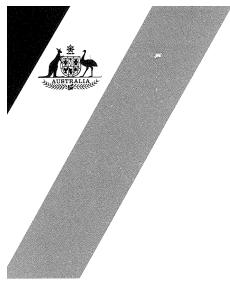


Financial Statements



INDEPENDENT AUDITOR'S REPORT

To the President of the Senate and the Speaker of the House of Representatives

Scope

I have audited the accompanying financial statements of the Department of Parliamentary Services 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; schedules of commitments, contingencies and administered items; a summary of significant accounting policies; and other explanatory notes.

The Responsibility of the Chief Executive for the Financial Statements

The Department of Parliamentary Services' Chief Executive 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* and the Australian Accounting Standards (including 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 of Parliamentary Services' preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department of Parliamentary Services' internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Department of Parliamentary Services' Chief Executive, 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

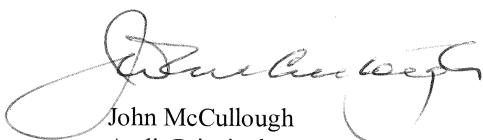
In conducting the audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion, the financial statements of the Department of Parliamentary Services:

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

Australian National Audit Office



John McCullough
Audit Principal
Delegate of the Auditor-General

Canberra
25 August 2008

**DEPARTMENT OF PARLIAMENTARY SERVICES
STATEMENT BY THE CHIEF EXECUTIVE AND CHIEF FINANCE OFFICER**

In our opinion, the attached financial statements for the year ended 30 June 2008 have been prepared 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.



Alan Thompson
Secretary

22 August 2008



Judith Konig FCPA
Chief Finance Officer

22 August 2008

Financial statements

DEPARTMENT OF PARLIAMENTARY SERVICES

INCOME STATEMENT

for the period ended 30 June 2008

	Notes	2008 \$'000	2007 \$'000
INCOME			
Revenue			
Revenue from Government	3A	116,249	114,860
Sale of goods and rendering of services	3B	5,612	5,150
Rental income	3C	1,210	1,160
Other revenue	3D	8	138
Total revenue		123,079	121,308
Gains			
Sale of assets	3E	-	33
Reversals of previous asset write-downs	3F	-	135
Other gains	3G	180	165
Total gains		180	333
Total Income		123,259	121,641
EXPENSES			
Employee benefits	4A	64,960	62,288
Suppliers	4B	41,009	40,756
Depreciation and amortisation	4C	12,324	14,981
Finance costs	4D	-	1
Write-down and impairment of assets	4E	76	110
Losses from asset sales	4F	143	-
Total Expenses		118,512	118,136
Surplus attributable to the Australian Government		4,747	3,505

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

Financial statements

DEPARTMENT OF PARLIAMENTARY SERVICES
BALANCE SHEET
as at 30 June 2008

	Notes	2008 \$'000	2007 \$'000
ASSETS			
Financial Assets			
Cash and cash equivalents	5A	1,007	1,457
Trade and other receivables	5B	66,406	57,564
Total financial assets		67,413	59,021
Non-Financial Assets			
Infrastructure, plant and equipment	6A, B	44,960	40,512
Intangibles	6C	10,969	8,485
Inventories	6D	236	233
Other non-financial assets	6E	863	1,247
Total non-financial assets		57,028	50,477
Total Assets		124,441	109,498
LIABILITIES			
Payables			
Suppliers	7A	2,760	2,437
Other payables	7B	3	55
Total payables		2,763	2,492
Provisions			
Employee provisions	8	18,529	16,603
Total provisions		18,529	16,603
Total Liabilities		21,292	19,095
Net Assets		103,149	90,403
EQUITY			
Parent Entity Interest			
Contributed equity		85,380	85,507
Reserves		9,503	1,378
Retained surplus (accumulated deficit)		8,266	3,518
Total Equity		103,149	90,403
Current Assets		68,512	60,501
Non-Current Assets		55,929	48,997
Current Liabilities		19,589	17,222
Non-Current Liabilities		1,703	1,873

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

Financial statements

DEPARTMENT OF PARLIAMENTARY SERVICES
STATEMENT of CHANGES in EQUITY
as at 30 June 2008

	Retained Earnings	Asset Revaluation Reserves	Contributed Capital	Total Equity
	2008 \$'000	2007 \$'000	2008 \$'000	2008 \$'000
Opening balance				
Balance carried forward from previous period	3,518	13	1,378	1,347
Adjustment for errors	1	-	-	-
Adjustment for changes in accounting policies	-	-	-	-
Adjusted opening balance	3,519	13	1,378	1,347
Income and expense				
Revaluation Adjustment	-	-	8,125	31
Subtotal income and expense recognised in equity			8,125	31
Surplus (Deficit) for the period	4,747	3,505	-	-
Total income and expenses	4,747	3,505	8,125	31
Transactions with owners				
Distributions to owners				
Returns on capital:	-	-	-	-
Dividends	-	-	-	-
Returns of capital:	-	-	-	-
Other	-	-	-	-
Contributions by Owners				
Appropriation (equity injection)	-	-	-	-
Restructuring	-	-	-	-
Sub-total transactions with owners			(127)	-
Transfers between equity components	-	-	-	-
Closing balance at 30 June	8,266	3,518	9,503	1,378
			85,380	85,507
			103,149	90,403

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

Financial statements

DEPARTMENT OF PARLIAMENTARY SERVICES
CASH FLOW STATEMENT
for the period ended 30 June 2008

	Notes	2008 \$'000	2007 \$'000
OPERATING ACTIVITIES			
Cash received			
Goods and services		6,919	7,146
Appropriations		107,102	103,993
Net GST received		4,746	4,385
Other		864	741
Total cash received		119,631	116,265
Cash used			
Employees		64,752	63,790
Suppliers		44,178	45,722
Other		-	1
Total cash used		108,930	109,513
Net cash from or (used by) operating activities	9	10,701	6,752
INVESTING ACTIVITIES			
Cash received			
Proceeds from sales of property, plant and equipment		66	90
Total cash received		66	90
Cash used			
Purchase of property, plant and equipment		7,740	4,871
Purchase of intangibles		3,477	1,640
Total cash used		11,217	6,511
Net cash from or (used by) investing activities		(11,151)	(6,421)
FINANCING ACTIVITIES			
Cash received			
Appropriations - capital injections		-	39
Total cash received		-	39
Cash used			
Appropriations - return of capital		-	-
Total cash used		-	-
Net cash from or (used by) financing activities		-	39
Net increase or (decrease) in cash held		(450)	370
Cash at the beginning of the reporting period		1,457	1,087
Cash at the end of the reporting period	5A	1,007	1,457

