 99/00   | 1 year or less      |         | 1 to 2 years |         | 2 to 5 years |         | > 5 years |         | Non-interest bearing |         | 00/01  | 99/00             | 00/01 | 99/00 |
|   | \$ '000                   | \$ '000 | \$ '000             | \$ '000 | \$ '000      | \$ '000 | \$ '000      | \$ '000 | \$ '000   | \$ '000 | \$ '000              | \$ '000 | \$ '000  | \$ '000           | %     | %     |
| <b>Financial assets</b>                   |                           |         |                     |         |              |         |              |         |           |         |                      |         |  |                   |       |       |
| Cash                                      | -                         | -       | -                   | -       | -            | -       | -            | -       | -         | -       | 2,599                | 263,694 | 2,599  | 263,694           | -     | -     |
| Interest<br>receivable                    | -                         | -       | 10,855              | -       | -            | -       | -            | -       | -         | -       | -                    | -       | 10,855   | -                 | -     | -     |
| M F m onies<br>owing                      | -                         | -       | -                   | -       | -            | -       | -            | -       | -         | -       | 11,127               | 13,101  | 11,127   | 13,101            | -     | -     |
| Loan to Papua<br>New Guinea               | -                         | -       | -                   | -       | 49,246       | -       | 142,906      | 133,245 | -         | -       | -                    | -       | 192,152  | 133,245           | 7.05  | 7.05  |
| Other<br>receivables                      | -                         | -       | -                   | -       | -            | -       | -            | -       | -         | -       | 1,397                | 10,212  | 1,397  | 10,212            | -     | -     |
| Total financial<br>assets<br>(Recognised) | -                         | -       | 10,855              | -       | 49,246       | -       | 142,906      | 133,245 | -         | -       | 15,123               | 287,007 | 218,130  | 420,252           | -     | -     |
| <b>Total assets</b>                       |                           |         |                     |         |              |         |              |         |           |         |                      |         | <b>17,563,385</b>                              | <b>17,099,992</b> |       |       |

## Note 28B: Interest rate exposures (continued)

|   | Floating interest rate |         | Fixed interest rate |         |         |         |         | Non-interestbearing |         | Total   |                  | Weighted average effective interest Rate |                  |                  |   |   |
|---|------------------------|---------|---------------------|---------|---------|---------|---------|---------------------|---------|---------|------------------|--|------------------|------------------|---|---|
|   | 00/01                  | 99/00   | 00/01               | 99/00   | 00/01   | 99/00   | 00/01   | 99/00               | 00/01   | 99/00   | 00/01            | 99/00                                    | 00/01            | 99/00            |   |   |
| Instrument                                      | \$ '000                | \$ '000 | \$ '000             | \$ '000 | \$ '000 | \$ '000 | \$ '000 | \$ '000             | \$ '000 | \$ '000 | \$ '000          | \$ '000                                  | \$ '000          | \$ '000          | % | % |
| <b>Financial liabilities</b>                    |                        |         |                     |         |         |         |         |                     |         |         |                  |  |                  |                  |   |   |
| Grant liabilities                               | -                      | -       | -                   | -       | -       | -       | -       | -                   | -       | -       | 20,000           | 22,500                                   | 20,000           | 22,500           | - | - |
| M F allocation liability                        | -                      | -       | -                   | -       | -       | -       | -       | -                   | -       | -       | 1,154,427        | 1,050,089                                | 1,154,427        | 1,050,089        | - | - |
| Provision for unclaimed money repayments        | -                      | -       | -                   | -       | -       | -       | -       | -                   | -       | -       | -                | 55,892                                   | -                | 55,892           | - | - |
| Loans - promissory notes                        | -                      | -       | -                   | -       | -       | -       | -       | -                   | -       | -       | 5,290,225        | 4,718,483                                | 5,290,225        | 4,718,483        | - | - |
| Other   | -                      | -       | -                   | -       | -       | -       | -       | -                   | -       | -       | 669,183          | 8,383                                    | 669,183          | 8,383            | - | - |
| <b>Total financial liabilities (Recognised)</b> | -                      | -       | -                   | -       | -       | -       | -       | -                   | -       | -       | <b>7,133,835</b> | <b>5,855,347</b>                         | <b>7,133,835</b> | <b>5,855,347</b> | - | - |
| <b>Total liabilities</b>                        |                        |         |                     |         |         |         |         |                     |         |         |                  |  | <b>7,174,754</b> | <b>6,178,593</b> |   |   |

