



# Financial Statements



## Contents

Audit Report	80
Certification by the Clerk of the Senate	83
Income statement	84
Balance sheet	85
Statement of changes in equity	86
Cash flow statement	87
Schedule of commitments	88
Schedule of administered Items	89
Notes to and forming part of the Financial Statements	92



## INDEPENDENT AUDITOR'S REPORT

To the President of the Senate

### Scope

I have audited the accompanying financial statements of Department of the Senate for the year ended 30 June 2008, which comprise: a statement by the Chief Executive and Chief Finance Officer; income statement; balance sheet; statement of changes in equity; cash flow statement; schedule of commitments; schedule of administered items; and notes to and forming part of the financial statements, including a summary of significant accounting policies.

### *The Responsibility of the Clerk of the Senate for the Financial Statements*

The Clerk of the Senate is responsible for the preparation and fair presentation of the financial statements in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including the Australian Accounting Standards (which include the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### *Auditor's Responsibility*

My responsibility is to express an opinion on the financial statements based on my audit. My audit has been conducted in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Department's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the

GPO Box 707 CANBERRA ACT 2601  
19 National Circuit BARTON ACT 2600  
Phone (02) 6203 7300 Fax (02) 6203 7777

circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Clerk of the Senate, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

***Independence***

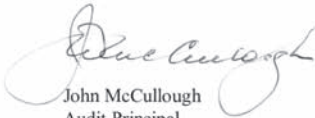
In conducting the audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

**Auditor's Opinion**

In my opinion, the financial statements of the Department of the Senate:

- (a) have been prepared in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including the Australian Accounting Standards; and
- (b) give a true and fair view of the matters required by the Finance Minister's Orders including the Department of the Senate's financial position as at 30 June 2008 and its financial performance and cash flows for the year then ended.

Australian National Audit Office



John McCullough  
Audit Principal

Delegate of the Auditor-General

Canberra  
9 September 2008





THE SENATE  
CANBERRA ACT 2600

**Statement by the Chief Executive and Chief Finance Officer**

---

In our opinion, the attached financial statements for the year ended 30 June 2008 are based on properly maintained financial records and give a true and fair view of the matters required by the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, as amended.

Joe d'Angelo  
Chief Finance Officer

Harry Evans  
Clerk of the Senate

9 September 2008

9 September 2008

---

Department of the Senate  
**Income statement**  
*for the period ended 30 June 2008*

	Notes	2008 \$'000	2007 \$'000
<b>INCOME</b>			
<i>Revenue</i>			
Revenue from government	3A	19,727	20,064
Sale of goods and rendering of services	3B	583	840
Royalties	3C	22	-
<b>Total revenue</b>		<u>20,332</u>	<u>20,904</u>
<i>Gains</i>			
Other gains - resources received free of charge	3D	3,297	3,472
<b>Total gains</b>		<u>3,297</u>	<u>3,472</u>
<b>TOTAL INCOME</b>		<u>23,629</u>	<u>24,376</u>
<b>EXPENSES</b>			
Employee benefits	4A	14,093	13,699
Suppliers	4B	7,123	7,757
Grants	4C	-	10
Depreciation and amortisation	4D	686	817
Write-down and impairment of assets	4E	103	35
Losses from asset sales	4F	21	204
<b>TOTAL EXPENSES</b>		<u>22,026</u>	<u>22,522</u>
<b>SURPLUS</b>		<u>1,603</u>	<u>1,854</u>

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



## FINANCIAL STATEMENTS

Department of the Senate

### Balance sheet

as at 30 June 2008

	Notes	2008 \$'000	2007 \$'000
<b>ASSETS</b>			
<i>Financial assets</i>			
Cash and cash equivalents	5A	625	500
Trade and other receivables	5B	<u>11,694</u>	<u>21,617</u>
<b>Total financial assets</b>		<u>12,319</u>	<u>22,117</u>
<i>Non-financial assets</i>			
Infrastructure, plant and equipment	6A, 6C	3,618	3,635
Intangibles	6B, 6C	651	44
Inventories	6D	18	33
Other non-financial assets	6E	<u>133</u>	<u>209</u>
<b>Total non-financial assets</b>		<u>4,420</u>	<u>3,921</u>
<b>TOTAL ASSETS</b>		<u>16,739</u>	<u>26,038</u>
<b>LIABILITIES</b>			
<i>Payables</i>			
Suppliers	7A	346	-
Other payables	7B	<u>460</u>	<u>361</u>
<b>Total payables</b>		<u>806</u>	<u>361</u>
<i>Provisions</i>			
Employee provisions	7C	4,576	4,605
Other provisions	7D	<u>39</u>	<u>41</u>
<b>Total provisions</b>		<u>4,615</u>	<u>4,646</u>
<b>TOTAL LIABILITIES</b>		<u>5,421</u>	<u>5,007</u>
<b>NET ASSETS</b>		<u>11,318</u>	<u>21,031</u>
<b>EQUITY</b>			
Contributed equity		-	-
Reserves		11,107	11,107
Retained surplus (accumulated deficit)		<u>211</u>	<u>9,924</u>
<b>TOTAL EQUITY</b>		<u>11,318</u>	<u>21,031</u>
<b>Current assets</b>		12,470	22,359
<b>Non-current assets</b>		4,269	3,679
<b>Current liabilities</b>		5,000	4,435
<b>Non-current liabilities</b>		421	572

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

Department of the Senate  
**Statement of changes in equity**  
*for the year ended 30 June 2008*

	Retained earnings		Asset revaluation reserve		Contributed equity/capital		Total equity	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Opening balance	9,924	19,200	11,107	10,796	-	(11,130)	21,031	18,866
Adjusted opening balance	9,924	19,200	11,107	10,796	-	(11,130)	21,031	18,866
<b>Income and expense</b>								
Revaluation adjustment	-	-	-	311	-	-	-	311
<b>Sub-total income and expenses recognised directly in equity</b>	-	-	-	311	-	-	-	311
Surplus for the period	1,603	1,854	-	-	-	-	1,603	1,854
<b>Total income and expenses</b>	1,603	1,854	-	311	-	-	1,603	2,165
<b>Transactions with owners</b>								
Other - Return of prior year appropriations	-	-	-	-	(11,316)	-	(11,316)	-
<b>Sub-total transactions with owners</b>	-	-	-	-	(11,316)	-	(11,316)	-
Transfers between equity components	(11,316)	(11,130)	-	-	11,316	11,130	-	-
<b>Closing balance at 30 June</b>	211	9,924	11,107	11,107	-	-	11,318	21,031

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

Department of the Senate  
**Cash flow statement**  
*for the year ended 30 June 2008*