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

Financial statements

**DEPARTMENT OF PARLIAMENTARY SERVICES
SCHEDULE OF COMMITMENTS
as at 30 June 2008**

	2008 \$'000	2007 \$'000
BY TYPE		
Commitments receivable		
Sublease rental income	(144)	(260)
GST recoverable on commitments	<u>(5,920)</u>	<u>(2,455)</u>
Total Commitments Receivable	<u>(6,064)</u>	<u>(2,715)</u>
Capital commitments		
Infrastructure, plant and equipment ¹	251	366
Intangibles	198	234
Total capital commitments	<u>449</u>	<u>600</u>
Other commitments		
Operating leases ²	245	366
Other commitments ³	<u>64,426</u>	<u>26,038</u>
Total other commitments	<u>64,671</u>	<u>26,404</u>
Net commitments by type	<u>59,056</u>	<u>24,289</u>
BY MATURITY		
Commitments receivable		
Operating lease income		
One year or less	(108)	(116)
From one to five years	(36)	(144)
Over five years	-	-
Total operating lease income	<u>(144)</u>	<u>(260)</u>
Other commitments receivable		
One year or less	(2,274)	(1,173)
From one to five years	(3,646)	(1,282)
Over five years	-	-
Total other commitments receivable	<u>(5,920)</u>	<u>(2,455)</u>
Commitments payable		
Capital commitments		
One year or less	449	600
From one to five years	-	-
Over five years	-	-
Total capital commitments	<u>449</u>	<u>600</u>
Operating lease commitments		
One year or less	141	333
From one to five years	104	33
Over five years	-	-
Total operating lease commitments	<u>245</u>	<u>366</u>
Other Commitments		
One year or less	24,423	11,972
From one to five years	40,003	14,066
Over five years	-	-
Total other commitments	<u>64,426</u>	<u>26,038</u>
Net commitments by maturity	<u>59,056</u>	<u>24,289</u>

NB: Commitments are GST inclusive where relevant.

1 Infrastructure, plant and equipment commitments are primarily for purchase of equipment and services for IT system assets and furniture and fittings.

2 Operating leases included are effectively non-cancellable and comprise agreements for the provision of motor vehicles.

<i>Nature of lease</i>	<i>General description of leasing arrangement</i>
Motor vehicles	No contingent rentals exist. There are no renewal or purchase options available to DPS.

3 Other commitments are comprised of long term contracts in force as at 30 June 2008, where total consideration is greater than \$100,000, and outstanding purchase orders at 30 June 2008, where the goods and services were ordered but not received by 30 June 2008.

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

Financial statements

DEPARTMENT OF PARLIAMENTARY SERVICES
SCHEDULE OF CONTINGENCIES
as at 30 June 2008

Contingent Assets	Guarantees		Indemnities		Claims for damages or costs		TOTAL
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	
Balance from previous period	-	-	-	-	-	-	-
New	-	-	-	-	-	-	-
Re-measurement	-	-	-	-	-	-	-
Assets crystallised	-	-	-	-	-	-	-
Expired	-	-	-	-	-	-	-
Total Contingent Assets	-	-	-	-	-	-	-

Contingent Liabilities	Guarantees		Indemnities		Claims for damages or costs		TOTAL
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	
Balance from previous period	-	-	-	-	-	-	-
New	-	-	-	-	-	-	-
Re-measurement	-	-	-	-	-	-	-
Liabilities crystallised	-	-	-	-	-	-	-
Obligations expired	-	-	-	-	-	-	-
Total Contingent Liabilities	-	-	-	-	-	-	-
Net Contingent Assets (Liabilities)	-	-	-	-	-	-	-

Details of each class of contingent liabilities and contingent assets, including those not included above because they cannot be quantified, are disclosed in Note 10: Contingent Liabilities and Assets.

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

Financial statements

**DEPARTMENT OF PARLIAMENTARY SERVICES
SCHEDULE OF ADMINISTERED ITEMS**

	Notes	2008 \$'000	2007 \$'000
Income administered on behalf of government			
<i>for the period ended 30 June 2008</i>			
Revenue			
Other	15	1,180	11
<i>Total revenue administered on behalf of government</i>		1,180	11
Expenses administered on behalf of government			
Depreciation and amortisation	16	18,328	49,262
Write-down and impairment of assets		7	34
Value of assets sold		6	-
<i>Total expenses administered on behalf of government</i>		18,341	49,296
Assets administered on behalf of government			
<i>as at 30 June 2008</i>			
Financial assets			
Receivables	17A	43	77
<i>Total financial assets</i>		43	77
Non-financial assets			
Land and buildings	17B	1,635,978	1,648,158
Infrastructure, plant and equipment	17B	5,984	5,334
Heritage and cultural assets	17B	72,175	58,909
<i>Total non-financial assets</i>		1,714,137	1,712,401
Total assets administered on behalf of government		1,714,180	1,712,478
Liabilities administered on behalf of government			
<i>as at 30 June 2008</i>			
Payables			
Suppliers	18	174	3
Total liabilities administered on behalf of government		174	3

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

Financial statements
DEPARTMENT OF PARLIAMENTARY SERVICES
SCHEDULE OF ADMINISTERED ITEMS (continued)

	2008 \$'000	2007 \$'000
Administered cash flows		
for the period ended 30 June 2008		
OPERATING ACTIVITIES		
Cash received		
Net GST received from the ATO	628	433
GST received from customers	1	-
Other revenue	7	8
Other receipts	-	3
Total cash received	636	444
Cash used		
GST paid to suppliers	(578)	(432)
Cash returned to Appropriation for:		
- GST returned	(628)	(354)
- Other	(1)	(3)
Cash to Official Public Account for:		
- GST returned	-	(79)
- Other	(9)	(8)
Total cash used	(1,216)	(876)
Net cash from or (used by) operating activities	(580)	(432)
INVESTING ACTIVITIES		
Cash received		
Proceeds from sales of property, plant and equipment	1	-
Total cash received	1	-
Cash used		
Purchase of property, plant and equipment	(5,894)	(4,319)
Total cash used	(5,894)	(4,319)
Net cash from or (used by) investing activities	(5,893)	(4,319)
FINANCING ACTIVITIES		
Cash received		
Assets and Liability Appropriation	6,473	4,751
Cash from Official Public Account for:		
- Appropriations	-	-
- GST Annotations Appropriation under S 30A	-	-
Total cash received	6,473	4,751
Cash used		
Purchase of property, plant and equipment	-	-
Total cash used	-	-
Net cash from or (used by) financing activities	6,473	4,751
Net increase or (decrease) in cash held	-	-
Cash at the beginning of the reporting period	-	-
Cash at the end of the reporting period	-	-