Note 28C: Net fair values of administered financial assets and liabilities

|   | 2000-01                         |                                    | 1999-00                         |                                    |
|---|---------------------------------|------------------------------------|---------------------------------|------------------------------------|
|   | Total carrying amount<br>\$'000 | Aggregate net fair value<br>\$'000 | Total carrying amount<br>\$'000 | Aggregate net fair value<br>\$'000 |
| <b>Financial assets</b>                   |                                 |                                    |                                 |                                    |
| Cash                                      | 2,599                           | 2,599                              | 263,694                         | 263,694                            |
| Interest receivable                       | 10,855                          | 10,855                             | -                               | -                                  |
| IMF moneys owing                          | 11,127                          | 11,127                             | 13,101                          | 13,101                             |
| Loan to Papua New Guinea                  | 192,152                         | 192,152                            | 133,245                         | 133,245                            |
| Other receivables                         | 1,397                           | 1,397                              | 10,212                          | 10,212                             |
|   | <b>218,130</b>                  | <b>218,130</b>                     | <b>420,252</b>                  | <b>420,252</b>                     |
| <b>Financial liabilities</b>              |                                 |                                    |                                 |                                    |
| Grant liabilities                         | 20,000                          | 20,000                             | 22,500                          | 22,500                             |
| IMF allocation liability                  | 1,154,427                       | 1,154,427                          | 1,050,089                       | 1,050,089                          |
| Provision for unclaimed moneys repayments | -                               | -                                  | 55,892                          | 55,892                             |
| Loans - promissory notes                  | 5,290,225                       | 5,290,225                          | 4,718,483                       | 4,718,483                          |
| Other                                     | 669,183                         | 669,183                            | 8,383                           | 8,383                              |
|   | <b>7,133,835</b>                | <b>7,133,835</b>                   | <b>5,855,347</b>                | <b>5,855,347</b>                   |

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28D: Credit Risk Exposures

The administered maximum exposures to credit risk at reporting date in relation to each class of recognised financial assets is the fair value of those assets as indicated in the above.

## Note 29: Appropriations

### Note 29A: Annual appropriations for departmental items (price of outputs)

|   | 2000-01       | 1999-00  |
|---|---------------|----------|
|   | (\$'000)      | (\$'000) |
| Annual appropriations for departmental items (outputs)                |               |          |
| Appropriation Acts No 1 & 3 credits:                                  |               |          |
| Section 7 - Act 1 - basic appropriations (budget)                     | 71,913        | 62,765   |
| Section 7 - Act 3 - basic appropriations                              | 2,267         | 2,818    |
| Section 7 - adjustments   | -             | -        |
| Section 11 - Advance to the Finance Minister                          | -             | -        |
| Section 12 - Comcover receipts  | -             | -        |
| Total current appropriation acts                                      | <b>74,180</b> | 65,583   |
| Add: FMA Act appropriations   |               |          |
| s30 appropriations  | -             | -        |
| s30A appropriations (GST recoverables)                                | 2,627         | -        |
| s31 appropriations  | 2,621         | 4,261    |
| Total appropriated in the year  | <b>79,428</b> | 69,844   |
| Balance brought forward from previous period                          | 14,030        | -        |
| Total appropriations available for payments                           | <b>93,458</b> | 69,844   |
| Payment during the year   | 76,977        | 55,814   |
| Balance of appropriations (unspent) at 30 June carried to next period | <b>16,481</b> | 14,030   |

**Note 29B: Annual appropriations for departmental capital items**

|  | Equity injection                  |                      | Loans                             |                      | Carryovers                        |                      | Total                             |                      |
|--|-----------------------------------|----------------------|-----------------------------------|----------------------|-----------------------------------|----------------------|-----------------------------------|----------------------|
|  | <b>2000-01</b><br><b>(\$'000)</b> | 999-2000<br>(\$'000) | <b>2000-01</b><br><b>(\$'000)</b> | 999-2000<br>(\$'000) | <b>2000-01</b><br><b>(\$'000)</b> | 999-2000<br>(\$'000) | <b>2000-01</b><br><b>(\$'000)</b> | 999-2000<br>(\$'000) |
| Appropriation Act No 2 & 4   |                                   |                      |                                   |                      |                                   |                      |                                   |                      |
| Section 10 - Act No 2 (Budget)                                     | -                                 | -                    | -                                 | 775                  | -                                 | 3,200                | -                                 | 3,975                |
| Section 10 - Act No 4  | -                                 | -                    | -                                 | -                    | -                                 | 563                  | -                                 | 563                  |
| Advance to the Finance Minister                                    | -                                 | -                    | -                                 | -                    | -                                 | -                    | -                                 | -                    |
| <b>Total current appropriation acts</b>                            | <b>-</b>                          | <b>-</b>             | <b>-</b>                          | <b>775</b>           | <b>-</b>                          | <b>3,763</b>         | <b>-</b>                          | <b>4,538</b>         |
| Add: FMA Act appropriations  |                                   |                      |                                   |                      |                                   |                      |                                   |                      |
| s30 appropriations   | -                                 | -                    | -                                 | -                    | -                                 | -                    | -                                 | -                    |
| s30A appropriations (GST recoverables)                             | -                                 | -                    | -                                 | -                    | -                                 | -                    | -                                 | -                    |
| <b>Total appropriated in the year</b>                              | <b>-</b>                          | <b>-</b>             | <b>-</b>                          | <b>775</b>           | <b>-</b>                          | <b>3,763</b>         | <b>-</b>                          | <b>4,538</b>         |
| Balance available at 1 July brought forward from previous period   | -                                 | -                    | -                                 | -                    | -                                 | -                    | -                                 | -                    |
| <b>Total appropriated available for payments</b>                   | <b>-</b>                          | <b>-</b>             | <b>-</b>                          | <b>775</b>           | <b>-</b>                          | <b>3,763</b>         | <b>-</b>                          | <b>4,538</b>         |
| Payments during the year   | -                                 | -                    | -                                 | 775                  | -                                 | 3,763                | -                                 | 4,538                |
| <b>Balance of appropriations at 30 June carried to next period</b> | <b>-</b>                          | <b>-</b>             | <b>-</b>                          | <b>-</b>             | <b>-</b>                          | <b>-</b>             | <b>-</b>                          | <b>-</b>             |