	Notes	2008 \$'000	2007 \$'000
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Appropriations		18,549	17,019
Goods and services		420	949
Net GST received		429	327
<b>Total cash received</b>		<u>19,398</u>	<u>18,295</u>
<b>Cash used</b>			
Employees		13,913	13,297
Suppliers		3,961	4,733
Other cash used		-	11
<b>Total cash used</b>		<u>17,874</u>	<u>18,041</u>
<b>Net cash from or (used by) operating activities</b>	8	<u>1,524</u>	<u>254</u>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sales of property, plant and equipment		8	180
<b>Total cash received</b>		<u>8</u>	<u>180</u>
<b>Cash used</b>			
Purchase of property, plant and equipment		738	468
Purchase of intangibles		669	25
<b>Total cash used</b>		<u>1,407</u>	<u>493</u>
<b>Net cash from or (used by) investing activities</b>		<u>(1,399)</u>	<u>(313)</u>
<b>Net increase or (decrease) in cash held</b>		125	(59)
Cash at the beginning of the reporting period		500	559
<b>Cash at the end of the reporting period</b>	5A	<u>625</u>	<u>500</u>

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

Department of the Senate  
 Schedule of commitments  
 as at 30 June 2008

	2008	2007
<b>BY TYPE</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Commitments receivable</b>		
GST recoverable on commitments	(95)	(73)
<b>Total commitments receivable</b>	<b>(95)</b>	<b>(73)</b>
<b>Other commitments</b>		
Operating leases <sup>1</sup>	45	62
Goods and services <sup>2</sup>	1,003	672
<b>Total other commitments</b>	<b>1,048</b>	<b>734</b>
<b>Net commitments by type</b>	<b>953</b>	<b>661</b>
 <b>BY MATURITY</b>		
<b>Commitments receivable</b>		
<b>Other commitments receivable</b>		
One year or less	(55)	(71)
From one to five years	(40)	(2)
<b>Total other commitments receivable</b>	<b>(95)</b>	<b>(73)</b>
<b>Commitments payable</b>		
<b>Operating lease commitments</b>		
One year or less	39	39
From one to five years	6	23
<b>Total operating lease commitments</b>	<b>45</b>	<b>62</b>
<b>Goods and services commitments</b>		
One year or less	566	672
From one to five years	437	-
<b>Total goods and services commitments</b>	<b>1,003</b>	<b>672</b>
<b>Net commitments by maturity</b>	<b>953</b>	<b>661</b>

*NB: Commitments are GST inclusive where relevant.*

<sup>1</sup> Operating leases included are effectively non-cancellable and comprise agreements for the provision of motor vehicles to senior executive officers and there are no renewal or purchase options available.

<sup>2</sup> Other commitments relate to contracts (including purchase orders) lodged with suppliers.

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

Department of the Senate

Schedule of administered items

	Notes	2008 \$'000	2007 \$'000
<b>Expenses administered on behalf of government</b> <i>for the period ended 30 June 2008</i>			
<b>Expenses</b>			
Employee benefits	13A	12,979	11,991
Suppliers	13B	200	343
<b>Total expenses administered on behalf of government</b>		<b>13,179</b>	<b>12,334</b>
<b>Assets administered on behalf of government</b> <i>as at 30 June 2008</i>			
<b>Financial assets</b>			
Receivables	14A	2	1
<b>Total assets administered on behalf of government</b>		<b>2</b>	<b>1</b>
<b>Liabilities administered on behalf of government</b> <i>as at 30 June 2008</i>			
<b>Payables</b>			
Suppliers	15A	58	15
Employee provisions	15B	88	-
<b>Total liabilities administered on behalf of government</b>		<b>146</b>	<b>15</b>
This schedule should be read in conjunction with the accompanying notes.			

**Department of the Senate**  
**Schedule of administered items (continued)**

	Notes	2008 \$'000	2007 \$'000
<b>Administered cash flows</b> <i>for the period ended 30 June 2008</i>			
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Net GST received		15	25
<b>Total cash received</b>		<u>15</u>	<u>25</u>
<b>Cash used</b>			
Employees		12,891	11,991
Suppliers		174	352
<b>Total cash used</b>		<u>13,065</u>	<u>12,343</u>
<b>Net cash from or (used by) operating activities</b>		<u>(13,050)</u>	<u>(12,318)</u>
<b>Net (decrease) in cash held</b>		(13,050)	(12,318)
Cash at the beginning of the reporting period		-	-
Cash from Official Public Account for appropriations		<u>13,065</u>	<u>12,343</u>
		<u>13,065</u>	<u>12,343</u>
Cash to Official Public Account for appropriations		<u>(15)</u>	<u>(25)</u>
		<u>(15)</u>	<u>(25)</u>
<b>Cash at the end of the reporting period</b>		<u>-</u>	<u>-</u>
This schedule should be read in conjunction with the accompanying notes.			

Department of the Senate

Schedule of administered items (continued)

	2008 \$'000	2007 \$'000
<b>Administered commitments</b> <i>as at 30 June 2008</i>		
<b>BY TYPE</b>		
<b>Commitments Receivable</b>		
GST recoverable on commitments	(2)	(2)
<b>Total commitments receivable</b>	<u>(2)</u>	<u>(2)</u>
<b>Commitments Payable</b>		
<b>Other commitments</b>		
Operating leases <sup>1</sup>	23	18
<b>Total other commitments</b>	<u>23</u>	<u>18</u>
<b>Net commitments by type</b>	<u>21</u>	<u>16</u>
<b>BY MATURITY</b>		
<b>Commitments receivable</b>		
<b>Other commitments receivable</b>		
One year or less	(2)	(1)
From one to five years	-	(1)
<b>Total other commitments receivable</b>	<u>(2)</u>	<u>(2)</u>
<b>Commitments Payable</b>		
<b>Operating lease commitments</b>		
One year or less	19	11
From one to five years	4	7
<b>Total operating lease commitments</b>	<u>23</u>	<u>18</u>
<b>Net commitments by maturity</b>	<u>21</u>	<u>16</u>

NB: Commitments are GST inclusive where relevant.

<sup>1</sup> Operating leases included are effectively non-cancellable and comprise agreements for the provision of motor vehicles to Office-holders and there are no renewal or purchase options available.

This schedule should be read in conjunction with the accompanying notes.