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

Financial statements

DEPARTMENT OF PARLIAMENTARY SERVICES
SCHEDULE OF ADMINISTERED ITEMS (continued)

	2008 \$'000	2007 \$'000
Administered commitments		
as at 30 June 2008		
BY TYPE		
Commitments receivable		
Other commitments receivable		
GST recoverable on commitments		(305)
<i>Total commitments receivable</i>	(95)	(305)
Commitments payable		
Capital commitments		
Infrastructure, plant and equipment	1,042	3,359
<i>Total capital commitments</i>	1,042	3,359
Net commitments by type	947	3,054
BY MATURITY		
Commitments receivable		
Other commitments receivable		
One year or less	(95)	(305)
From one to five years	-	-
Over five years	-	-
<i>Total other commitments receivable</i>	(95)	(305)
Commitments payable		
Capital commitments		
One year or less	1,042	3,359
From one to five years	-	-
Over five years	-	-
<i>Total capital commitments</i>	1,042	3,359
Net commitments by maturity	947	3,054

NB: Commitments are GST inclusive where relevant.

Administered contingencies

as at 30 June 2008

There were no contingencies or remote or unquantifiable contingencies at balance date.

Statement of activities administered on behalf of the Australian Government

The major administered activities of the Department of Parliamentary Services are directed towards achieving the outcome described in Note 1 to the Financial Statements. Details of planned activities can be found in the Agency Portfolio Budget Statements for 2007-08.

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

DEPARTMENT OF PARLIAMENTARY SERVICES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the financial year ended 30 June 2008

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Financial statements

Notes to and forming part of the Financial Statements

Note 1 Summary of Significant Accounting Policies

1.1 Objectives of the Department of Parliamentary Services (DPS)

DPS is an Australian Parliamentary Service organisation. The objective of DPS is to serve the Australian people by supporting the Parliament and caring for Parliament House.

DPS is structured to meet one outcome. This outcome is:

Occupants of Parliament House are supported by integrated services and facilities, Parliament functions effectively and its work and building are accessible to the public.

DPS'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 DPS in its own right. Administered activities involve the management or oversight by DPS, on behalf of the Government, of items controlled or incurred by the Government.

The department's outcome is measured by the following outputs:

OUTPUT 1 – Library services

An effective knowledge centre for the Parliament through the provision of information, analysis and advice.

- 1.1 Research services.
- 1.2 Information access services.

OUTPUT 2 – Building and occupant services

An efficiently functioning, safe and secure environment for Senators, Members, other building occupants and visitors.

- 2.1 Security services.
- 2.2 Facilities services.

OUTPUT 3 – Infrastructure services

Integrated services and facilities through the provision of maintenance, infrastructure and support services.

- 3.1 Building infrastructure services.
- 3.2 IT infrastructure services.

OUTPUT 4 – Parliamentary records services

Access to the work of the Parliament through the provision of audio-visual and Hansard records of proceedings of Parliament.

- 4.1 Broadcasting services.
- 4.2 Hansard services.

The Administered item

WORKS PROGRAM—Support for the operation of Parliament into the future, while at the same time preserving the design integrity of the architecture, engineering systems, art and landscape that make up Parliament House.

The continued existence of DPS in its present form and with its present programs is dependent on Government policy and on continued appropriations by Parliament for DPS administration and programs.

Financial statements

Notes to and forming part of the Financial Statements

1.2 Basis of Preparation of the Financial Report

The Financial Statements and notes 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;
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**) 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 disclosure of the full amount is specifically required.

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 to DPS or a future sacrifice of economic benefit will be required and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under agreements that are equally proportionately unperformed are not recognised unless required by an Accounting Standard. Liabilities and assets that are unrealised are reported in the Schedule of Commitments and the Schedule of Contingencies.

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.

Administered revenues, expenses, assets and 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 1.21.

1.3 Significant Accounting Judgements and Estimates

In the process of applying the accounting policies listed in this note, DPS has made the following judgements that have the most significant impact on the amounts recorded in the financial statements:

- The fair value of land and buildings has been taken to be the market value subject to restricted use clause as determined by an independent valuer. Parliament House is purpose-built and may in fact realise more or less in the market.

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next accounting period.

Financial statements

Notes to and forming part of the Financial Statements

1.4 Statement of Compliance

Adoption of new Australian Accounting Standard requirements

No accounting standard has been adopted earlier than the application date as stated in the standard. The following new standard is applicable to the current reporting year:

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 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 & AASB 1038]. These changes have no financial impact but will affect the disclosure presented in future financial reports.

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

2007-4 Amendments to Australian Accounting Standards arising from ED 151 and Other Amendments and Erratum: Proportionate Consolidation

2007-7 Amendments to Australian Accounting Standards

UIG Interpretation 11 AASB 2 – Group and Treasury Share Transactions and 2007-1 Amendments to Australian Accounting Standards arising from AASB Interpretation 11

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 Interpretation 12 Service Concession Arrangements and 2007-2 Amendments to Australian Accounting Standards arising from AASB Interpretation 12

AASB 8 Operating Segments and 2007-3 Amendments to Australian Accounting Standards arising from AASB 8

2007-6 Amendments to Australian Accounting Standards arising from AASB 123

AASB Interpretation 13 Customer Loyalty Programmes

AASB Interpretation 14 AASB 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

Other

The following standards and interpretations have been issued but are not applicable to the operations of DPS.

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

Notes to and forming part of the Financial Statements

1.5 Revenue

Revenue from Government

Amounts appropriated for departmental outputs for the year (adjusted for any formal additions or reductions) are recognised as revenue when DPS gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned.