Note 29C: Administered appropriations  
Annual appropriations for administered expense items  
**Outcome 1 — Economic**

|  | Administered expenses       |                       | Other administered expenses |                       | State payment items         |                       | Total Outcome 1     |                       |
|--|-----------------------------|-----------------------|-----------------------------|-----------------------|-----------------------------|-----------------------|---------------------|-----------------------|
|  | Appropriation Act Nos 1 & 3 |                       | Appropriation Act Nos 2 & 4 |                       | Appropriation Act Nos 2 & 4 |                       |                     |                       |
|  | 2000-01<br>(\$'000)         | 1999-2000<br>(\$'000) | 2000-01<br>(\$'000)         | 1999-2000<br>(\$'000) | 2000-01<br>(\$'000)         | 1999-2000<br>(\$'000) | 2000-01<br>(\$'000) | 1999-2000<br>(\$'000) |
| Appropriation Act Credits:                                       |                             |                       |                             |                       |                             |                       |                     |                       |
| Act 1/2 - basic appropriations (budget)                          | -                           | -                     | -                           | -                     | -                           | -                     | -                   | -                     |
| Act 3/4 - basic appropriations                                   | -                           | -                     | -                           | -                     | -                           | -                     | -                   | -                     |
| Section 11 - Advance to the Finance Minister                     | -                           | -                     | -                           | -                     | -                           | -                     | -                   | -                     |
| Section 12 - Comcover receipts                                   | -                           | -                     | -                           | -                     | -                           | -                     | -                   | -                     |
| <b>Total current appropriation acts</b>                          | -                           | -                     | -                           | -                     | -                           | -                     | -                   | -                     |
| Add: FMA Act appropriations                                      |                             |                       |                             |                       |                             |                       |                     |                       |
| s30 appropriations   | -                           | -                     | -                           | -                     | -                           | -                     | -                   | -                     |
| s30A appropriations (GST recoverables)                           | -                           | -                     | -                           | -                     | -                           | -                     | -                   | -                     |
| s31 appropriations   | -                           | -                     | -                           | -                     | -                           | -                     | -                   | -                     |
| <b>Total appropriated in the year</b>                            | -                           | -                     | -                           | -                     | -                           | -                     | -                   | -                     |
| Less: amounts lapsed by Ministerial determination                | -                           | -                     | -                           | -                     | -                           | -                     | -                   | -                     |
| Balance available at 1 July brought forward from previous period | -                           | -                     | -                           | -                     | -                           | -                     | -                   | -                     |
| <b>Total appropriated available for payments</b>                 | -                           | -                     | -                           | -                     | -                           | -                     | -                   | -                     |
| Payments during the year   | -                           | -                     | -                           | -                     | -                           | -                     | -                   | -                     |
| Balance of appropriations at 30 June carried to next period      | -                           | -                     | -                           | -                     | -                           | -                     | -                   | -                     |

(a) The amount of the appropriation that lapsed is based on the amount to be determined by the Finance Minister under the annual appropriation Acts, to be the administered expenses by the Department in the current year.

Note 29C: Administered appropriations (continued)  
Annual appropriations for administered expense items (continued)  
**Outcome 2 — Budget**

|  | Administered expenses       |                       | Other administered expenses |                       | State payment items         |                       | Total Outcome 2     |                       |
|--|-----------------------------|-----------------------|-----------------------------|-----------------------|-----------------------------|-----------------------|---------------------|-----------------------|
|  | Appropriation Act Nos 1 & 3 |                       | Appropriation Act Nos 2 & 4 |                       | Appropriation Act Nos 2 & 4 |                       |                     |                       |
|  | 2000-01<br>(\$'000)         | 1999-2000<br>(\$'000) | 2000-01<br>(\$'000)         | 1999-2000<br>(\$'000) | 2000-01<br>(\$'000)         | 1999-2000<br>(\$'000) | 2000-01<br>(\$'000) | 1999-2000<br>(\$'000) |
| Appropriation Acts credits:                                      |                             |                       |                             |                       |                             |                       |                     |                       |
| Act 1/2 - basic appropriations (budget)                          | -                           | 498,000               | 49,000                      | 13,200                | 13,500                      | -                     | 62,500              | 511,200               |
| Act 3/4 - basic appropriations                                   | 10,063                      | -                     | -                           | 200                   | -                           | -                     | 10,063              | 200                   |
| Section 11 - Advance to the Finance Minister                     | -                           | -                     | -                           | -                     | -                           | -                     | -                   | -                     |
| Section 12 - Comcover receipts                                   | -                           | -                     | -                           | -                     | -                           | -                     | -                   | -                     |
| Total current appropriation acts                                 | 10,063                      | 498,000               | 49,000                      | 13,400                | 13,500                      | -                     | 72,563              | 511,400               |
| Add: FMA Act appropriations                                      |                             |                       |                             |                       |                             |                       |                     |                       |
| s30 appropriations   | -                           | -                     | -                           | -                     | -                           | -                     | -                   | -                     |
| s30A appropriations (GST recoverables)                           | -                           | -                     | 4,005                       | -                     | -                           | -                     | 4,005               | -                     |
| s31 appropriations   | -                           | -                     | -                           | -                     | -                           | -                     | -                   | -                     |
| Total appropriated in the year                                   | 10,063                      | 498,000               | 53,005                      | 13,400                | 13,500                      | -                     | 76,568              | 511,400               |
| Less: amounts lapsed by ministerial determination                | -                           | 68,743                | -                           | 173                   | -                           | -                     | -                   | 68,916                |
| Balance available at 1 July brought forward from previous period | -                           | -                     | -                           | -                     | -                           | -                     | -                   | -                     |
| Total appropriated available for payments                        | 10,063                      | 429,257               | 53,005                      | 13,227                | 13,500                      | -                     | 76,568              | 442,484               |
| Payments during the year   | -                           | 429,204               | 40,775                      | 13,227                | 13,500                      | -                     | 54,275              | 442,431               |
| Balance of appropriations at 30 June carried to next period      | 10,063                      | 53                    | 12,230                      | -                     | -                           | -                     | 22,293              | 53                    |