**Notes to and forming part of the Financial Statements**  
*for the year ended 30 June 2008*

---

Note 1:	Summary of significant accounting policies	93
Note 2:	Events occurring after the balance sheet date	103
Note 3:	Income	103
Note 4:	Expenses	103
Note 5:	Financial assets	104
Note 6:	Non-financial assets	105
Note 7:	Payables and provisions	107
Note 8:	Cash flow reconciliation	108
Note 9:	Contingent liabilities and assets	108
Note 10:	Executive remuneration	109
Note 11:	Remuneration of auditors	109
Note 12:	Financial instruments	110
Note 13:	Expenses administered on behalf of government	111
Note 14:	Assets administered on behalf of government	111
Note 15:	Liabilities administered on behalf of government	111
Note 16:	Administered reconciliation table	112
Note 17:	Administered contingent liabilities and assets	112
Note 18:	Administered financial instruments	112
Note 19:	Appropriations and special accounts	114
Note 20:	Compensation and debt relief	117
Note 21:	Reporting of outcomes	117



Notes to and forming part of the Financial Statements  
for the year ended 30 June 2008

---

**Note 1: Summary of significant accounting policies**

**1.1 Objectives of the Department of the Senate**

The Department of the Senate is structured to meet the following outcome:

- Effective provision of services to support the functioning of the Senate as a House of the Commonwealth Parliament.

The department’s activities contributing towards this outcome are classified as either departmental or administered. Departmental 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 Commonwealth of items controlled or incurred by the Commonwealth.

Departmental activities are identified under five headings:

- Output Group 1:* Clerk’s Office – provides procedural and constitutional advice in relation to the proceedings of the Senate and its committees, strategic direction for the department and secretariat support for the Procedure Committee, the Committee of Privileges and the Committee of Senators’ Interests, and maintains the Register of Senators’ Interests.
- Output Group 2:* Table Office – provides procedural advice and programming services; processes legislation and documents, and archives records of the Senate; produces formal and informal records of Senate business; provides an inquiries service; and provides secretariat support to a collection of domestic committees.
- Output Group 3:* Procedure Office – provides advisory and drafting services to non-government senators, secretariat support for the legislative scrutiny committees and policy support for interparliamentary relations; conducts parliamentary research; and promotes community awareness and knowledge of the Senate and the Parliament.
- Output Group 4:* Committee Office – provides secretariat support for most Senate and certain joint committees and strives to increase the public’s awareness of the work of committees.
- Output Group 5:* Black Rod’s Office – provides office, chamber and committee room support, information technology and ceremonial support services, and human resource, financial and records management services, for senators and departmental staff; and provides security advice.

**1.2 Basis of preparation of the financial report**

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

The financial statements and notes have been prepared in accordance with:

- Finance Minister’s Orders (or FMOs) for reporting periods ending on or after 1 July 2007; and

## Notes to and forming part of the Financial Statements for the year ended 30 June 2008

---

- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that apply for the reporting period.

The financial report has been prepared on an accrual basis and is in accordance with historical cost convention, except for certain assets at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial report is presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Unless alternative treatment is specifically required by an accounting standard or FMOs, assets and liabilities are recognised in the balance sheet when and only when it is probable that future economic benefits will flow and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under agreements equally proportionately unperformed are not recognised unless required by an accounting standard. Liabilities that are unrealised are reported in the schedule of commitments (other than unquantifiable or remote contingencies, which are reported at Note 9).

Unless alternative treatment is specifically required by an accounting standard revenues and expenses are recognised in the income statement when and only when the flow or consumption or loss of economic benefits has occurred and can be reliably measured.

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

Administered revenues, expenses, assets, liabilities and cash flows reported in the Schedule of Administered Items and related notes are accounted for on the same basis and using the same policies as for departmental items, except where otherwise stated at Note 1.19.

### 1.3 Significant accounting judgements and estimates

No accounting judgements, assumptions or estimates have been identified that have a significant risk of causing a material impact on the amounts recorded in the financial statements.

### 1.4 Statement of compliance

#### *Adoption of new Australian Accounting Standard requirements*

No accounting standard has been adopted earlier than the effective date in the current period. The following new standards are applicable to the current reporting period:

#### *Financial instrument disclosure*

AASB 7 Financial Instruments: Disclosures is effective for reporting periods beginning on or after 1 January 2007 (the 2007-08 financial year) and amends the disclosure requirements for financial instruments. In general, AASB 7 requires greater disclosure than that previously required. Associated with the introduction of AASB 7 a number of accounting standards were amended to reference the new standard or remove the present disclosure requirements through 2005-10 Amendments to Australian Accounting Standards [AASB 1, AASB 4, AASB 101, AASB 114, AASB 117, AASB 132, AASB 133, AASB 139, AASB 1023 & AASB 1038]. These changes have no financial impact but will affect the disclosure presented in future financial reports.

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2008

---

The following new standards, amendments to standards or interpretations for the current financial year have no material financial impact on the department:

- AASB 1048 *Interpretation and Application of Standards*
- 2007-1 *Amendments to Australian Accounting Standards arising from AASB Interpretation 11*
- 2007-4 *Amendments to Australian Accounting Standards arising from ED 151 and Other Amendments and Erratum: Proportionate Consolidation*
- 2007-5 *Amendments to Australian Accounting Standard – Inventories Held for Distribution by Not-for Profit Entities*
- 2007-7 *Amendments to Australian Accounting Standards*
- 2008-4 *Amendments to Australian Accounting Standard – Key Management Personnel Disclosure by Disclosing Entities*
- ERR Erratum *Proportionate Consolidation*
- Interpretation 10 *Interim Financial Reporting and Impairment*
- Interpretation 11 *AASB 2 Group and Treasury Share Transactions*
- Interpretation 1003 *Australian Petroleum Resource Rent Tax*

### Future Australian Accounting Standard requirements

The following new standards, amendments to standards or interpretations have been issued by the Australian Accounting Standards Board but are effective for future reporting periods. It is estimated that the impact of adopting these pronouncements when effective will have no material financial impact on future reporting periods.

- AASB 3 *Business Combinations* and 2008-3 *Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127*
- AASB 8 *Operating Segments* and 2007-3 *Amendments to Australian Accounting Standards arising from AASB 8*
- AASB 101 *Presentation of Financial Statements* and 2007-8 *Amendments to Australian Accounting Standards arising from AASB 101*
- AASB 123 *Borrowing Costs* and 2007-6 *Amendments to Australian Accounting Standards arising from AASB 123*
- AASB 127 *Consolidated and Separate Financial Statements*
- AASB 1004 *Contributions*
- AASB 1050 *Administered Items*
- AASB 1051 *Land Under Roads*
- AASB 1052 *Disaggregated Disclosures*
- AASB 2007-9 *Amendments to AAS arising from the Review of AASs 27, 29 and 31.*
- AASB 2008-1 *Amendments to AAS – Shared Payments: VESTING Conditions and Cancellations*
- AASB 2008-2 *Amendments to AAS – Puttable Financial Instruments and Obligations arising on Liquidation*
- AASB Interpretation 1 *Change in Existing Decommissioning, Restoration and Similar Liabilities*
- AASB Interpretation 2 *Determining Whether an Arrangement Contains a Lease*
- AASB Interpretation 12 *Service Concession Arrangements* and 2007-2 *Amendments to Australian Accounting Standards arising from AASB Interpretation 12*
- AASB Interpretation 13 *Customer Loyalty Programmes*

**Notes to and forming part of the Financial Statements**  
*for the year ended 30 June 2008*

---

- AASB Interpretation 14 AASB 119 – *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*
- AASB Interpretation 129 *Service Concession Arrangements Disclosure*
- AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities*

Other

The following standards and interpretations have been issued but are not applicable to the operations the department:

AASB 1049 *Whole of Government and General Government Sector Financial Reporting*

AASB 1049 specifies the reporting requirements for the General Government Sector, and therefore, has no effect on the department's financial statements.