Appropriations receivable are recognised at their nominal amounts.

Resources Received Free of Charge

Resources 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.

Resources received free of charge are recorded as either revenue or gains depending on their nature ie if they have been generated in the course of the ordinary activities of DPS, they are treated as revenue.

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 DPS.

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 of the transaction will flow to DPS.

Revenue from sale of goods and rendering of services is shown at Note 3B as being received from either related entities or external parties. Related entities are Entities which form part of the Australian Government or which the Australian Government controls.

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 nominal amounts due less any allowance for impairment. Collectability of debts is reviewed at balance date. Allowance is made when the collectability of the debt is no longer probable.

1.6 Gains

Other Resources Received Free of Charge

Resources received free of charge are recognised as gains 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 gains at their fair value when the asset qualifies for recognition, unless

Financial statements

Notes to and forming part of the Financial Statements

received from another Government Agency or Authority as a consequence of a restructuring of administrative arrangements (Refer to Note 1.7).

Resources received free of charge are recorded as either revenue or gains depending on their nature.

Sale of Assets

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 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 they are in the nature of a dividend.

1.8 Employee Benefits

Liabilities for services rendered by employees are recognised at 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 12 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 DPS is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration 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 was calculated using the shorthand method provided by the Australian Government Actuary. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Separation and Redundancy

Provision is made for separation and redundancy payments in circumstances where DPS has made an offer of Voluntary Redundancy which has been accepted by a staff member and a reliable estimate of the total amount of the payment can be determined.

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Notes to and forming part of the Financial Statements

Superannuation

DPS staff are members of the Commonwealth Superannuation Scheme (**CSS**), the Public Sector Superannuation Scheme (**PSS**) or the 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 defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported by the Department of Finance and Deregulation as an administered item.

DPS 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 DPS's employees. DPS accounts for the contribution as if they were contributions to defined contribution plans.

From 1 July 2005, new employees were eligible to join the PSSap scheme.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final pay accrual of the reporting period, plus the anticipated superannuation contributions when staff take recreation and long service leave.

1.9 Leases

A distinction is made between finance leases and operating leases. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased non-current assets. An operating lease is a lease which is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract, and a liability recognised at the same time and for the same amount.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

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

1.10 Borrowing Costs

All borrowing costs are expensed as incurred.

1.11 Cash

Cash means notes and coins held and the balances of DPS's bank accounts. Cash is recognised at its nominal amount.

1.12 Financial Assets

DPS classifies its financial assets in the following categories:

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

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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".

Financial assets at fair value through profit or loss

Financial assets are classified as financial assets at fair value through profit or loss where the financial assets:

- have been acquired principally for the purpose of selling in the near future;
- are a part of an identified portfolio of financial instruments that the agency manages together and has a recent actual pattern of short-term profit-taking; or
- are derivatives that are not designated and effective as a hedging instrument.

Assets in this category are classified as current assets.

Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest earned on the financial asset. DPS has no such instruments.

Available-for-Sale Financial Assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the asset within 12 months of the balance sheet date.

Available-for-sale financial assets are recorded at fair value. Gains and losses arising from changes in fair value are recognised directly in the reserves (equity) with the exception of impairment losses. Interest is calculated using the effective interest method and foreign exchange gains and losses on monetary assets are recognised directly in profit or loss. Where the asset is disposed of or is determined to be impaired, part (or all) of the cumulative gain or loss previously recognised in the reserve is included in profit for the period.

Where a reliable fair value cannot be established for unlisted investments in equity instruments, cost is used. DPS has no such instruments.

Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis. DPS has no such investments.

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

Financial statements

Notes to and forming part of the Financial Statements

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.

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.

1.13 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".

Financial liabilities at fair value through profit and 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.

Financial statements

Notes to and forming part of the Financial Statements

Supplier and Other Payables

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods and services have been received (and irrespective of having been invoiced).

The supply of goods and rendering of services is shown at Note 4B as being provided by either related entities or external parties. Related entities are Entities which form part of the Australian Government or which the Australian Government controls.

1.14 Contingent Liabilities and Contingent Assets

Contingent Liabilities and Contingent Assets are not recognised in the Balance Sheet but are reported 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 the amount cannot be reliably measured. Remote contingencies are part of this disclosure. Contingent Assets are reported when settlement is probable, and Contingent Liabilities are recognised when settlement is greater than remote.

1.15 Financial Guarantee Contracts

Financial guarantee contracts are accounted for in accordance with AASB 139. They are not treated as a contingent liability, as they are regarded as financial instruments outside the scope of AASB 137.

1.16 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 restructuring administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor agency's accounts immediately prior to the restructuring.

1.17 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 \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total, or add to system assets).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Definition of Assets

In these statements, except for office equipment, technical equipment and furniture which are recorded as individual items, a reportable asset is a functional system in which component parts do not retain a separate identity and are not expected to be used by DPS after the asset is disposed of.

All non-current depreciable assets are recognised in the financial statements if they belong to a class of assets which is represented by:

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

- complete functional systems valued at cost or independent valuation;
- work in progress valued at cost;
- individual items at cost of acquisition or valuation of at least \$2,000; or
- a group of individual items.

DPS identifies and records all assets individually for fraud control and management purposes.

All monographs added to the Library Collection are capitalised regardless of their individual value as they are regarded as part of a group of similar items significant in total.

Revaluations

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

Asset class	Fair value measured at:
Land	Market selling price subject to restricted use clause
Buildings	Depreciated replacement cost
Information Technology Assets	Market selling price or depreciated replacement cost
Communication Assets	Market selling price or depreciated replacement cost
Monitoring Assets	Market selling price or depreciated replacement cost
Furniture and Equipment	Market selling price or depreciated replacement cost
Library Collection	Market selling price or depreciated replacement cost
Security Infrastructure	Depreciated replacement cost
Heritage and Cultural Assets	Market selling price

Following initial recognition at cost, property, plant and equipment and heritage and cultural assets are carried at fair value less accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from 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.

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.

Work-in-progress

If, at 30 June 2008, an asset is not fully constructed, the expenditure will be disclosed separately as "work in progress". Depreciation will not be set until the project has been completed to a stage where it can provide a service to DPS.

