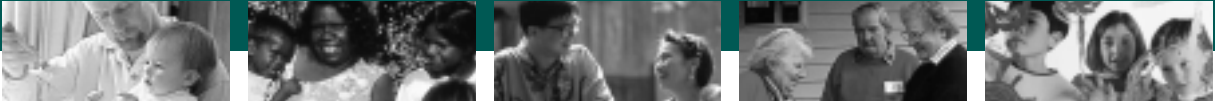


# Financial Statements

# 8



**AUSTRALIAN INSTITUTE OF FAMILY STUDIES  
STATEMENTS BY DIRECTORS**

In our opinion, the attached financial statements give a true and fair view of the matters required by Schedule 2 of the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*.

**Ms Louise Staley**  
Member, Board of Management  
Australian Institute of Family Studies  
31 August 2000

**David I. Stanton**  
Director  
Australian Institute of Family Studies  
31 August 2000

## Operating Statement for the Year ended 30 June 2000

	Note	2000 \$	1999 \$
<b>Operating revenues</b>			
Revenues from Government	(3)	3,444,000	3,236,000
Contracts	(5)	573,105	850,503
Sale of publications		98,626	105,602
Royalties		42,880	66,761
Bank interest	(8a)	49,451	48,668
Conference registrations		-	142,230
Sponsorship		-	20,000
Consultancy fees		-	13,367
Cost recovery and other	(8b)	91,003	81,591
Reversals of previous asset write downs		-	24,307
<b>Total operating revenues</b>		<b>4,299,065</b>	<b>4,589,029</b>
<b>Operating expenses</b>			
Salaries and employee expenses	(6a)	2,078,885	2,034,892
Specialist assistance		186,082	396,721
Long service leave		42,526	91,906
Recreation leave		166,904	177,391
Employer's superannuation contribution	(7)	356,618	379,834
Travel expenses and allowances		159,279	151,117
Office requisites and services		47,896	42,959
Postage and telecommunications		75,736	91,145
Building services		335,227	341,585
Library		72,125	73,025
Publishing		135,210	113,904
Cost of publications sold		77,848	45,430
Dissemination		100,504	212,923
Consultants		82,368	142,735
Incidental and other expenditure		149,322	153,074
Equipment and maintenance		64,353	69,415
Depreciation	(6c)	97,441	112,585
Write down of assets	(6d)	4,564	37,574
Loss on disposal of fixed assets	(6e)	16,860	15,841
<b>Total operating expenses</b>		<b>4,249,748</b>	<b>4,684,056</b>
<b>Net operating surplus (deficit)</b>		<b>49,317</b>	<b>(95,027)</b>
Accumulated surpluses (deficits) at beginning of reporting period		(24,749)	70,278
<b>Total available for appropriation</b>		<b>24,568</b>	<b>(24,749)</b>
Capital use provided for or paid	(1.16)	(76,544)	-
<b>Accumulated surpluses at end of reporting period</b>	(11)	<b>(51,976)</b>	<b>(24,749)</b>

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

## Balance Sheet as at 30 June 2000

	Note	2000 \$	1999 \$
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash	(9a)	196,919	255,317
Receivables	(9b)	850,175	941,402
<b>Total financial assets</b>		<b>1,047,094</b>	1,196,719
<b>Non-Financial Assets</b>			
Inventories	(10a)	24,825	18,703
Infrastructure, Plant & Equipment	(10b)	278,769	334,936
Intangibles	(10b)	24,967	20,995
Other	(10c)	99,052	48,570
<b>Total non-financial Assets</b>		<b>427,613</b>	423,204
<b>Total assets</b>		<b>1,474,707</b>	1,619,923
<b>LIABILITIES</b>			
<b>Provisions and Payables</b>			
Capital Use	(1.16)	76,544	-
Employees	(12a)	639,655	867,116
Suppliers	(12b)	91,829	121,626
Other	(1.13)	105,360	42,635
<b>Total provisions and payables</b>		<b>913,388</b>	1,031,377
<b>Total Liabilities</b>		<b>913,388</b>	1,031,377
<b>EQUITY</b>			
Capital		613,295	613,295
Accumulated surplus (deficit)	(11)	(51,976)	(24,749)
<b>Total equity</b>		<b>561,319</b>	588,546
<b>Total liabilities and equity</b>		<b>1,474,707</b>	1,619,923
<b>Current assets</b>		<b>1,170,971</b>	1,259,316
<b>Non-current assets</b>		<b>303,736</b>	355,931
<b>Current liabilities</b>		<b>826,535</b>	915,154
<b>Non-current liabilities</b>		<b>86,853</b>	116,223