**1.5 Revenue**

*Revenue from government*

Departmental outputs appropriations for the year (less any savings offered up in Portfolio Additional Estimates Statements) are recognised as revenue, except for certain amounts which relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. The department does not currently participate in any reciprocal activities.

Appropriations receivable are recognised at their nominal amounts.

*Other types of revenue*

Revenue from the sale of goods is recognised when:

- the risks and rewards of ownership have been transferred to the buyer;
- the seller retains no managerial involvement nor effective control over the goods;
- the revenue and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to the entity.

Revenue from rendering of services is recognised by reference to the stage of completion of contracts at the reporting date. The revenue is recognised when:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- the probable economic benefits with the transaction will flow to the entity.

The stage of completion of contracts at the reporting date is determined by reference to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

Receivables for goods and services, which have 30 day terms, 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 collectability of the debt is no longer probable.

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.

**Notes to and forming part of the Financial Statements**  
*for the year ended 30 June 2008*

---

**1.6 Gains***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 as revenue at their fair value when the asset qualifies for recognition, unless received from another government agency as a consequence of a restructuring of administrative arrangements (refer to Note 1.7).

*Other gains*

Gains from disposal of non-current assets are recognised when control of the asset has passed to the buyer.

**1.7 Transactions with the government as owner***Equity injections*

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) are recognised directly in Contributed Equity in that year.

*Restructuring of administrative arrangements*

Net assets received from or relinquished to another Australian government agency or authority under a restructuring of administrative arrangements are adjusted at their book value directly against contributed equity.

*Other distributions to owners*

The FMOs require that distributions to owners be debited to contributed equity unless in the nature of a dividend.

**1.8 Employee benefits**

Liabilities for service rendered by employees are recognised at the reporting date to the extent that they have not been settled.

Liabilities for 'short-term employee benefits' (as defined in AASB 119) and termination benefits due within twelve months of balance date are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

All other employee benefit liabilities are measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date.

*Leave*

The liability for employee benefits includes provision for annual leave 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 in future years by employees of the department is estimated to be less than the annual entitlement for sick leave.

## Notes to and forming part of the Financial Statements for the year ended 30 June 2008

---

The leave liabilities are calculated on the basis of employees' remuneration, including the department's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave is recognised and measured at the estimated present value of future cash flows to be made in respect of all employees at 30 June 2008. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

### *Separation and redundancy*

In 2007–08, the department has made no provision for future separation and redundancy benefit payments.

### *Superannuation*

Staff of the department are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS) and PSS accumulation plan (PSSap).

The CSS and PSS are defined benefit schemes for the Commonwealth. The PSSap is a defined contribution scheme.

The liability for superannuation benefits is recognised in the financial statements of the Australian government and is settled by the Australian government in due course.

The department makes employer contributions to the Employee Superannuation Scheme at rates determined by an actuary to be sufficient to meet the cost to the government of the superannuation entitlements of the department's employees.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final pay fortnight of the year.

### **1.9 Leases**

No finance leases were in existence at any time during the year or at balance date.

Operating lease payments are expensed on the basis of the benefits derived from the leased assets. The department's operating leases relate to vehicles leased from LeasePlan.

### **1.10 Cash**

Cash and cash equivalents includes notes and coins held and any deposits in bank accounts with an original maturity of three months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value. Cash is recognised at its nominal amount.

### **1.11 Financial assets**

Financial assets are classified in the following categories:

- 'loans and receivables' financial assets;
- 'held-to-maturity investments';
- 'available-for-sale' financial assets; and
- 'at fair value through profit or loss'.

**Notes to and forming part of the Financial Statements**

*for the year ended 30 June 2008*

---

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Financial assets are recognised and derecognised upon ‘trade date’.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis except for financial assets ‘at fair value through profit or loss’.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as ‘loans and receivables’. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate.

Other categories of financial assets

The department does not have any financial assets classified as ‘held-to-maturity investments’, ‘available-for-sale’ or ‘at fair value through profit or loss’.

Impairment of financial assets

Financial assets are assessed for impairment at each balance date.

- *Financial assets held at amortised cost* - If there is objective evidence that an impairment loss has been incurred for loans and receivables or held to maturity investments held at amortised cost, the amount of the loss is measured as the difference between the asset’s carrying amount and the present value of estimated future cash flows discounted at the asset’s original effective interest rate. The carrying amount is reduced by way of an allowance account. The loss is recognised in the income statement.
- *Available-for-sale financial assets* - If there is objective evidence that an impairment loss on an available-for-sale financial asset has been incurred, the amount of the difference between its cost, less principal repayments and amortisation, and its current fair value, less any impairment loss previously recognised in expenses, is transferred from equity to the income statement.
- *Available-for-sale financial assets (held at cost)* - If there is objective evidence that an impairment loss has been incurred the amount of the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate for similar assets.

**1.12 Financial Liabilities**

Financial liabilities are classified as either financial liabilities ‘at fair value through profit or loss’ or other financial liabilities.

Financial liabilities are recognised and derecognised upon ‘trade date’.

## Notes to and forming part of the Financial Statements for the year ended 30 June 2008

---

### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are initially measured at fair value. Subsequent fair value adjustments are recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

### Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

### Supplier and other payables

Trade creditors and accruals are recognised at the amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

### **1.13 Contingent liabilities and contingent assets**

Contingent liabilities and assets are not recognised in the balance sheet but are discussed in the relevant schedules and notes. They may arise from uncertainty as to the existence of a liability or asset, or represent an existing liability or asset in respect of which settlement is not probable or for which the amount cannot be reliably measured. Contingent assets are reported when settlement is probable, and contingent liabilities are recognised when settlement is greater than remote.

### **1.14 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. Financial assets are initially measured at their fair value plus transaction costs, where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition, unless acquired as a consequence of restructured 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 agency's accounts immediately before the restructuring.

### **1.15 Property, plant and equipment (PP&E)**

#### *Asset recognition threshold*

Purchases of property, plant and equipment are recognised initially at cost in the balance sheet, except for purchases costing less than \$500 for furniture and fittings and office machines and equipment, \$1,000 for computer equipment, and \$2,000 for plant and equipment, intangibles and all other assets, 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).