Financial statements

Notes to and forming part of the Financial Statements

Depreciation and Amortisation

An asset is depreciated from the time it is first put into or held ready for use. When an asset is a complex structure made up of interdependent substructures which require installation at successive stages, it is considered as being ready for use only after installation has been completed to a stage where it can provide a service to DPS.

Depreciable property, plant and equipment assets are written off to their estimated residual values over their estimated useful life to DPS. Depreciation is calculated using either the straight-line method which is consistent with the pattern of usage or the diminishing value method which is consistent with the market selling price.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current or current and future reporting periods as appropriate.

Heritage and Cultural assets are not depreciated. At the time of the 2004-05 revaluation, depreciation on heritage and cultural assets was calculated at 1.03% of the total value which is not material.

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

	2008	2007
Building	20 to 200 years	20 to 200 years
IT Assets	2 to 20 years	2 to 20 years
Communication Assets	4 to 25 years	4 to 25 years
Monitoring Assets	3 to 20 years	3 to 20 years
Furniture and Equipment	2 to 50 years	2 to 50 years
Library Collection	3 to 30 years	3 to 30 years
Security Infrastructure	3 to 25 years	3 to 25 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 on the asset's ability to generate future cash flows, and the asset would be replaced if DPS were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

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

1.18 Intangibles

Intangibles comprise purchased and internally-developed software for internal use and capital works-in-progress. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life. The useful life of DPS's software is between 3 to 10 years (2006-07: 3 to 10 years). Capital works-in-progress are not depreciated.

All software assets were assessed for indications of impairment as at 30 June 2008, no indications of impairment were found.

Notes to and forming part of the Financial Statements

1.19 Inventories

The Parliament Shop inventories are held for resale and are valued at the lower of cost or net realisable value. Costs are assigned to stock on a first-in-first-out basis.

1.20 Taxation

DPS 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.

1.21 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 reported 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 and assets respectively. Similarly, administered receipts transferred or transferable to the OPA are not reported as administered expenses or payables. These transactions and 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 19.

Financial statements

Notes to and forming part of the Financial Statements

Note 2 Events after the Balance Sheet date

No significant events have impacted on DPS's operations after balance date.

	2008 \$'000	2007 \$'000
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Note 3 Income

Revenue

Note 3A Revenue from Government

Appropriation:

Departmental outputs	116,249	114,860
Total revenue from Government	116,249	114,860

Note 3B Sale of goods and rendering of services

Provision of goods - related entities	17	6
Provision of goods - external parties	1,189	1,300
Rendering of services - related entities	3,321	3,013
Rendering of services - external parties	1,085	831
Total sale of goods and rendering of services	5,612	5,150

Note 3C Rental income

Parliament House space	1,210	1,160
Total rental income	1,210	1,160

Note 3D Other revenue

Other	8	138
Total other revenue	8	138

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

	2008	2007
	\$'000	\$'000
Gains		
Note 3E Sale of assets		
Information technology assets:		
Proceeds from sale	-	35
Carrying value of assets sold	-	(33)
Selling expense	-	(2)
<i>Net gain from sale of information technology assets</i>	<u>-</u>	<u>-</u>
Furniture and equipment assets:		
Proceeds from sale	-	55
Carrying value of assets sold	-	(17)
Selling expense	-	(5)
<i>Net gain from sale of furniture and equipment assets</i>	<u>-</u>	<u>33</u>
Total net gain from sale of assets	<u>-</u>	<u>33</u>
Note 3F Reversals of previous asset write-downs		
Asset revaluation increment	<u>-</u>	<u>135</u>
Total reversals of previous asset write-downs	<u>-</u>	<u>135</u>
Note 3G Other gains		
Resources received free of charge	179	162
Other	1	3
Total other gains	180	165

Financial statements

Notes to and forming part of the Financial Statements

	2008 \$'000	2007 \$'000
Note 4 Expenses		
Note 4A Employee benefits		
Wages and salaries	48,242	45,714
Superannuation:		
Defined contribution plans	1,402	570
Defined benefits plans	7,468	6,841
Leave and other entitlements	5,965	6,323
Separation and redundancies	1,487	2,574
Other	396	266
Total employee benefits	64,960	62,288
Note 4B Suppliers		
Provision of goods - related entities	14	-
Provision of goods - external parties	4,971	5,415
Rendering of services - related entities	11,282	17,535
Rendering of services - external parties	24,059	15,972
Operating lease rentals:		
Minimum lease payments	40	985
Workers' compensation premiums	643	849
Total supplier expenses	41,009	40,756
Note 4C Depreciation and amortisation		
Depreciation:		
Property, plant and equipment	8,873	11,036
Total depreciation	8,873	11,036
Amortisation:		
Intangibles-Computer software	3,451	3,894
Leased assets	-	51
Total amortisation	3,451	3,945
Total depreciation and amortisation	12,324	14,981

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

	2008	2007
	\$'000	\$'000

Note 4C Depreciation and amortisation (cont)

The aggregate amounts of depreciation or amortisation expensed during the reporting period for each class of depreciable asset are as follows:

Information technology assets	2,089	1,906
Communication assets	2,743	4,124
Monitoring assets	120	114
Furniture and equipment	717	640
Library collection	580	567
Security infrastructure	2,624	3,736
Intangibles-Computer software	3,451	3,894
Total depreciation and amortisation	12,324	14,981

Note 4D Finance costs

Finance leases	-	1
Total finance costs	-	1

Note 4E Write-down and impairment of assets

Plant and equipment write-down	76	103
Intangibles-Computer software write-down	-	7
Total write-down and impairment of assets	76	110

Note 4F Losses from assets sales

Furniture and equipment:		
Proceeds from sale	(24)	-
Carrying value of assets sold	88	-
Selling expenses	7	-
Monitoring assets:		
Proceeds from sale	(1)	-
Carrying value of assets sold	2	-
Communication assets:		
Proceeds from sale	(1)	-
Carrying value of assets sold	15	-
Information technology assets:		
Proceeds from sale	(36)	-
Carrying value of assets sold	56	-
Selling expenses	11	-
Security assets:		
Proceeds from sale	(2)	-
Carrying value of assets sold	27	-
Selling expenses	1	-
Total losses from assets sales	143	-