(a) The amount of the appropriation that lapsed is based on the amount to be determined by the Finance Minister under the annual appropriation Acts, to be the administered expenses by the department in the current year.

Note 29C: Administered appropriations (continued)  
Annual appropriations for administered expense items(continued)  
**Outcome 3 — Markets**

|  | Administered expenses       |                       | Other administered expenses |                       | State payment items         |                       | Total Outcome 3     |                       |
|--|-----------------------------|-----------------------|-----------------------------|-----------------------|-----------------------------|-----------------------|---------------------|-----------------------|
|  | Appropriation Act Nos 1 & 3 |                       | Appropriation Act Nos 2 & 4 |                       | Appropriation Act Nos 2 & 4 |                       |                     |                       |
|  | 2000-01<br>(\$'000)         | 1999-2000<br>(\$'000) | 2000-01<br>(\$'000)         | 1999-2000<br>(\$'000) | 2000-01<br>(\$'000)         | 1999-2000<br>(\$'000) | 2000-01<br>(\$'000) | 1999-2000<br>(\$'000) |
| Appropriation Act Credits:                                       |                             |                       |                             |                       |                             |                       |                     |                       |
| Act 1/2 - basic appropriations (budget)                          | 16,000                      | 26,300                | -                           | -                     | 139,131                     | 134,412               | 155,131             | 160,712               |
| Act 3/4 - basic appropriations                                   | -                           | 424                   | -                           | -                     | 135                         | -                     | 135                 | 424                   |
| Section 11 - Advance to the Finance Minister                     | -                           | -                     | -                           | -                     | -                           | 535                   | -                   | 535                   |
| Section 12 - Comcover receipts                                   | -                           | -                     | -                           | -                     | -                           | -                     | -                   | -                     |
| Total current appropriation acts                                 | 16,000                      | 26,724                | -                           | -                     | 139,266                     | 134,947               | 155,266             | 161,671               |
| Add: FMA Act appropriations                                      |                             |                       |                             |                       |                             |                       |                     |                       |
| s30 appropriations   | -                           | -                     | -                           | -                     | -                           | -                     | -                   | -                     |
| s30A appropriations (GST recoverables)                           | -                           | -                     | -                           | -                     | -                           | -                     | -                   | -                     |
| s31 appropriations   | -                           | -                     | -                           | -                     | -                           | -                     | -                   | -                     |
| Total appropriated in the year                                   | 16,000                      | 26,724                | -                           | -                     | 139,266                     | 134,947               | 155,266             | 161,671               |
| Less: amounts lapsed by ministerial determination                | -                           | 8,924                 | -                           | -                     | -                           | -                     | -                   | 8,924                 |
| Balance available at 1 July brought forward from previous period | -                           | -                     | -                           | -                     | -                           | -                     | -                   | -                     |
| Total appropriated available for payments                        | 16,000                      | 17,800                | -                           | -                     | 139,266                     | 134,947               | 155,266             | 152,747               |
| Payments during the year   | 10,609                      | 17,800                | -                           | -                     | 139,265                     | 134,947               | 149,874             | 152,747               |
| Balance of appropriations at 30 June carried to next period      | 5,391                       | -                     | -                           | -                     | 1                           | -                     | 5,392               | -                     |

(a) The amount of the appropriation that lapsed is based on the amount to be determined by the Finance Minister under the annual appropriation Acts, to be the administered expenses by the department in the current year.



**Note 29D: Administered appropriations**  
**Annual appropriations for administered capital items**

|  | <b>2000-01</b>  | 1999-2000 |
|--|-----------------|-----------|
|  | <b>(\$'000)</b> | (\$'000)  |
| Appropriation Act Nos 2 & 4                                      |                 |           |
| Section 10 - Act No 2 (Budget)                                   | <b>2,500</b>    | 13,100    |
| Section 10 - Act No 4  | <b>14,724</b>   | -         |
| Advance to the Finance Minister                                  | <b>560</b>      | 2,115     |
| <b>Total Current Appropriation Acts</b>                          | <b>17,784</b>   | 15,215    |
| Add: FMA Act appropriations                                      |                 |           |
| s30 appropriations   | -               | -         |
| s30A appropriations (GST recoverables)                           | -               | -         |
| <b>Total appropriated in the year</b>                            | <b>17,784</b>   | 15,215    |
| Balance available at 1 July brought forward from previous period | -               | -         |
| <b>Total appropriated available for payments</b>                 | <b>17,784</b>   | 15,215    |
| Payments during the year   | <b>17,784</b>   | 15,215    |
| Balance of appropriations at 30 June carried to next period      | -               | -         |