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

## Statement of Cash Flows for the Year ended 30 June 2000

	Note	2000 \$	1999 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Appropriations		3,444,000	3,236,000
Sales of goods and services		723,873	1,052,197
Conferences		57,930	162,230
Interest and bill discounts		49,637	44,633
Other		98,014	100,866
<b>Total cash received</b>		<b>4,373,454</b>	<b>4,595,926</b>
<b>Cash used</b>			
Employees		(3,058,476)	(2,871,596)
Suppliers		(1,394,486)	(1,422,270)
<b>Total cash used</b>		<b>(4,452,962)</b>	<b>(4,293,866)</b>
<b>Net cash from operating activities</b>	(4)	<b>(79,508)</b>	<b>302,060</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sale of plant & equipment		8,700	4,308
Bank Bills Redeemed		72,962	-
<b>Total cash received</b>		<b>81,662</b>	<b>4,308</b>
<b>Cash Used</b>			
Payments for plant and equipment		(60,552)	(125,922)
Bank Bills Purchased		-	(33,519)
<b>Total cash used</b>		<b>(60,552)</b>	<b>(159,441)</b>
<b>Net cash from investing activities</b>		<b>21,110</b>	<b>(155,133)</b>
<b>Net increase (decrease) in cash held</b>		<b>(58,398)</b>	<b>146,927</b>
Cash at beginning of reporting period		255,317	108,390
<b>Cash at end of reporting period</b>	(9a)	<b>196,919</b>	<b>255,317</b>

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

## Schedule of Commitments for the Year ended 30 June 2000

	Note	2000 \$	1999 \$
<b>BY TYPE</b>			
<b>CAPITAL COMMITMENTS</b>			
Infrastructure plant and equipment		-	1,239
<b>Total capital commitments</b>		-	1,239
<b>OTHER COMMITMENTS</b>			
Operating leases		1,902,656	2,047,358
Project commitments		170,150	436,583
Other commitments		59,223	21,448
<b>Total other commitments</b>		<b>2,132,029</b>	<b>2,505,389</b>
<b>Total commitments payable</b>		<b>2,132,029</b>	<b>2,506,628</b>
<b>Commitments receivable</b>			
Project commitments		(132,351)	(497,430)
<b>Total commitments receivable</b>		<b>(132,351)</b>	<b>(497,430)</b>
<b>Net commitments</b>		<b>1,999,678</b>	<b>2,009,198</b>
<b>BY MATURITY</b>			
<b>All net commitments</b>			
One year or less		342,222	250,310
From one to two years		307,184	279,084
From two to five years		868,032	785,084
Over five years		482,240	694,720
<b>Net commitments</b>		<b>1,999,678</b>	<b>2,009,198</b>
<b>Operating lease commitments</b>			
One year or less		263,040	288,470
From one to two years		289,344	279,084
From two to five years		868,032	785,084
Over five years		482,240	694,720
<b>Net operating lease commitments</b>		<b>1,902,656</b>	<b>2,047,358</b>

Note: All 1999-2000 commitments are GST inclusive where relevant. The comparatives have not been adjusted to reflect the GST.

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

## Notes to Schedule of Commitments

The Institute is engaged in a tenancy agreement at 300 Queen Street Melbourne, which will run to 28 February 2007. The current lease rate is \$21,920 per month (\$263,040 per annum), and this includes rental and car parking licence. The car parking licence fee was reviewed and changed from 1 March 2000, and the next market based rent assessment is due on 1 March 2001.

Project commitments receivable are based on known commitments for contracted research funds, ie amount specified in contract agreement. Project commitments payable are based on budget and costed estimates of expenditure by the Institute in relation to the contracted projects. The costings budgets form the basis of determining the contract revenue for projects, and represent the funds that the Institute needs to commit to complete the project.

During the year the Institute resolved the level of compensation to be received for electricity costs associated with use of the airconditioning system during business hours. This resulted in reimbursement to the Institute of \$13,880 per annum, indexed annually, and this is reflected in the lease expenditure figure for 1999/2000 and commitments in future years.