Financial statements

Notes to and forming part of the Financial Statements

	2008 \$'000	2007 \$'000
Note 5 Financial Assets		
<u>Note 5A Cash and cash equivalents</u>		
Cash on hand	4	4
Deposits	<u>1,003</u>	<u>1,453</u>
Total cash and cash equivalents	<u>1,007</u>	<u>1,457</u>
<u>Note 5B Trade and other receivables</u>		
Goods and services	1,013	1,165
Appropriations receivable for existing outputs	<u>64,713</u>	<u>55,693</u>
GST receivable from the Australian Taxation Office	<u>682</u>	<u>716</u>
Total trade and other receivables (gross)	<u>66,408</u>	<u>57,574</u>
Less impairment allowance:		
Goods and services	<u>(2)</u>	<u>(10)</u>
Total trade and other receivables (net)	<u>66,406</u>	<u>57,564</u>
All receivables are current assets		
Receivables are aged as follows:		
Not overdue	66,289	57,530
Overdue by:		
less than 30 days	113	8
30 days to 60 days	-	35
61 days to 90 days	1	-
More than 90 days	<u>5</u>	<u>1</u>
Total receivables (gross)	<u>66,408</u>	<u>57,574</u>
The impairment allowance is aged as follows:		
Overdue by:		
More than 90 days	<u>(2)</u>	<u>(10)</u>
Total impairment allowance	<u>(2)</u>	<u>(10)</u>
Reconciliation of the impairment allowance		
Movement table		
	Goods and services	Goods and services
Opening balance	<u>(10)</u>	<u>(10)</u>
Amounts written off	<u>8</u>	<u>-</u>
Closing balance	<u>(2)</u>	<u>(10)</u>

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

	2008 \$'000	2007 \$'000
Note 6 Non-Financial Assets		
Note 6A Property, plant and equipment		
Information technology assets		
Gross carrying value (at fair value)	23,243	23,366
Accumulated depreciation	(17,604)	(17,047)
Total information technology assets	<u>5,639</u>	<u>6,319</u>
Communication assets		
Gross carrying value (at fair value)	86,335	73,667
Accumulated depreciation	(69,016)	(59,604)
Total communication assets	<u>17,319</u>	<u>14,063</u>
Monitoring assets		
Gross carrying value (at fair value)	4,601	3,759
Accumulated depreciation	(3,508)	(3,066)
Total monitoring assets	<u>1,093</u>	<u>693</u>
Furniture and equipment		
Gross carrying value (at fair value)	11,257	11,556
Accumulated depreciation	(9,023)	(9,166)
Total furniture and equipment	<u>2,234</u>	<u>2,390</u>
Library collection		
Gross carrying value (at fair value)	7,991	7,554
Accumulated depreciation	(3,270)	(2,732)
Total Library collection	<u>4,721</u>	<u>4,822</u>
Security infrastructure		
Gross carrying value (at fair value)	73,590	62,690
Accumulated depreciation	(59,636)	(50,465)
Total security infrastructure	<u>13,954</u>	<u>12,225</u>
Total property, plant and equipment (non-current)	<u>44,960</u>	<u>40,512</u>

All revaluations are conducted in accordance with the revaluation policy stated at Note 1. In 2007-08, an independent valuer A.F. Graham Certified Practising Valuer, Australian Valuation Office conducted the revaluation as at 30 June 2008.

Revaluation increment of \$4,328,307 for Communication assets, \$34,245 for Monitoring assets and \$3,761,980 for Security assets (2007 increment: \$31,951 for Furniture and Equipment) was made to the Asset Revaluation Reserve. No amounts were recognised as a revaluation gain representing the reversal of a previous revaluation decrement that was expensed (2007 revaluation gain \$135,193).

No indicators of impairment were found for property, plant and equipment.

Financial statements**Notes to and forming part of the Financial Statements****Note 6B Analysis of property, plant and equipment****TABLE A—Reconciliation of the opening and closing balances of property, plant and equipment (including Library Collection) 2007-08**

Item	Information Technology assets \$'000	Communication assets \$'000	Monitoring Assets \$'000	Furniture and equipment \$'000	Library collection \$'000	Security assets \$'000	Total \$'000
As at 1 July 2007							
Gross book value	23,366	73,667	3,759	11,556	7,554	62,690	182,592
Accumulated depreciation/amortisation	(17,047)	(59,604)	(3,066)	(9,166)	(2,732)	(50,465)	(142,080)
Net book value 1 July 2007	6,319	14,063	693	2,390	4,822	12,225	40,512
Additions							
by purchase							
Revaluations and impairments through equity	1,413	1,775	453	651	542	626	5,460
Reclassification	-	4,329	34	-	-	3,762	8,125
Depreciation/amortisation	53	(90)	35	2	-	-	-
Disposals:							
Value of assets sold	(2,089)	(2,743)	(120)	(717)	(580)	(2,624)	(8,873)
Net book value 30 June 2008	5,639	(57)	(15)	(2)	(92)	(63)	(264)
Net book value as of 30 June 2008	17,319	1,093	2,234	4,721	13,954	44,960	
Represented by:							
Gross book value	23,243	86,335	4,601	11,257	7,991	73,590	207,017
Accumulated depreciation/amortisation	(17,604)	(69,016)	(3,508)	(9,023)	(3,270)	(59,636)	(162,057)
	5,639	17,319	1,093	2,234	4,721	13,954	44,960

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

Note 6B (continued). Analysis of property, plant and equipment

TABLE A—Reconciliation of the opening and closing balances of property, plant and equipment (including Library Collection) 2006-07

Item	Information Technology assets \$'000	Communication assets \$'000	Monitoring Assets \$'000	Furniture and equipment \$'000	Library collection \$'000	Security assets \$'000	Total \$'000
As at 1 July 2006							
Gross book value	22,413	73,138	3,674	9,122	7,360	64,799	180,506
Accumulated depreciation/amortisation	(16,115)	(55,705)	(3,044)	(6,703)	(2,431)	(49,731)	(133,729)
Net book value 1 July 2006	6,298	17,433	630	2,419	4,929	15,068	46,777
Additions							
by purchase	1,962	762	178	465	546	894	4,807
Revaluations and impairments through equity	-			167			167
Reclassification	²			(2)			-
Depreciation/amortisation	(1,906)	(4,124)	(114)	(640)	(567)	(3,736)	(11,087)
Disposals:							-
Value of assets sold	(37)	(8)	(1)	(19)	(86)	(1)	(152)
Net book value 30 June 2007	6,319	14,063	693	2,390	4,822	12,225	40,512
Net book value as of 30 June 2007 represented by:							
Gross book value	23,366	73,667	3,759	11,556	7,554	62,690	182,592
Accumulated depreciation/amortisation	(17,047)	(59,604)	(3,066)	(9,166)	(2,732)	(50,465)	(142,080)
	6,319	14,063	693	2,390	4,822	12,225	40,512