Part 5: Financial statements

Note 29E: Special appropriations (unlimited) for administered items

|  | Outcome 1           |                       | Outcome 2           |                       | Outcome 3           |                       | Total               |                       |
|--|---------------------|-----------------------|---------------------|-----------------------|---------------------|-----------------------|---------------------|-----------------------|
|  | 2000-01<br>(\$'000) | 1999-2000<br>(\$'000) | 2000-01<br>(\$'000) | 1999-2000<br>(\$'000) | 2000-01<br>(\$'000) | 1999-2000<br>(\$'000) | 2000-01<br>(\$'000) | 1999-2000<br>(\$'000) |
| 2Sch 21.3  |                     |                       |                     |                       |                     |                       |                     |                       |
| AAS 29(12.6)   |                     |                       |                     |                       |                     |                       |                     |                       |
| <i>A New Tax system (Commonwealth-State Financial Arrangements) Act 1999</i> |                     |                       |                     |                       |                     |                       |                     |                       |
| Budget estimate  | -                   | -                     | 28,034,664          | -                     | -                   | -                     | 28,034,664          | -                     |
| Payments made  | -                   | -                     | 28,057,039          | -                     | -                   | -                     | 28,057,039          | -                     |
| <i>Asian Development Bank (Additional subscription) Act 1995</i>             |                     |                       |                     |                       |                     |                       |                     |                       |
| Budget estimate  | 7,617               | 7,250                 | -                   | -                     | -                   | -                     | 7,617               | 7,250                 |
| Payments made  | 7,550               | 2,585                 | -                   | -                     | -                   | -                     | 7,550               | 2,585                 |
| <i>Banking Act 1959</i>  |                     |                       |                     |                       |                     |                       |                     |                       |
| Budget estimate  | -                   | -                     | -                   | -                     | -                   | 13,000                | -                   | 13,000                |
| Payments made  | -                   | -                     | -                   | -                     | 771                 | 11,428                | 771                 | 11,428                |
| <i>International Monetary Agreements Act 1947</i>                            |                     |                       |                     |                       |                     |                       |                     |                       |
| Budget estimate  | 107,940             | 324,318               | -                   | -                     | -                   | -                     | 107,940             | 324,318               |
| Payments made  | 109,492             | 328,643               | -                   | -                     | -                   | -                     | 109,492             | 328,643               |
| <i>States Grants (General purposes) Act 1994</i>                             |                     |                       |                     |                       |                     |                       |                     |                       |
| Budget estimate  | -                   | -                     | -                   | 17,738,915            | -                   | -                     | -                   | 17,738,915            |
| Payments made  | -                   | -                     | -                   | 17,738,454            | -                   | -                     | -                   | 17,738,454            |
| <i>Totals for unlimited special appropriations</i>                           |                     |                       |                     |                       |                     |                       |                     |                       |
| Budget estimate  | 115,557             | 331,568               | 28,034,664          | 17,738,915            | -                   | 13,000                | 28,150,221          | 18,083,483            |
| Payments made  | 117,042             | 331,228               | 28,057,039          | 17,738,454            | 771                 | 11,428                | 28,174,852          | 18,081,110            |

**Note 30: Special accounts****Other trust moneys****Legal authority**

*Financial Management and Accountability Act 1997, section 20.*

**Purpose**

For the receipt of moneys temporarily held in trust for other persons.

|   | <b>2000-01</b> | 1999-00 |
|---|----------------|---------|
|   | <b>Actual</b>  | Actual  |
|   | <b>\$</b>      | \$      |
| Balance carried forward from previous period  | <b>13,000</b>  | -       |
| Plus appropriations credited during year      | -              | 13,000  |
| Plus other revenue credited during year       | -              | -       |
| Total available for expenditure               | <b>13,000</b>  | 13,000  |
| Less payments made during year                | -              | -       |
| <b>Balance carried forward to next period</b> | <b>13,000</b>  | 13,000  |

**Ministerial Council on Consumer Affairs****Legal authority**

*Financial Management and Accountability Act 1997, section 20.*

**Purpose**

To receive funds from member bodies to provide secretariat support and funding for agreed MCCA projects.

|   | <b>2000-01</b> | 1999-00 |
|---|----------------|---------|
|   | <b>Actual</b>  | Actual  |
|   | <b>\$</b>      | \$      |
| Balance carried forward from previous period  | <b>621,765</b> | -       |
| Plus appropriations credited during year      | -              | 39,858  |
| Plus other revenue credited during year       | <b>220,671</b> | 759,044 |
| Total available for expenditure               | <b>842,436</b> | 798,902 |
| Less payments made during year                | <b>420,508</b> | 177,137 |
| <b>Balance carried forward to next period</b> | <b>421,928</b> | 621,765 |