## Schedule of Contingencies for the Year Ended 30 June 2000

	Note	2000	1999
		\$	\$
Contingent Losses		-	-
Contingent Gains		-	-
<b>Net Contingencies</b>		<u>-</u>	<u>-</u>

The Institute has commenced the process of developing a new agency agreement which will come into effect during 2000/2001. The existing agreement ran to 31 March 2000, however it continues until a new agreement is certified. The new agreement is likely to deliver pay rises to staff, however the timing and amount of the increase cannot be determined at this stage

## Australian Institute of Family Studies

### Notes to and Forming Part of the Financial Statements for the Year Ended 30 June 2000

#### 1. Statement of Accounting Policies

##### 1.1 Basis of Accounting

The financial statements are required by clause 1(b) of Schedule 1 to the *Commonwealth Authorities and Companies Act 1997*, and are a general purpose financial report.

The statements have been prepared in accordance with:

- *Requirements for the Preparation of Financial Statements of Commonwealth Agencies and Authorities* made by the Minister of Finance and Administration in August 1999 (Schedule 2 to the Commonwealth Authorities and Companies (CAC) Orders)
- Australian Accounting Standards
- Other authoritative pronouncements of the Australian Accounting Standards Boards; and
- The Consensus Views of the Urgent Issues Group

These statements have also been prepared having regard to:

- Statements of Accounting Concepts; and
- The Explanatory Notes to Schedule 2 issued by the Department of Finance and Administration

The financial statements have been prepared on an accrual basis, and are in accordance with 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 financial position of the Authority.

In particular the following accounting policies have been consistently applied:-

##### 1.2 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.

##### 1.3 Infrastructure, Plant and Equipment:

These assets were taken over upon incorporation of the Institute and stated at their book value as at 24 June 1986.

Purchases of Infrastructure Plant and Equipment are acquired during the year at cost, and in the first 12 months of their use this represents their value under the deprival method.

##### *Depreciation and Amortisation*

Depreciation has been provided in order to write down assets to their realisable value over the term of their expected useful lives. The useful life of computer equipment is normally in the range of three to five years, however this is reviewed annually. The following rates have been applied in most cases for 1999/2000:

- Computer hardware – 20% straight line method
- Office equipment – 10% or 20% straight line method
- Office furniture – 7.5% straight line method

All assets with a cost of less than \$1,000 are expensed in the year of acquisition, except where they form a group of similar items which are significant in total.

In accordance with AAS 4 'Depreciation', the useful life of all Infrastructure Plant and Equipment, particularly computer equipment, continues to be reviewed on an annual basis. In 1999/2000 the useful lives of a small number of assets were altered and this will result in only minimal changes to depreciation calculations in future periods .

#### *Revaluations*

Schedule 2 requires that Property, Plant and Equipment be progressively revalued in accordance with the deprival method of valuation in successive three year cycles.

The Institute has implemented a policy of progressive valuations on the following basis:

- Computer equipment in the age range of two to five years was revalued, using an internal valuation process. The Institute continued its upgrade of computer hardware and has now replaced most of the equipment that is five years or older. This equipment disposed of would have been considered for revaluation this year as part of the ongoing cycle.
- The category Office Equipment and Infrastructure was not revalued during 1999/2000, after being revalued last year. A number of older items of office equipment, determined as obsolete, were disposed of during the year, with other assets in the furniture and infrastructure categories not requiring revaluation at this stage.
- The application of the deprival method has resulted in the valuation of computer and office equipment at its current market buying price. Very few assets were recognised as not being replaced or surplus to requirements at 30 June 2000, with the impact on valuation not of a material nature. The revaluation of computer equipment for this year has not resulted in a change in values for the equipment under review.
- The valuations performed during 1999/2000 were conducted internally, and utilised pricing information on assets from reliable sources and suppliers used previously by the Institute.
- As a not-for-profit entity Institute assets are not held for the primary purpose of generating cash inflows.

#### **1.4 Intangibles**

Represents externally developed computer software which is amortised over the term of its useful life, generally 3 years. The software is not held for the primary purpose of generating cash inflows.

#### **1.5 Inventory**

Inventory is valued at the lower of cost or net realisable value (refer also to Note 10a). The weighted average cost method is used to assign costs to Inventories.

All inventories are current assets. Institute inventory comprises publishing stock, books and magazines, held for resale. The costs incurred are publishing costs, such as printing and design, and distribution.

## **1.6 Employee Entitlements**

### *Leave*

The liability for employee entitlements encompasses provisions for annual leave, redundancy and long service leave. No provision has been made for sick leave as all sick leave is non vesting, and the average sick leave taken by employees is less than the annual entitlement for sick leave.