Financial statements

Notes to and forming part of the Financial Statements

Note 6B (continued) Analysis of Property, Plant and Equipment

TABLE B — Property, plant and equipment—work in progress 2007-08

Item	Property, Plant and Equipment \$'000
Carrying amount as at 30 June 2008	7,225
Carrying amount as at 30 June 2007	2,951

TABLE B — Property, plant and equipment—work in progress 2006-07

Item	Property, Plant and Equipment \$'000
Carrying amount as at 30 June 2007	2,951
Carrying amount as at 30 June 2006	3,105

	2008 \$'000	2007 \$'000
Note 6C Intangibles		
Computer software at cost:		
Purchased—in progress	2,833	2,473
Internally developed—in use	6,875	6,849
Purchased—in use	25,102	19,554
Total Computer Software	34,810	28,876
Accumulated amortisation	(23,841)	(20,391)
Total intangibles (non-current)	10,969	8,485

No indicators of impairment were found for intangible assets.

Financial statements**Notes to and forming part of the Financial Statements****TABLE C - Reconciliation of the opening and closing balances of intangibles
(2007-08)**

Item	Computer software internally developed \$'000	Computer software purchased \$'000	Total \$'000
As at 1 July 2007			
Gross book value	6,849	22,027	28,876
Accumulated amortisation	(5,609)	(14,782)	(20,391)
Net book value 1 July 2007	1,240	7,245	8,485
Additions	26	5,909	5,935
Amortisation expense	(740)	(2,711)	(3,451)
Disposals	-	-	-
Net book value 30 June 2008	526	10,443	10,969
Net book value as at 30 June 2008 represented by:			
Gross book value	6,875	27,935	34,810
Accumulated amortisation	(6,349)	(17,492)	(23,841)
	526	10,443	10,969

**TABLE C - Reconciliation of the opening and closing balances of intangibles
(2006-07)**

Item	Computer software internally developed \$'000	Computer software purchased \$'000	Total \$'000
As at 1 July 2006			
Gross book value	6,614	21,553	28,167
Accumulated amortisation	(4,587)	(12,834)	(17,421)
Net book value 1 July 2006	2,027	8,719	10,746
Additions	235	1,405	1,640
Amortisation expense	(1,022)	(2,872)	(3,894)
Disposals	-	(7)	(7)
Net book value 30 June 2007	1,240	7,245	8,485
Net book value as at 30 June 2007 represented by:			
Gross book value	6,849	22,027	28,876
Accumulated amortisation	(5,609)	(14,782)	(20,391)
	1,240	7,245	8,485

Financial statements

Notes to and forming part of the Financial Statements

	2008 \$'000	2007 \$'000
<u>Note 6D Inventories</u>		
Inventories held for sale—The Parliament Shop	236	233
Total inventories (current)	236	233

During 2007-08 \$549,702 of inventory held for sale was recognised as an expense (2006-07: \$643,344).

Note 6E Other non-financial assets

Prepayments	863	1,247
Total other non-financial assets (current)	863	1,247

No indicators of impairment were found for other non-financial assets.

Note 7 Payables

Note 7A Suppliers

Trade creditors	450	486
Accrued expenses	2,310	1,951
Total supplier payables (current)	2,760	2,437

Note 7B Other payables

Unearned income	3	55
Total other payables (current)	3	55

Settlement is usually made net 30 days

Note 8 Provisions

Employee provisions

Salaries and wages	746	357
Leave and other entitlements	16,171	15,138
Superannuation	1,420	878
Separations and redundancies	172	204
Other	20	26
Total employee provisions	18,529	16,603

Employee provisions are represented by:

Current	16,826	14,730
Non-current	1,703	1,873
Total employee provisions	18,529	16,603

The classification of current employee provisions 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 \$15,247,184 (2007: \$13,308,629), and in excess of one year \$3,281,427 (2007: \$3,293,900)

Financial statements**Notes to and forming part of the Financial Statements****Note 9 Cash Flow Reconciliation**

	2008 \$'000	2007 \$'000
Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement		
Report cash and cash equivalents as per:		
Cash Flow Statement	1,007	1,457
Balance Sheet	1,007	1,457
Difference	-	-
Reconciliation of operating result to net cash from operating activities:		
Operating result	4,747	3,505
Depreciation/amortisation	12,324	14,981
Net write down of non-financial assets	76	110
(Gain) / Loss on disposal of assets	143	(33)
(Gain) / Loss on revaluation	-	(135)
(Gain) / Loss on asset stocktake	-	(3)
(Gain) / Loss on foreign currency exchange	(1)	-
(Increase) / decrease in net receivables	(9,020)	(10,472)
(Increase) / decrease in inventories	(3)	(24)
(Increase) / decrease in prepayments	385	(254)
(Increase) / decrease in GST receivable	34	(208)
Increase / (decrease) in employee provisions	1,926	(178)
Increase / (decrease) in supplier payables	142	(394)
Increase / (decrease) in other provisions and payables	(52)	(143)
Net cash from / (used by) operating activities	10,701	6,752

Note 10 Contingent Liabilities and Assets*Quantifiable Contingencies*

As at 30 June 2008 DPS had no quantifiable contingencies.

Unquantifiable Contingencies

As at 30 June 2008 DPS had no unquantifiable contingencies.

Remote Contingencies

As at 30 June 2008 DPS had no remote contingencies.

Financial statements

Notes to and forming part of the Financial Statements

	2008	2007
Note 11 Senior Executive Remuneration		
The number of senior executives who received or were due to receive total remuneration of \$130,000 or more:		
\$145,000 to \$159,999	-	2
\$160,000 to \$174,999	-	3
\$175,000 to \$189,999	2	2
\$190,000 to \$204,999	7	2
\$205,000 to \$219,999	-	1
\$250,000 to \$264,999	1	1
\$310,000 to \$324,999	1	-
\$370,000 to \$384,999	-	1
Total	11	12
The aggregate amount of total remuneration of executives shown above.	\$2,318,902	\$2,422,712
The aggregate amount of separation and redundancy/termination benefit payments during the year to executives shown above.	\$119,372	\$140,519

Remuneration includes, where paid, wages and salaries, accrued leave, accrued superannuation, the cost of motor vehicles, allowances and fringe benefits tax included in remuneration agreements.