### Note 30: Special accounts (continued)

#### Advisory panel for marketing in Australia of infant formula

##### Legal authority

*Financial Management and Accountability Act 1997, section 20.*

##### Purpose

To meet the administrative costs of APMAIF, a non-statutory body that advises government on, the marketing in Australia of infant formulas: *Manufactures and Importers Agreement 1992.*

|   | 2000-01<br>Actual<br>\$ | 1999-00<br>Actual<br>\$ |
|---|-------------------------|-------------------------|
| Balance carried forward from previous period  | 31,730                  | -                       |
| Plus appropriations credited during year      | -                       | 26,480                  |
| Plus other revenue credited during year       | -                       | 44,751                  |
| Total available for expenditure               | 31,730                  | 71,231                  |
| Less payments made during year                | 8,901                   | 39,501                  |
| <b>Balance carried forward to next period</b> | <b>22,829</b>           | <b>31,730</b>           |

#### Commonwealth Consumer Affairs Advisory Council

##### Legal authority

*Financial Management and Accountability Act 1997, section 20.*

##### Purpose

To fund projects on behalf of the Minister for Financial Services & Regulation's advisory council on consumer issues.

|   | 2000-01<br>Actual<br>\$ | 1999-00<br>Actual<br>\$ |
|---|-------------------------|-------------------------|
| Balance carried forward from previous period  | 24,828                  | -                       |
| Plus appropriations credited during year      | -                       | -                       |
| Plus other revenue credited during year       | -                       | 29,192                  |
| Total available for expenditure               | 24,828                  | 29,192                  |
| Less payments made during year                | 6,171                   | 4,364                   |
| <b>Balance carried forward to next period</b> | <b>18,657</b>           | <b>24,828</b>           |

**Note 31: Special public money****Comcare****Legal authority**

*Financial Management and Accountability Act 1997, section 20.*

**Purpose**

Monies held in trust and advanced to the department by COMCARE for the purpose of distributing compensation payments made in accordance with the *Safety Rehabilitation and Compensation Act 1998*.

|   | <b>2000-01</b> | 1999-00 |
|---|----------------|---------|
|   | <b>Actual</b>  | Actual  |
|   | <b>\$</b>      | \$      |
| Balance carried forward from previous period  | <b>15,789</b>  | -       |
| Plus receipts during the period               | <b>33,675</b>  | 15,789  |
| Available for payments                        | <b>49,464</b>  | 15,789  |
| Less payments made during the year            | <b>41,808</b>  | -       |
| <b>Balance carried forward to next period</b> | <b>7,656</b>   | 15,789  |

**Revenue replacement payments****Legal authority**

*States Grants (General Purposes) Act 1994, schedule 5.*

**Purpose**

For the payment of moneys to the States and Territories in connection with constitutionally invalid business franchise fees.

|   | <b>2000-01</b>     | 1999-00       |
|---|--------------------|---------------|
|   | <b>Actual</b>      | Actual        |
|   | <b>\$</b>          | \$            |
| Receipts from Consolidated Revenue Fund       | <b>434,851,910</b> | 6,929,304,875 |
| Less Payments to States and Territories       | <b>434,851,910</b> | 7,301,831,930 |
| <b>Balance at end of the reporting period</b> | -                  | (372,527,055) |
| <b>Accrued liability due to adjustments</b>   | -                  | (372,527,055) |

## Note 31: Special public money (continued)

### Lloyds deposit trust fund

#### Legal authority

*Insurance Laws Amendment Act 1998, schedule 2.*

#### Purpose

To meet the costs of the judicial management and wind-up in the event the company ceases to trade.

|   | <b>2000-01</b>   | 1999-00          |
|---|------------------|------------------|
|   | <b>Actual</b>    | Actual           |
|   | <b>\$</b>        | \$               |
| Balance as at 1 July 2000                     | <b>2,148,405</b> | 567,330          |
| Add: Receipts from appropriations             | -                | -                |
| Receipts from other sources                   | -                | 1,581,075        |
| Less: Expenditure in 2000-01                  | -                | -                |
| <b>Balance at end of the reporting period</b> | <b>2,148,405</b> | <b>2,148,405</b> |

#### Investments

The balance of investments at 30 June 2001 includes the following investments held in the corporate name of the Treasurer of the Commonwealth pursuant to subsection 93(1) of the *Insurance Act 1973* on behalf of the Trust.

| Rate of Interest %      | Date of maturity | Face value of investment \$ | Cost of investment \$ |
|-------------------------|------------------|-----------------------------|-----------------------|
| 9.75                    | 15 March 2002    | 500,000                     | 567,330               |
| 8.75                    | 15 January 2001  | 1,500,000                   | 1,581,075             |
| <b>Total investment</b> |                  | <b>2,000,000</b>            | <b>2,148,405</b>      |

**Note 3I: Special public money (continued)****Trustee companies (ACT) deposits trust fund****Legal authority**

*Trustee Companies Act 1947*, subsection 10(1).