**Notes to and forming part of the Financial Statements**  
*for the year ended 30 June 2008*

---

*Revaluations*

Fair values for each class of asset are determined as shown below:

<u>Asset class</u>	<u>Fair value measured at:</u>
Plant and equipment	Market selling price

Following initial recognition at cost, valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially with the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets. At a minimum, valuations are undertaken in each year as at 30 June.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised through operating result. Revaluation decrements for a class of assets are recognised directly through operating result except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

*Depreciation*

Depreciable plant and equipment assets are written off to their estimated residual values over their estimated useful lives to the department, using the straight-line method of depreciation in all cases.

Depreciation rates (useful lives) and methods are reviewed at each reporting date and necessary adjustments are recognised in the current or current and future reporting periods, as appropriate. Residual values are re-estimated for a change in prices only when assets are revalued.

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

	2008	2007
Plant equipment	5 to 15 years	5 to 15 years
Computer equipment	3 to 10 years	3 to 10 years
Furniture and fittings	5 to 50 years	5 to 50 years
Office machines and equipment	4 to 30 years	4 to 30 years
Intangibles (software)	3 to 5 years	3 to 5 years

*Impairment*

All assets were assessed for impairment at 30 June 2008. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent

## Notes to and forming part of the Financial Statements for the year ended 30 June 2008

---

on the asset's ability to generate future cash flows, and the asset would be replaced if the Department of the Senate were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

No indicators of impairment were found for assets at fair value.

### 1.16 Intangibles

The department's intangibles comprise software for internal use. These assets are carried at cost.

Software is amortised on a straight-line basis over its anticipated useful life. The useful life of the department's software is 3 to 5 years (2006-07: 3 to 5 years).

All software assets were assessed for impairment as at 30 June 2008. None were found to be impaired.

### 1.17 Inventories

Inventories held for resale are valued at the lower of cost and net realisable value.

Inventories not held for resale are valued at cost, unless they are no longer required, in which case they are valued at net realisable value.

### 1.18 Taxation

The department is exempt from all forms of taxation except fringe benefits tax and the goods and services tax (GST).

Revenues, expenses and assets are recognised net of GST:

- except where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- except for receivables and payables.

The fringe benefits tax for Members of Parliament is paid by the Department of Finance and Deregulation. The Department of the Senate pays fringe benefits tax on benefits it provides to office-holders of the Senate.

### 1.19 Reporting of administered activities

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the schedule of administered items and related notes.

Except where otherwise stated below, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards.

Administered appropriations received or receivable from the Official Public Account (OPA) are not reported as administered revenues or assets. Similarly, administered receipts transferred or transferable to the OPA are not reported as administered expenses or payables. These transactions or balances are internal to the administered entity.

These transfers of cash are reported as administered (operating) cash flows and in the administered reconciliation table in Note 16.

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2008

## Note 2: Events occurring after the balance sheet date

There have been no significant events occur after balance date that may have an impact on the department's operations.

	2008	2007
	\$'000	\$'000

## Note 3: Income

### Revenue

#### Note 3A: Revenue from government

Appropriations for outputs	19,727	20,064
<b>Total revenues from government</b>	<b>19,727</b>	<b>20,064</b>

#### Note 3B: Sale of goods and rendering of services

Goods	158	24
Services	425	816
<b>Total sales of goods and rendering of services</b>	<b>583</b>	<b>840</b>

Provision of goods - related entities	138	15
Provision of goods - external entities	20	9
<b>Total sale of goods</b>	<b>158</b>	<b>24</b>
Rendering of services - related entities	370	503
Rendering of services - external entities	55	313
<b>Total rendering of services</b>	<b>425</b>	<b>816</b>
<b>Total sale of goods and rendering of services</b>	<b>583</b>	<b>840</b>

#### Note 3C: Royalties

Other	22	-
<b>Total royalties</b>	<b>22</b>	<b>-</b>

### Gains

#### Note 3D: Other gains

Resources received free of charge	3,297	3,472
<b>Total other gains</b>	<b>3,297</b>	<b>3,472</b>

## Note 4: Expenses

#### Note 4A: Employee benefits

Wages and salaries	10,021	9,723
Superannuation	2,120	1,911
Leave and other entitlements	1,887	2,065
Separation and redundancies	65	-
<b>Total employee benefits</b>	<b>14,093</b>	<b>13,699</b>

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2008

	2008 \$'000	2007 \$'000
<u>Note 4B: Suppliers</u>		
Provision of goods - related entities	192	111
Provision of goods - external entities	1,412	1,359
Rendering of services - related entities *	3,551	3,675
Rendering of services - external entities	1,864	2,474
Workers compensation premiums	104	138
<b>Total supplier expenses</b>	<b>7,123</b>	<b>7,757</b>

\* Services from related entities included \$3.297m of resources received free of charge from other Commonwealth agencies. (2007: \$3.472m)

<u>Note 4C: Grants</u>		
Private Sector - Other	-	10
<b>Total grants</b>	<b>-</b>	<b>10</b>

Note 4D: Depreciation and amortisation

<b>Depreciation</b>		
Infrastructure, plant and equipment	624	754
<b>Amortisation</b>		
Intangibles - computer software	62	63
<b>Total depreciation and amortisation</b>	<b>686</b>	<b>817</b>

Note 4E: Write down and impairment of assets

<b>Financial assets</b>		
Bad and doubtful debts expense	-	1
<b>Non-financial assets</b>		
Plant and equipment - write-downs	103	34
<b>Total write-down and impairment of assets</b>	<b>103</b>	<b>35</b>

Note 4F: Losses from asset sales

Infrastructure, plant and equipment:		
Proceeds from assets sold	(8)	(180)
Carrying value of assets sold	29	384
Selling expenses	-	-
<b>Total losses from asset sales</b>	<b>21</b>	<b>204</b>

**Note 5: Financial assets**

<u>Note 5A: Cash and cash equivalents</u>		
Cash on hand	625	500
<b>Total cash and cash equivalents</b>	<b>625</b>	<b>500</b>

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2008

	2008	2007
	\$'000	\$'000
<u>Note 5B: Trade and other receivables</u>		
Goods and services	292	83
Appropriations receivable for existing outputs	11,349	21,487
GST receivable from the Australian Taxation Office	53	47
<b><i>Total trade and other receivables (net)</i></b>	<b>11,694</b>	<b>21,617</b>

Receivables are aged as follows:

Not overdue	11,692	21,610
Overdue by:		
Less than 30 days	1	4
30 to 60 days	1	3
61 to 90 days	-	-
More than 90 days	-	-
<b><i>Total receivables (gross)</i></b>	<b>11,694</b>	<b>21,617</b>

All receivables are current assets.