Liability for long service leave has been calculated at the net present value of estimated future cash outflows for long service leave. In determining the present value of the liability, attrition rates and pay increases through promotion and inflation have been taken into account. Long service leave entitlements amounting to \$185,390 were paid during the year (1999 \$17,890 ). The apportionment of liability between current and non-current is based on the availability of the leave for staff to use in the current period.

The provision for annual leave reflects the value of total annual leave entitlements of all employees at 30 June 1999 and is recognised at its nominal value. All annual leave is treated as available and current.

### *Separation and Redundancy*

During the year the Institute made redundancy payments to two staff for voluntary retirement amounting to \$144,532 (1999 \$114,195).

## **1.7 Appropriation**

From 1 July 1999 the Commonwealth Budget has been prepared under an accruals framework. For the year the Institute received only revenue appropriations for its departmental outcome and output. The Institute has no administered activities. The revenue appropriation received is for the core operating activities of the Institute.

## **1.8 Cash**

For the purposes of the Statement of Cash Flows cash includes deposits at call which are readily convertible to cash and which are used in the cash management function on a day to day basis.

## **1.9 Taxation**

The Institute is exempt from all forms of taxation except for the Fringe Benefits Tax, and Goods and Services Tax.

## **1.10 Insurance**

The Institute is part of the Commonwealth Government's managed insurance fund, Comcover, with the current term of cover running to 30 June 2001.

## **1.11 Leases**

Lease payments for operating leases are charged as expenses in the periods in which they are incurred.

## **1.12 Bad and Doubtful Debts**

Bad debts are written off during the year in which they are identified. A provision is raised for doubtful debts, if considered necessary based on a review of all outstanding accounts at year-end. The Institute's level of bad debts continues to be small, and no provision has been provided in 2000/2001.

### 1.13 Other (Unexpended Advances)

Unexpended advances include annual magazine subscriptions for *Family Matters*, comprising the issue of three publications per calendar year. They are brought to account over the subscription period, and amounted to \$47,430. During the year registration fees and sponsorship amounting to \$57,930, was received for the Institute's Sydney Conference in July 2000. This was treated as Unexpended Advances as the revenue relates to a future period.

### 1.14 Comparative Figures

Where necessary, comparative figures have been adjusted to conform with changes in presentation in these financial statements.

### 1.15 Financial Instruments

Accounting policies in relation to financial instruments are disclosed in Note 17.

### 1.16 Capital Use Charge

A capital usage charge of 12% levied by the Commonwealth on the net assets of the authority has been provided for at year end.

### 1.17 Other Revenue

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

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

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

Revenue from the rendering of a service, particularly research contracts, is recognised by reference to the stage of completion of the contract or agreement. The stage of completion is determined according to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

## 2. Economic Dependency

The Australian Institute of Family Studies was established under the *Family Law Act 1975* and is controlled by the Commonwealth of Australia. The Institute is dependent on appropriations from Parliament for its continued existence and ability to carry out its normal activities.

## 3. Reporting by segments and outcomes

### *Reporting by segments*

The Institute operates primarily in a single industry and geographic segment, being the provision of family related research programs and dissemination of those programs in Australia.

The Institute is structured to meet one outcome:

'Inform governments, policy makers and other stakeholders on factors influencing how families function'.

**Reporting by Outcomes for 1999-2000**

<b>Outcome 1</b>	Budget 000's	Actual 000's
Net administered expenses	-	-
Net cost of entity outputs	3,501	3,395
Net cost to budget outcome	3,501	3,395
Total assets deployed as at 30/6/00	1,041	1,475
Net assets deployed as at 30/6/00	299	561

**Reporting by Outcomes by funding source for 1999-2000**

<b>Outcomes</b>		Expenses against Revenue from Government (Appropriations)			Expenses against revenue from other sources	Total Expenses against Outputs	Total Appropriations	Total Expenses
		Annual Approp Acts	Special Approps	Total				
<b>Outcome 1</b> Inform governments, policy makers and other stakeholders on factors influencing how families function	Actual	3,444		3,444	806	4,250	3,444	4,250
	Budget	3,444		3,444	1,118	4,562	3,444	4,562

During the period the following appropriations were received:

	<b>2000</b>	1999
	\$	\$
Appropriation Act (No.1)	<b>3,444,000</b>	3,236,000
Total	<b>3,444,000</b>	3,236,000