**Purpose**

For the purpose of administering the *Trustee Companies Act 1947* in relation to Trustee Companies.

|   | <b>2000-01</b> | 1999-00        |
|---|----------------|----------------|
|   | <b>Actual</b>  | Actual         |
|   | <b>\$</b>      | \$             |
| Balance as at 1 July 2000                     | <b>127,263</b> | 124,363        |
| Add: Receipts from appropriations             | -              | -              |
| Receipts from other sources                   | -              | 44,023         |
| Less: Expenditure in 2000-01                  | -              | 41,123         |
| <b>Balance at end of the reporting period</b> | <b>127,263</b> | <b>127,263</b> |

**Investments**

The balance of investments at 30 June 2001 includes the following investments held in the corporate name of the Treasurer of the Commonwealth pursuant to subsection 10(1) of the *Trustee Companies Ordinance 1947* on behalf of the Trust.

| Rate of<br>Interest<br>% | Date of maturity | Face value of<br>investment<br>\$ | Cost of<br>investment<br>\$ |
|--------------------------|------------------|-----------------------------------|-----------------------------|
| 12                       | 15 November 2001 | 20,000                            | 21,897                      |
| 10                       | 15 October 2002  | 20,000                            | 20,599                      |
| 10                       | 15 October 2002  | 20,000                            | 22,127                      |
| 9.5                      | 15 August 2003   | 10,000                            | 12,119                      |
| 7.5                      | 15 July 2005     | 30,000                            | 30,313                      |
| 7.5                      | 15 July 2005     | 20,000                            | 20,208                      |
| <b>Total</b>             |                  | <b>120,000</b>                    | <b>127,263</b>              |

**Note 32: Reporting of outcomes**  
**Reporting by outcomes**

| Outcomes  | Outcome 1                       |                  | Outcome 2   |                   | Outcome 3                |                  | Total             |                   |
|---|---------------------------------|------------------|---|-------------------|--------------------------|------------------|-------------------|-------------------|
|   | Sound macroeconomic environment |                  | Effective government spending and taxation arrangements |                   | Well functioning markets |                  |                   |                   |
|   | Budget<br>\$'000                | Actual<br>\$'000 | Budget<br>\$'000  | Actual<br>\$'000  | Budget<br>\$'000         | Actual<br>\$'000 | Budget<br>\$'000  | Actual<br>\$'000  |
| Net subsidies, benefits and grants expenses                 | -                               | -                | 25,978,629  | 27,671,002        | 139,131                  | 139,265          | 26,117,760        | 27,810,267        |
| Other administered expenses                                 | 46,219                          | 50,378           | -   | -                 | 16,000                   | 656,549          | 62,219            | 706,927           |
| <b>Total net administered expenses</b>                      | <b>46,219</b>                   | <b>50,378</b>    | <b>25,978,629</b>                                       | <b>27,671,002</b> | <b>155,131</b>           | <b>795,814</b>   | <b>26,179,979</b> | <b>28,517,194</b> |
| Add net cost of departmental outputs                        | 18,223                          | 16,983           | 26,464  | 26,148            | 27,226                   | 25,670           | 71,913            | 68,800            |
| Outcome before extraordinary items                          | 64,442                          | 67,361           | 26,005,093  | 27,697,150        | 182,357                  | 821,484          | 26,251,892        | 28,585,994        |
| Extraordinary items   | -                               | -                | -   | -                 | -                        | -                | -                 | -                 |
| <b>Net cost to Budget outcome</b>                           | <b>64,442</b>                   | <b>67,361</b>    | <b>26,005,093</b>                                       | <b>27,697,150</b> | <b>182,357</b>           | <b>821,484</b>   | <b>26,251,892</b> | <b>28,585,994</b> |
| Outcome specific assets deployed as at 30/6/01              | 7,959,231                       | 8,875,644        | 1,655,649   | 1,658             | 8,057,918                | 8,686,083        | 17,672,798        | 17,563,385        |
| Assets that are not outcome specific deployed as at 30/6/01 | -                               | -                | -   | -                 | -                        | -                | 60,206            | 65,093            |



**Note 32: Reporting of outcomes (continued)**  
**Major departmental revenues and expenses by outcome**

|                                 | Outcome 1      |               | Outcome 2      |               | Outcome 3      |               | Total          |                |
|---------------------------------|----------------|---------------|----------------|---------------|----------------|---------------|----------------|----------------|
|                                 | Output Group 1 |               | Output Group 2 |               | Output Group 3 |               |                |                |
|                                 | Economic       |               | Budget         |               | Markets        |               |                |                |
|                                 | Budget         | Actual        | Budget         | Actual        | Budget         | Actual        | Budget         | Actual         |
|                                 | \$'000         | \$'000        | \$'000         | \$'000        | \$'000         | \$'000        | \$'000         | \$'000         |
| <b>Operating revenues</b>       |                |               |                |               |                |               |                |                |
| Revenues from government        | 18,223         | 18,621        | 26,464         | 29,129        | 27,226         | 26,685        | 71,913         | 74,435         |
| Other non-taxation revenues     | 387            | 569           | 2,152          | 2,042         | 33,765         | 50,105        | 36,304         | 52,716         |
| <b>Total operating revenues</b> | <b>18,610</b>  | <b>19,190</b> | <b>28,616</b>  | <b>31,171</b> | <b>60,991</b>  | <b>76,790</b> | <b>108,217</b> | <b>127,151</b> |
| <b>Operating expenses</b>       |                |               |                |               |                |               |                |                |
| Employees                       | 10,689         | 10,548        | 17,169         | 15,700        | 21,106         | 20,862        | 48,964         | 47,111         |
| Suppliers                       | 4,129          | 5,830         | 3,698          | 10,623        | 28,679         | 49,135        | 36,506         | 65,587         |
| Depeciation                     | 713            | 769           | 1,281          | 1,312         | 1,031          | 2,115         | 3,025          | 4,196          |
| Other                           | 1,857          | 404           | 5,995          | 554           | 6,728          | 3,664         | 14,580         | 4,622          |
| <b>Total operating expenses</b> | <b>17,388</b>  | <b>17,552</b> | <b>28,143</b>  | <b>28,189</b> | <b>57,544</b>  | <b>75,776</b> | <b>103,075</b> | <b>121,516</b> |

The reporting of outcomes at the output level was not available for this financial year as the financial systems had not been configured for reporting at this level. As such, reporting was only available by outcomes with the allocation of costs for Corporate, Executive, Ministers and overheads being based on the average staffing levels. Reconfiguration of the financial systems will take place in 2001-02 to enable reporting at the output level for the 2001-02 Financial Statements.