## Note 6: Non-financial assets

Note 6A: Infrastructure, plant and equipment

### ***Infrastructure, plant and equipment***

- gross carrying (at fair value)	4,252	3,663
- accumulated depreciation	(634)	(28)
<b><i>Total infrastructure, plant and equipment (non-current)</i></b>	<b>3,618</b>	<b>3,635</b>

All revaluations are conducted in accordance with the revaluation policy stated at Note 1. In 2007-08, an independent valuer, Pickles Valuation Services, conducted the revaluations.

At 30 June, there was no indicators of impairment were found for infrastructure, plant and equipment.

Note 6B: Intangibles

### ***Computer software***

- at cost	1,962	1,293
- accumulated amortisation	(1,311)	(1,249)
<b><i>Total intangibles (non-current)</i></b>	<b>651</b>	<b>44</b>

No indicators of impairment were found for intangible assets.

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2008

Note 6C: Analysis of infrastructure, plant and equipment and intangibles

**Reconciliation of the opening and closing balances of infrastructure, plant and equipment and intangibles (2007-08)**

	IP&E \$'000	Intangibles \$'000	TOTAL \$'000
<b>As at 1 July 2007</b>			
Gross book value	3,663	1,293	4,956
Accumulated depreciation/amortisation	(28)	(1,249)	(1,277)
<b>Net book value 1 July 2007</b>	<b>3,635</b>	<b>44</b>	<b>3,679</b>
Additions by purchase	739	669	1,408
Depreciation/amortisation expense	(624)	(62)	(686)
Impairments recognised in surplus	(103)	-	(103)
Disposals	(29)	-	(29)
<b>Net book value 30 June 2008</b>	<b>3,618</b>	<b>651</b>	<b>4,269</b>

**Net book value 30 June 2008 represented by:**

Gross book value	4,252	1,962	6,214
Accumulated depreciation/amortisation	(634)	(1,311)	(1,945)
	<b>3,618</b>	<b>651</b>	<b>4,269</b>

**Reconciliation of the opening and closing balances of infrastructure, plant and equipment and intangibles (2006-07)**

	IP&E \$'000	Intangibles \$'000	TOTAL \$'000
<b>As at 1 July 2006</b>			
Gross book value	4,898	1,268	6,166
Accumulated depreciation/amortisation	(856)	(1,186)	(2,042)
<b>Net book value 1 July 2006</b>	<b>4,042</b>	<b>82</b>	<b>4,124</b>
Additions by purchase	465	25	490
Revaluation and impairments through equity	311	-	311
Depreciation/amortisation expense	(754)	(63)	(817)
Impairments recognised in surplus	(34)	-	(34)
Impairments recognised in the operating result	(11)	-	(11)
Disposals	(384)	-	(384)
<b>Net book value 30 June 2007</b>	<b>3,635</b>	<b>44</b>	<b>3,679</b>

**Net book value 30 June 2007 represented by:**

Gross book value	3,663	1,293	4,956
Accumulated depreciation/amortisation	(28)	(1,249)	(1,277)
	<b>3,635</b>	<b>44</b>	<b>3,679</b>

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2008

	2008	2007
	\$'000	\$'000
<u>Note 6D: Inventories</u>		
Inventories held for distribution	18	33
<b>Total inventories</b>	<b>18</b>	<b>33</b>

All departmental inventories are current assets.

<u>Note 6E: Other non-financial assets</u>		
Prepayments	133	209
<b>Total other non-financial assets</b>	<b>133</b>	<b>209</b>

All other non-financial assets are current assets.

## Note 7: Payables and provisions

<u>Note 7A: Suppliers</u>		
Trade creditors	346	-
<b>Total supplier payables</b>	<b>346</b>	-

<u>Note 7B: Other payables</u>		
Accrued expenses	460	361
<b>Total other payables</b>	<b>460</b>	<b>361</b>

All supplier payables and other payables recognised are current liabilities.

<u>Note 7C: Employee provisions</u>		
Salaries and wages	188	106
Leave	4,361	4,484
Superannuation	27	15
<b>Total employee provisions</b>	<b>4,576</b>	<b>4,605</b>

Current	4,155	4,033
Non-current	421	572
<b>Total employee provisions</b>	<b>4,576</b>	<b>4,605</b>

The classification of current includes amounts for which there is not an unconditional right to defer settlement by one year, hence in the case of employee provisions the above classification does not represent the amount expected to be settled within one year of reporting date. Employee provisions expected to be settled in twelve months from the reporting date are \$1,574 (2007: \$1,469), and in excess of one year are \$3,002 (2007: \$3,137).

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2008

	2008	2007
	\$'000	\$'000
<u>Note 7D: Other provisions</u>		
Workers' compensation	39	41
<b>Total other provisions</b>	<b>39</b>	<b>41</b>

**Note 8: Cash flow reconciliation**

**Reconciliation of cash as per balance sheet to cash flow statement**

**Report cash as per flow statement:**

Cash flow statement	625	500
Balance sheet	625	500

**Reconciliation of net surplus to net cash from operating activities:**

Operating Result	1,603	1,854
Depreciation / amortisation	686	817
Net write down of assets	103	35
Net derecognition of assets	-	11
Loss / (gain) on disposal of assets	21	204
(Increase) / decrease in net receivables	(1,393)	(3,059)
(Increase) / decrease in inventories	15	13
(Increase) / decrease in prepayments	75	(30)
Increase / (decrease) in employee provisions	(29)	274
Increase / (decrease) in other provisions	(2)	4
Increase / (decrease) in supplier payables	346	(55)
Increase / (decrease) in other payables	99	186
Net cash from / (used by) operating activities	<b>1,524</b>	<b>254</b>

**Note 9: Contingent liabilities and assets**

There were no departmental contingent liabilities or assets. (2007: Nil)



Notes to and forming part of the Financial Statements  
for the year ended 30 June 2008

2008 2007

**Note 10: Executive remuneration**

The number of executives who received or were due to receive total remuneration of \$130,000 or more:

\$130,000 to \$144,999	1	-
\$145,000 to \$159,999	-	1
\$160,000 to \$174,999	-	1
\$175,000 to \$189,999	2	1
\$190,000 to \$204,999	1	1
\$205,000 to \$219,999	-	-
\$220,000 to \$234,999	-	1
\$235,000 to \$249,999	1	-
\$250,000 to \$264,999	-	-
\$265,000 to \$279,999	-	-
\$280,000 to \$294,999	-	-
\$295,000 to \$309,999	-	-
\$310,000 to \$324,999	-	1
\$325,000 to \$339,999	-	-
\$340,000 to \$354,999	-	-
\$355,000 to \$369,999	1	-
Total	<u>6</u>	<u>6</u>

The aggregate amount of total remuneration of senior executives shown above.	\$1,311,334	\$1,243,401
--	-------------	-------------

The aggregate amount of separation and redundancy benefit payments during the year to executives shown above.	Nil	Nil
---	-----	-----

**Note 11: Remuneration of auditors**

Financial statement audit services are provided free of charge to the department.