**4. Cashflow Reconciliation**

**Reconciliation of net cash flows from operating activities to Operating Surplus (Deficit)**

	<b>2000</b>	1999
	\$	\$
Net Cost of Services	<b>(3,394,683)</b>	(3,331,027)
Revenues from Government	<b>3,444,000</b>	3,236,000
Operating Surplus (Deficit)	<b>49,317</b>	(95,027)
Decrease (Increase) in inventory	(6,122)	13,621
Decrease (Increase) in receivables	11,665	52,180
Decrease (Increase) in other assets	(50,482)	3,064
Increase (Decrease) in liability to suppliers	32,927	13,212
Increase (Decrease) in employee liabilities	(227,461)	209,148
Loss on sale of equipment	16,860	15,841
Depreciation expense	97,441	112,585
Revaluation and write offs	(3,653)	1,743
Reversal of previous asset write down	-	(24,307)
Net Cash used by operating activities	<b>(79,508)</b>	302,060
Reconciliation of Cash		
Cash	(9a) <b>196,919</b>	255,317

## **5. Contract Revenue**

The Institute undertakes some research and dissemination of information on a contract basis which contributes to meeting its stated objectives. During this year revenue to the value of \$573,105 (1999 \$850,503) was earned. The funding auspice, amounts and projects were as follows:

Australian Institute of Health and Welfare (HACC Consumer Service Study) \$15,065 (1999 Nil). A project to undertake field testing of a questionnaire measuring consumer opinion of Home and Community Care service standards. Interviewing was completed according to the sample data received from the client.

Department of Family and Community Services (Transgenerational Income Support Dependence) \$32,000 (1999 \$33,987). A project to investigate the beliefs and attitudes of different groups of young people for reasons explaining their social exclusion from mainstream Australian society. The project has been completed with the acceptance of the final report.

Department of Family and Community Services (The State of Play: Children and Families) \$19,469 (1999 Nil). A project conducted for the Commonwealth Child-care Advisory Council to explore the perceptions of parents on a range of issues that were designed to help form some preliminary views regarding future proposals for childcare in Australia.

Department of Family and Community Services (National Child Protection Clearinghouse), \$250,000 (1999 \$250,000). The current contract runs until 30 November 2000, and future arrangements are subject to tender. The contract is for the Institute to resource and facilitate a network of people and organisations concerned with child abuse prevention, and disseminate information accordingly.

Department of Health and Aged Care (Youth Suicide Prevention Communications), \$99,301 (1999 \$143,827). This contract was completed by 30 June 2000, and developed a national stocktake of information on youth suicide to facilitate communications.

Department of Health and Aged Care (Suicide Prevention Communications Activities) \$36,000 (1999 Nil). A follow on contract from the above Communications project to produce a further two bulletins, and perform further work on the National Stocktake.

Department of Health and Aged Care (Youth Suicide Prevention Evaluation), \$91,820 (1999 \$103,865). A separate allocation has been made to the Institute for evaluation of the National Youth Suicide Prevention Strategy, and this involves the production of a series of progress reports. This project is due for completion in early 2001, with the production and distribution of the final Evaluation Report.

La Trobe University (Lincoln Gerontology Healthy Retirement Project), \$10,950 (1999 \$12,000). Contracted by the Lincoln Gerontology Centre to collect data on older people about their perceptions and experiences of retirement before and after they leave work. Project was completed with delivery of field work data file.

La Trobe University (Lincoln Gerontology Healthy Retirement Project Wave 2), \$18,500 (1999 Nil). Contracted by the Lincoln Gerontology Centre to collect data on older people as a follow on from Wave 1 above. Project is nearly completed with all field work done, and report and file remaining to be sent to the client.

**6. Goods and services expenses**

	2000	1999
	\$	\$
(a) <i>Employee Expenses</i>		
Basic Remuneration for services provided	2,631,126	2,891,478
Separation and Redundancy Payments	144,532	145,369
Total Remuneration	2,775,658	3,036,847
Other	55,357	43,897
Total employee expenses	<u>2,831,015</u>	<u>3,080,744</u>
(b) <i>Suppliers Expenses</i>		
Supply of goods and services	1,038,392	1,176,787
Operating lease rentals	261,476	260,525
Total suppliers expenses	<u>1,299,868</u>	<u>1,437,312</u>
(c) <i>Depreciation and Amortisation</i>		
Depreciation of infrastructure, plant and equipment	<u>97,441</u>	112,585
(d) <i>Write down of assets</i>		
Non Financial Assets		
Inventory written off	4,564	35,958
Computer and Office Equipment	-	1,616
Total write down of assets	<u>4,564</u>	<u>37,574</u>
(e) <i>Net losses from sale of non financial assets</i>		
Loss on disposal and write off of infrastructure and computer equipment	<u>16,860</u>	15,841
Total operating expenses	<u>4,249,748</u>	<u>4,684,056</u>