## Note 32: Major administered revenues and expenses by outcome

|                                 | Outcome 1                       |                  | Outcome 2   |                   | Outcome 3                |                  | Total             |                   |
|---------------------------------|---------------------------------|------------------|---|-------------------|--------------------------|------------------|-------------------|-------------------|
|                                 | Sound macroeconomic environment |                  | Effective government spending and taxation arrangements |                   | Well functioning markets |                  |                   |                   |
|                                 | Budget<br>\$'000                | Actual<br>\$'000 | Budget<br>\$'000  | Actual<br>\$'000  | Budget<br>\$'000         | Actual<br>\$'000 | Budget<br>\$'000  | Actual<br>\$'000  |
| <b>Operating revenues</b>       |                                 |                  |   |                   |                          |                  |                   |                   |
| <b>Non-taxation</b>             |                                 |                  |   |                   |                          |                  |                   |                   |
| Revenues from government        | 46,219                          | 116,835          | 25,978,629  | 27,675,710        | 155,131                  | 790,009          | 26,179,979        | 28,582,555        |
| Dividends                       | 9,717                           | 803,084          | -   | -                 | 900,000                  | -                | 909,717           | 803,084           |
| Other                           | 82,744                          | 131,224          | -   | 632,869           | 150,776                  | 90,511           | 233,520           | 854,604           |
| <b>Total non-taxation</b>       | <b>138,680</b>                  | <b>1,051,143</b> | <b>25,978,629</b>                                       | <b>28,308,579</b> | <b>1,205,907</b>         | <b>880,520</b>   | <b>27,323,216</b> | <b>30,240,242</b> |
| <b>Total operating revenues</b> | <b>138,680</b>                  | <b>1,051,143</b> | <b>25,978,629</b>                                       | <b>28,308,579</b> | <b>1,205,907</b>         | <b>880,520</b>   | <b>27,323,216</b> | <b>30,240,242</b> |
| <b>Operating expenses</b>       |                                 |                  |   |                   |                          |                  |                   |                   |
| Subsidies                       | -                               | -                | 6,043   | 6,043             | -                        | -                | 6,043             | 6,043             |
| Grants                          | -                               | -                | 25,972,586  | 27,664,959        | 139,131                  | 139,265          | 26,111,717        | 27,804,224        |
| Other                           | 46,219                          | 50,378           | -   | -                 | 16,000                   | 656,549          | 62,219            | 706,927           |
| <b>Total operating expenses</b> | <b>46,219</b>                   | <b>50,378</b>    | <b>25,978,629</b>                                       | <b>27,671,002</b> | <b>155,131</b>           | <b>795,814</b>   | <b>26,179,979</b> | <b>28,517,194</b> |

### Note 33: Administered restructuring

#### Note 33A: Administered restructuring

| In respect of programs and sub-programs relinquished, the following assets and liabilities were transferred: | 2000-01<br>\$'000<br>AOFM(b) | 1999-00<br>\$'000<br>AOFM(b) |
|--|------------------------------|------------------------------|
| <b>Assets</b>  |                              |                              |
| Cash   | -                            | 9,155                        |
| Receivables  | -                            | 3,358,845                    |
| Property, plant and equipment  | -                            | -                            |
| Other  | -                            | 5,783,454                    |
| <b>Total assets recognised</b>   | -                            | 9,151,454                    |
| <b>Liabilities</b>   |                              |                              |
| Government securities  | -                            | (89,053,503)                 |
| Interests  | -                            | (2,788,392)                  |
| Other  | -                            | (1,406,833)                  |
| <b>Total liabilities recognised</b>  | -                            | (93,248,728)                 |
| <b>Net (assets)/liabilities relinquished</b>   | -                            | (84,097,275)                 |
| <b>Contribution by government</b>  | -                            | -                            |
| <b>Net appropriation from restructuring</b>  | -                            | (84,097,275)                 |

### Note 33B: Administered restructuring

| In respect of programs and sub-programs inherited, the following assets and liabilities were received: | 2000-01<br>\$'000<br>ATO(b) |
|--|-----------------------------|
| <b>Assets</b>  |                             |
| Receivables  | 377,400                     |
| <b>Total assets recognised</b>   | 377,400                     |
| <b>Contribution by government as owner during the period</b>   | 377,400                     |

### Note 34: Administered waivers

|   | 2000-01<br>\$ | 1999-00<br>\$ |
|---|---------------|---------------|
| <b>Administered</b>   |               |               |
| <b>Waivers</b>  |               |               |
| Waivers of amounts owing to the Commonwealth were made pursuant to subsection 70C(2) of the Audit Act 1901. These were amounts payable by Victoria in relation to Commonwealth advances under the States (Works and Housing) Assistance Acts and Common | -             | -             |