The fair value of audit services provided was:	\$85,500	\$81,500
--	----------	----------

No other services were provided by the Auditor-General.

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2008

	2008	2007
	\$'000	\$'000

**Note 12: Financial instruments**

Note 12A: Categories of financial instruments

**Financial Assets**

Loans and receivables

Cash and cash equivalent	625	500
Receivables for goods and services	292	83

<b>Carrying amount of financial assets</b>	<b>917</b>	<b>583</b>
--	------------	------------

**Financial Liabilities**

Other Liabilities

Payables - Suppliers	346	-
Accrued Expenses	460	361

<b>Carrying amount of financial liabilities</b>	<b>806</b>	<b>361</b>
---	------------	------------

Note 12B: Net income and expense from financial instruments

The department had no net income or expense from financial instruments. (2007: Nil)

Note 12C: Fair values of financial instruments

The net fair value of each class of assets and liabilities equals the carrying amounts in both the 2007-08 and 2006-07 financial years.

Note 12D: Credit risk

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 balance sheet.

The department has no significant exposures to any concentrations of credit risk. All figures for credit risk are not exposed to any collateral. No indications of impairment were found for financial assets. Assets past due but not impaired are disclosed at Note 5B.

Note 12E: Liquidity risk

All liabilities are at call (30 days). The department has no significant exposures to any liquidity risk. (2007: Nil)

Note 12F: Market risk

The department has no significant exposures to any market risk. (2007: Nil)

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2008

	2008	2007
	\$'000	\$'000
<b>Note 13: Expenses administered on behalf of government</b>		
<u>Note 13A: Employees</u>		
Wages and salaries	12,529	11,701
Superannuation	450	290
<b>Total employees</b>	<b>12,979</b>	<b>11,991</b>
<u>Note 13B: Suppliers</u>		
Provision of goods - related entities	129	130
Provision of goods - external entities	71	195
Rendering of services - related entities	-	7
Rendering of services - external entities	-	11
<b>Total suppliers</b>	<b>200</b>	<b>343</b>

### Note 14: Expenses administered on behalf of government

#### Financial assets

##### Note 14A: Receivables

Other - GST receivable from ATO	2	1
<b>Total receivables</b>	<b>2</b>	<b>1</b>

All assets administered on behalf of government are current assets.

### Note 15: Liabilities administered on behalf of government

##### Note 15A: Suppliers

Trade creditors	58	15
<b>Total suppliers</b>	<b>58</b>	<b>15</b>

All liabilities are expected to be settled with 12 months of balance date.

##### Note 15B: Employee provisions

Separations and redundancies	88	-
<b>Total employee provisions</b>	<b>88</b>	<b>-</b>

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2008

	2008	2007
	\$'000	\$'000
<b>Note 16: Administered reconciliation table</b>		
<i>Opening administered assets less administered liabilities as at 1 July</i>	(14)	1
Less: administered expenses	(13,179)	(12,334)
Appropriation transfers from OPA:		
Annual appropriation administered items	-	-
Special appropriations	13,049	12,321
Draw down of prior year appropriations	-	-
Other revenue - prior year refunds	-	-
Transfers to OPA	-	(2)
<i>Closing administered assets less administered liabilities as at 30 June</i>	<u>(144)</u>	<u>(14)</u>

**Note 17: Administered contingent liabilities and assets**

There were no administered contingent liabilities or assets. (2007: Nil)

**Note 18: Administered financial instruments**

Note 18A: Categories of financial instruments

*Financial Liabilities*

Other Liabilities

Payables - Suppliers	58	15
----------------------	----	----

<b><i>Carrying amount of financial liabilities</i></b>	<b><u>58</u></b>	<b><u>15</u></b>
--	------------------	------------------

Note 18B: Net income and expense from financial instruments

The administered activities of the department had no net income or expense from financial instruments. (2007: Nil)

Note 18C: Fair values of financial instruments

The net fair value of each class of assets and liabilities equals the carrying amounts in both the 2007-08 and 2006-07 financial years.

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2008

---

Note 18D: Credit risk

The administered activities of the department had no financial assets and as such there is minimal exposure to any credit risk. (2007: Nil)

Note 18E: Liquidity risk

All liabilities are at call (30 days). The administered activities of the department have no significant exposures to any liquidity risk. (2007: Nil)

Note 18F: Market risk

The administered activities of the department have no significant exposures to any market risk. (2007: Nil)

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2008

**Note 19: Appropriations and Special Accounts**

Note 19A: Acquittal of authority to draw cash from the Consolidated Revenue Fund (CRF) for Appropriations (Parliamentary Departments) Act (No. 1)

Particulars - Outcome 1	Administered expenses		Departmental outputs		Total	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Balance carried from previous period	-	-	22,034	19,041	22,034	19,041
Appropriation Act:						
Appropriation (Parliamentary Departments) Act (No. 1)	-	-	20,220	20,064	20,220	20,064
Reductions of appropriations (Appropriation (Parliamentary Departments) Act (No. 1) s. 11)						
- prior years	-	-	(11,316)	-	(11,316)	-
- current year	-	-	(493)	-	(493)	-
FMA Act						
Appropriations to take account of recoverable GST (FMA Act s. 30A)	15	25	429	422	444	447
Annotations to 'net appropriations' (FMA Act s. 31)	-	-	381	1,042	381	1,042
Total appropriations available for payments	15	25	31,255	40,569	31,270	40,594
Cash payments made during the year (GST inclusive)	15	25	19,281	18,534	19,296	18,559
Appropriations credited to Special Accounts (GST exclusive)	-	-	-	-	-	-
Balance of authority to draw cash from the CRF for ordinary annual services appropriations	-	-	11,974	22,034	11,974	22,034
<b>Represented by:</b>						
Cash at bank and on hand	-	-	625	500	625	500
Departmental appropriations receivable	-	-	11,349	21,534	11,349	21,534
<b>Total</b>	-	-	11,974	22,034	11,974	22,034

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2008

**Note 19: Appropriations and Special Accounts (continued)**

Note 19B: Acquittal of authority to draw cash from special Appropriations (unlimited amount)