**7. Employer's Superannuation Contribution**

The Institute contributes to the Commonwealth Superannuation Scheme (CSS) for those employees who chose to stay in the CSS on the commencement of the Public Sector Superannuation Scheme (PSS) on 1 July 1990. The Institute also contributes to the PSS for those staff who transferred from the CSS and all eligible staff who joined the Institute after the PSS commencement date. The Institute also provides productivity contributions to staff ranging from 2% to 3% of salary.

The Institute's present contribution as employer to the CSS is 26.6% of salary and 11.5% of salary in respect of the PSS. In 1999/2000 \$356,618 (1998/1999 \$379,834) was paid by the Institute.

## 8. Operating Revenue from Independent Sources

	2000 \$	1999 \$
(a) <i>Interest</i>		
Deposits	8,001	10,760
Bank Bills of Exchange	41,450	37,908
Total interest	49,451	48,668
(b) <i>Other</i>		
Sales of goods and services	725,429	1,198,463
Cost recovery	80,185	81,591
Total other	805,614	1,280,054
Reversal of previous asset write down	-	24,307
Total operating revenue from independent sources	855,065	1,353,029

Sales of goods and services includes \$10,818 for charges on inter library loans, which is shown under 'Cost recovery and other' in the Operating Statement.

Cost recovery revenue represents revenue from a variety of individual sources including recovery of photocopying costs and reimbursements of fares for Institute staff undertaking speaking engagements interstate. In 1999/2000 there was reimbursement of employee costs from Comcare of \$18,273, and reimbursement of electricity costs of \$44,952. (1998/1999 Comcare \$56,636)

## 9. Financial Assets

	2000 \$	1999 \$
(a) <i>Cash</i>		
Cash at Bank	196,829	255,103
Petty Cash	90	214
Balance of cash at 30 June 2000 as shown in the Statement of Cash flows	196,919	255,317
(b) <i>Gross Receivables classified by Category</i>		
Trade Debtors	84,359	84,242
Other Debtors	33,957	52,339
Bank Bills of Exchange	731,859	804,821
Total	850,175	941,402
(c) <i>Gross Receivables overdue are aged as follows</i>		
Not overdue	769,393	919,624
Over due by:		
Less than 30 days	77,917	20,661
30 to 60 days	144	800
60 to 90 days	254	95
More than 90 days	2,467	222
Total receivables (gross)	850,175	941,402

During the year bad and doubtful debts of \$108 (1998/1999 \$673), were written off. No provision has been established for doubtful debts given the continuing low levels of debtors that need to be written off (still less than 1% of debtors).

**10. Non-financial assets**

(a) *Inventories*

Most Institute publications are sold. A program of disposal of obsolete publications was commenced in 1996, and has continued on an annual basis. A Provision for Stock Obsolescence of \$27,613 (1998/1999 \$50,841) takes account of slow turnover in particular publications which have not been disposed of at this stage. The reduction in the provision from last year reflects the physical disposal of publications during the year that were written off against the provision last year. These publications had no net realisable value.

There were no stocks of goods and other property which were used in the production of goods and other property and services not held for resale. Some publications are not produced for sale, but are distributed free of charge, with the associated costs being for the design and printing of the final product. These products have no net realisable value.

	2000	1999
	\$	\$
<i>Inventory</i>	<b>52,438</b>	69,544
Less provision for stock obsolescence	<b>27,613</b>	50,841
Total	<b>24,825</b>	18,703

(b) *Infrastructure Plant & Equipment*

	At Cost/ Valuation		Accumulated Depreciation		Net Book Value	
	2000	1999	2000	1999	2000	1999
	\$	\$	\$	\$	\$	\$
Infrastructure and office equipment	<b>323,081</b>	329,546	<b>184,512</b>	165,689	<b>138,569</b>	163,857
Computer equipment	<b>341,497</b>	426,391	<b>201,297</b>	255,312	<b>140,200</b>	171,079
Intangible -Software	<b>68,051</b>	76,248	<b>43,084</b>	55,253	<b>24,967</b>	20,995
Total	<b>732,629</b>	832,185	<b>428,893</b>	476,254	<b>303,736</b>	355,931