**Administered**

<b>Parliamentary Entitlements Act 1990 (s. 11)</b>	<b>2008</b>	<b>2007</b>
<b>Purpose: An Act relating to the provision of benefits to Members of each House of the Parliament</b>	<b>\$'000</b>	<b>\$'000</b>
Cash payments made during the year	158	329
Appropriations credited to Special Accounts	-	-
Refunds credited (net) (FMA Act s. 30)	-	-
Total charged to appropriation	-	-
<i>Estimated Actual</i>	<b>736</b>	<b>1,592</b>

<b>Parliamentary Superannuation Act 2004 (s. 8) (Administered)</b>	<b>2008</b>	<b>2007</b>
<b>Purpose: An Act to provide for the making of superannuation contributions in respect of members of Parliament, and for related purposes.</b>	<b>\$'000</b>	<b>\$'000</b>
Cash payments made during the year	450	290
Appropriations credited to Special Accounts	-	-
Refunds credited (net) (FMA Act s. 30)	-	-
Total charged to appropriation	-	-
<i>Estimated Actual</i>	<b>520</b>	<b>284</b>

<b>Remuneration and Allowances Act 1990 (s. 8) (Administered)</b>	<b>2008</b>	<b>2007</b>
<b>Purpose: An Act relating to certain remuneration and allowances</b>	<b>\$'000</b>	<b>\$'000</b>
Cash payments made during the year	12,441	11,701
Appropriations credited to Special Accounts	-	-
Refunds credited (net) (FMA Act s. 30)	-	-
Total charged to appropriation	-	-
<i>Estimated Actual</i>	<b>12,591</b>	<b>12,251</b>

The legislation establishing these special appropriations is administered by the Department of Finance and Deregulation and the Department of Education, Employment and Workplace Relations.

**Note 19: Appropriations and Special Accounts (continued)**

Note 19C: Special accounts

<b>Other trust monies (Departmental)</b>	<b>2008</b>	<b>2007</b>
	<b>\$'000</b>	<b>\$'000</b>
Legal Authority: <i>Financial Management and Accountability Act 1997 (s. 20)</i>		
<i>Purpose: For expenditure of monies temporarily held on trust or otherwise for the benefit of a person other than the Commonwealth.</i>		
Balance carried from previous period	-	-
Appropriation for reporting period	-	-
Other receipts	37	34
<b>Available for payments</b>	<b>37</b>	<b>34</b>
Payments made	37	34
<b>Balance carried to next period</b>	<b>-</b>	<b>-</b>
<b>Represented by:</b>		
Cash - held by the department	-	-
<b>Total balance carried to the next period</b>	<b>-</b>	<b>-</b>

This account holds only monies advanced to the department by COMCARE to make compensation payments in accordance with the *Safety and Rehabilitation Act 1998*. When the department makes payments against sick leave entitlements pending determination of an employee's claim, the department recovers the payment from the monies in the account.

The department also has a Services for other Governments and Non-Agency Bodies Special Account established under section 20 of the *Financial Management and Accountability Act 1997*. The purpose of the Services for other Governments and Non-Agency Bodies Special Account is for expenditure in connection with services performed on behalf of other governments and bodies that are not Agencies under the *Financial Management and Accountability Act 1997*. This account had no transactions and nil balances as at 30 June 2007 and 30 June 2008.



Notes to and forming part of the Financial Statements  
for the year ended 30 June 2008

## Note 20: Compensation and debt relief

For departmental and administered items:

No act of grace payments were made during the reporting period. (2007: Nil)

No waivers of amounts owing to the Commonwealth were made pursuant to subsection 34(1) of the *Financial Management and Accountability Act 1997*. (2007: Nil)

No payments were made under the Compensation for Detriment caused by Defective Administration (CDDA) Scheme. (2007: Nil)

No ex-gratia payments were provided for during the reporting period. (2007: Nil)

No payments were made under s. 66 of the *Parliamentary Service Act 1999* during the reporting period. (2007: Nil)

## Note 21: Reporting of outcomes

Note 21A: Net cost of outcome delivery

	Outcome 1		Total	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Expenses</b>				
Administered	13,179	12,334	13,179	12,334
Departmental	22,026	22,522	22,026	22,522
<b>Total expenses</b>	<b>35,205</b>	<b>34,856</b>	<b>35,205</b>	<b>34,856</b>
<b>Costs recovered from provision of goods and services to the non government sector</b>				
Administered	-	-	-	-
Departmental	97	323	97	323
<b>Total costs recovered</b>	<b>97</b>	<b>323</b>	<b>97</b>	<b>323</b>
<b>Other external revenues</b>				
Administered	-	-	-	-
Departmental	508	517	508	517
<b>Total other external revenues</b>	<b>508</b>	<b>517</b>	<b>508</b>	<b>517</b>
<b>Net cost / (contribution) of outcome</b>	<b>34,600</b>	<b>34,016</b>	<b>34,600</b>	<b>34,016</b>

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2008

**Note 21: Reporting of outcomes (continued)**

Note 21B: Major classes of departmental revenues and expenses by output groups and outputs

Outcome 1	Output Group 1		Output Group 2		Output Group 3		Output Group 4		Output Group 5		Outcome 1 total	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Departmental expenses</b>												
Employees	850	743	1,725	1,731	3,519	3,280	5,350	5,286	2,649	2,659	14,093	13,699
Suppliers	305	285	1,044	1,104	2,543	2,659	2,336	2,640	895	1,069	7,123	7,757
Depreciation/write-downs	41	47	99	132	217	276	275	367	178	234	810	1,056
Other expenses	-	10	-	-	-	-	-	-	-	-	-	10
<b>Total departmental expenses</b>	<b>1,196</b>	<b>1,085</b>	<b>2,868</b>	<b>2,967</b>	<b>6,279</b>	<b>6,215</b>	<b>7,961</b>	<b>8,293</b>	<b>3,722</b>	<b>3,962</b>	<b>22,026</b>	<b>22,522</b>
<b>Funded by:</b>												
Revenues from government	1,073	961	2,575	2,651	5,637	5,554	7,146	7,411	3,296	3,486	19,727	20,064
Other revenue	184	170	452	478	1,467	1,509	1,221	1,298	578	857	3,902	4,312
<b>Total departmental revenues</b>	<b>1,257</b>	<b>1,130</b>	<b>3,027</b>	<b>3,129</b>	<b>7,104</b>	<b>7,062</b>	<b>8,367</b>	<b>8,709</b>	<b>3,874</b>	<b>4,343</b>	<b>23,629</b>	<b>24,376</b>

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2008

---

**Note 21: Reporting of outcomes (continued)**

Note 21C: Major classes of administered revenues and expenses by outcomes

	Outcome 1		Total	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Administered expenses</b>				
Employees	12,979	11,991	12,979	11,991
Suppliers	200	343	200	343
<b>Total administered expenses</b>	<b>13,179</b>	<b>12,334</b>	<b>13,179</b>	<b>12,334</b>