	2000	1999
	\$	\$
Infrastructure Plant & Equipment		
At cost	<b>224,354</b>	277,361
Accumulated Depreciation	<b>105,275</b>	92,940
Net Value	<b>119,079</b>	184,421
Infrastructure Plant & Equipment		
At valuation	<b>508,275</b>	554,824
Accumulated Depreciation	<b>323,618</b>	383,314
Net Value	<b>184,657</b>	171,510
Total Infrastructure Plant & Equipment	<b>303,736</b>	355,931

**Movement Summary**

	Infrastructure	Computer Equipment	Intangible Software	Total
Gross Value 1 July 1999	329,546	426,391	76,248	832,185
Additions:				
Replacement assets	8,700	38,092	12,154	58,946
Acquisition of new assets	1,606			1,606
Disposals	(17,978)	(123,397)	(23,800)	(165,175)
Write offs/Revaluations	1,207	411	3,449	5,067
<b>Gross Value 30 June 2000</b>	<b>323,081</b>	<b>341,497</b>	<b>68,051</b>	<b>732,629</b>
Accumulated Depreciation				
1 July 1999	165,689	255,312	55,253	476,254
Annual Depreciation charges	32,157	53,837	11,447	97,441
Disposals	(15,463)	(107,660)	(23,151)	(146,274)
Write offs/Revaluations	2,130	(193)	(465)	1,472
<b>Accumulated Depreciation 30 June 2000</b>	<b>184,512</b>	<b>201,297</b>	<b>43,084</b>	<b>428,893</b>
<b>Net Book Value 30 June 2000</b>	<b>138,569</b>	<b>140,200</b>	<b>24,967</b>	<b>303,736</b>
<b>Net Book Value 1 July 1999</b>	<b>163,857</b>	<b>171,079</b>	<b>20,995</b>	<b>355,931</b>

(c) *Other Non-Financial Assets*

	2000	1999
	\$	\$
Prepayments	<b>99,052</b>	48,570

**11. Equity**

	Capital	Accumulated Results	Total Equity
Balance 1 July 1999	613,295	(24,749)	588,546
Surplus / (Deficit)		49,317	49,317
Capital Use Charge		(76,544)	(76,544)
<b>Balance 30 June 2000</b>	<b>613,295</b>	<b>(51,976)</b>	<b>561,319</b>

**12. Provisions and Payables**

	2000	1999
	\$	\$
(a) <i>Employees</i>		
Salaries and wages	<b>107,991</b>	43,758
Superannuation	<b>17,458</b>	8,117
Annual Leave	<b>187,527</b>	229,785
Long Service Leave	<b>324,495</b>	467,349
Redundancy	-	114,195
Other	<b>2,184</b>	3,912
<b>Total Liabilities to employees</b>	<b>639,655</b>	867,116
(b) <i>Suppliers</i>		
Trade creditors	<b>91,829</b>	121,626

**13. Leave Provisions**

	2000	1999
	\$	\$
(a) <i>Current</i>		
Provision for recreation leave	187,527	229,785
Provision for long service leave	237,642	351,126
Total	425,169	580,911
(b) <i>Non-Current</i>		
Provision for long service leave	86,853	116,223
Total	86,853	116,223

**14. Auditors' Remuneration**

The Australian National Audit Office provides audit services to the Institute with the fee for the current year estimated at \$18,000 (1998/1999 \$18,000). No other fee based services were provided by Australian National Audit Office.

**15. Remuneration of Board of Management**

Payments of \$190,967 (1998/1999 \$201,776) were made for Board of Management remuneration and superannuation and comprise; the Director's salary, superannuation and allowances of \$186,747 (1998/1999 \$176,663), travel allowances for Board members \$720 (1998/1999 \$17,238), superannuation payments for Board members Nil (1998/1999 Nil) and per diem fees for Board members \$3,500 (1998/1999 \$7,875).

The number of directors of the Institute included in the above figures are shown in the following remuneration band.

	2000	1999
	\$	\$
\$Nil - \$10,000	6	8
\$170,001-\$180,000	-	1
\$180,001-\$190,000	1	-
Total	7	9

The Director of the Institute is appointed as a full time chief executive officer of the Institute, as well as a member of the Board of Management. The Director is the only officer to receive remuneration in excess of \$100,000 per annum.

**16. Related Parties**

The Directors of the Authority during the year were:

Dame Margaret Guilfoyle, Presiding Member. Retired 10 May 2000.

Professor Donald Chalmers.

Dr Sarah Kennedy. Resigned 12 February 2000.

Professor John Mathews.

Professor Steven Schwartz.

Ms Louise Staley.

Mr David Stanton, Executive Director.

Information in relation to remuneration of the Board of Management is disclosed in Note 15.

There were no other related party transactions.

## 17. Financial Instruments

### (a) Terms, conditions and accounting policies

#### *Financial Instrument*

##### Financial Assets

###### Deposits at call (Note 9a)

Accounting Policies and Methods - Deposits are recognised at their nominal amounts. Interest is credited to revenue as it accrues.

Nature of underlying instrument - Temporarily surplus funds from contract work and monthly drawdowns of appropriation are placed on deposit with the Institute's banker. Interest is earned on the daily balance at the prevailing daily rate for the money on call and paid monthly.

###### Bills of Exchange (Note 9b)

Accounting Policies and Methods - Bills are carried at the amount of their initial proceeds plus accrued interest.

Nature of underlying instrument - Bills are issued at discount reflecting market yields. They have an average term to maturity of 81.82 days, with one bank bill invested for 364 days. The average term on all other bills ranges from 30 to 60 days. Effective interest rates range from 4.25% to 6.11%.

###### Receivables for Goods and Services (Note 9b) And Other Debtors

Accounting Policies and Methods - Recognised at their nominal amounts less any provision for bad and doubtful debts. Provisions are made when collection of the debt is judged to be less rather than more likely.

Nature of underlying instrument - Credit terms are 21 days.

##### Financial Liabilities

###### Bank Overdraft

Accounting Policies and Methods - Recognised at their principal amounts. Interest is charged as it accrues.

Nature of underlying instrument - Temporary situation that although technically an overdraft does not result in charging of interest.

###### Trade and Other Creditors (Notes 12a and 12b)

Accounting Policies and Methods - Creditors and accruals are recognised at their nominal amounts, being the amounts that the liabilities will be settled. Liabilities are recognised to the extent that the goods and services have been received (and irrespective of having been invoiced).

Nature of underlying instrument - Settlement is usually made net 30 days.

*Financial Statements*

(b) Interest Rate Risk

*Financial Instrument*

Financial Assets

	<b>2000</b>	1999
	\$	\$
Deposits at Call (Note 9a)		
Floating Interest Rate		
Fixed Interest Rate (1 year or less)	<b>196,829</b>	255,103
Non Interest Bearing	<b>90</b>	214
Total	<b>196,919</b>	255,317
Weighted Average Effective Interest Rate	<b>3.31%</b>	3.21%
Bills of Exchange (Note 9b)		
Floating Interest Rate		
Fixed Interest Rate (1 year or less)	<b>731,859</b>	804,821
Non Interest Bearing		
Total	<b>731,859</b>	804,821
Weighted Average Effective Interest Rate	<b>5.06%</b>	4.76%
Receivables for Goods and Services (Note 9b)		
Floating Interest Rate		
Fixed Interest Rate (1 year or less)		
Non Interest Bearing	<b>118,316</b>	136,581
Total	<b>118,316</b>	136,581
Weighted Average Effective Interest Rate	<b>N/a</b>	N/a

Financial Liabilities

Trade and Other Creditors (Notes 12a and 12b)		
Floating Interest Rate		
Fixed Interest Rate (1 year or less)		
Non Interest Bearing	<b>219,462</b>	177,412
Total	<b>219,462</b>	177,412
Weighted Average Effective Interest Rate	<b>N/a</b>	N/a

## (c) Net Fair Values of Financial Assets and Liabilities

Financial Assets	Note	1999/2000		1998/1999	
		Total Carrying Amount	Aggregate Net Fair Value	Total Carrying Amount	Aggregate Net Fair Value
Deposits at Call		<b>196,919</b>	<b>196,919</b>	255,317	255,317
Bills of Exchange		<b>731,859</b>	<b>731,859</b>	804,821	804,821
Receivables of Goods and Services		<b>118,316</b>	<b>118,316</b>	136,581	136,581
<b>Total Financial Assets</b>		<b>1,047,094</b>	<b>1,047,094</b>	1,196,719	1,196,719
Financial Liabilities (Recognised)					
Bank Overdraft		-	-	-	-
Trade and Other Creditors		<b>219,462</b>	<b>219,462</b>	177,412	177,412
<b>Total Financial Liabilities (Recognised)</b>		<b>219,462</b>	<b>219,462</b>	177,412	177,412