Note 12 Remuneration of Auditors

Financial statement audit services are provided free of charge to DPS.

The fair value of services provided was: **\$142,000** **\$130,000**
No other services were provided by the Auditor-General.

Note 13 Average Staffing Level

The average staffing level for DPS during the year was **783** **757**

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

	2008 \$'000	2007 \$'000
Note 14 Financial Instruments		
Note 14A Categories of financial instruments		
Financial Assets		
Cash and cash equivalents	1,007	1,457
Trade receivables	1,013	1,165
Carrying amount of financial assets	2,020	2,622
Financial Liabilities		
Other Liabilities		
Trade creditors	450	486
Carrying amount of financial liabilities	450	486

There are no potential differences between the carrying value and fair value.

Note 14B Credit risk

DPS is exposed to minimal credit risk as the majority of financial assets are cash and trade receivables. The maximum exposure to credit risk is the risk that arises from potential default of a debtor. This amount is equal to the total amount of trade receivables (2008: \$1,013,467 and 2007: \$1,165,260). DPS has assessed the risk of the default on payment and has allocated \$2,000 in 2008 (2007: \$10,000) to an allowance for impairment. DPS has policies and procedures that guide debt recovery techniques that are to be applied. DPS holds no collateral to mitigate against credit risk.

The credit quality of financial instruments not past due or individually determined as impaired are:

	Not past due nor impaired			Past due or impaired	
	2008			2008	
	\$'000			\$'000	
Loans and receivables					
Cash and cash equivalents	1,007		1,457		-
Trade receivables	894		1,121	119	44
Total	1,901		2,578	119	44

Ageing of financial assets that are past due but not impaired for 2008:

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total \$'000
	\$'000	\$'000	\$'000	\$'000	
Loans and receivables					
Trade receivables	113	-	1	5	119
Total	113	-	1	5	119

Ageing of financial assets that are past due but not impaired for 2007:

Loans and receivables	8	35	-	1	44
Trade receivables	8	35	-	1	44
Total	8	35	-	1	44

Financial statements

Notes to and forming part of the Financial Statements

Note 14C Liquidity risk

The following table illustrates the maturities for financial liabilities

	On demand 2008 \$'000	Within 1 year 2008 \$'000	1 to 5 years 2008 \$'000	> 5 years 2008 \$'000	Total \$'000
2008					
Liabilities					
Trade creditors	-	450	-	-	450
Total	-	450	-	-	450
2007					
Liabilities					
Trade creditors	-	486	-	-	486
Total	-	486	-	-	486

Note 14 D Market risk

DPS holds basic financial information instruments that do not expose the department to certain market risks. DPS does not have interest-bearing liabilities and is not exposed to "currency risk" or "other price risk".

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

	2008 \$'000	2007 \$'000
Note 15 Income Administered on Behalf of Government		
Heritage and cultural assets donated to the Parliament of Australia	23	3
Proceeds on sale of assets	6	-
Assets not previously recognised	1,148	-
Other revenue	3	8
Total income administered on behalf of Government	1,180	11

Note 16 Expenses Administered on Behalf of Government

Depreciation		
Buildings	17,713	47,525
Other property, plant and equipment	615	1,737
Total depreciation	18,328	49,262
Assets written-down		
Buildings	7	34
Total value of assets written-down	7	34
Value of assets sold		
Other Property, Plant and Equipment	6	-
Total value of assets sold	6	-
Total expenses administered on behalf of Government		
	18,341	49,296

Note 17 Assets Administered on Behalf of Government**Note 17A Financial Assets**

Receivables		
GST receivable from ATO	43	77
Total financial assets administered on behalf of Government	43	77

All receivables are current

Financial statements

Notes to and forming part of the Financial Statements

	2008 \$'000	2007 \$'000
Note 17 (continued) Assets Administered on Behalf of Government		
Note 17B Non-Financial Assets		
Land and buildings		
Land		
At fair value	25,000	25,000
Total land	25,000	25,000
Buildings		
At fair value	1,607,678	1,615,688
Work in progress – at cost	3,300	7,470
Total buildings	1,610,978	1,623,158
Total land and buildings	1,635,978	1,648,158
Property, plant and equipment		
Furniture, fittings and equipment		
At fair value	2,015	918
Total furniture, fittings and equipment	2,015	918
Plant and equipment		
At fair value	3,969	4,416
Total plant and equipment	3,969	4,416
Total property, plant and equipment	5,984	5,334
Heritage and cultural assets		
At fair value	71,823	58,219
Work in progress—at cost	352	690
Total heritage and cultural assets	72,175	58,909
Total non-financial assets administered on behalf of Government	1,714,137	1,712,401
Total assets administered on behalf of Government	1,714,180	1,712,478

All formal revaluations are conducted in accordance with the revaluation policy stated at Note 1. In 2007-08, a revaluation of heritage and cultural assets as at 30 June 2008 was conducted using in-house expertise. A revaluation increment of \$12,857,521 for Heritage and cultural assets was made to the Asset revaluation reserve (2006-07 \$Nil). No indicators of impairment were found for land and buildings, and property, plant and equipment.

TABLE A Reconciliation of the opening and closing balances of land and buildings, property, plant and equipment and heritage and cultural assets (2007-08).

Item	Land and Buildings \$'000	Property and Equipment \$'000	Plant and Equipment \$'000	Heritage and Cultural Assets \$'000	Total \$'000
As at 1 July 2007					
Gross book value	1,875,206	15,972	58,909	1,950,087	
Accumulated depreciation/amortisation	(227,048)	(10,638)	-	(237,686)	
Net book value 1 July 2007	1,648,158	5,334	58,909	1,712,401	
Additions:					
By donation	-	-	1,147	-	23
Assets not previously recognised	-	106	-	-	1,147
By purchase	5,558	(25)	25	-	6,049
By transfer from WIP					
Revaluations through equity					
Depreciation/amortisation expense					
Disposals:					
By sale			(615)	-	(18,328)
By write-down			(6)	-	(6)
			(7)	-	(7)
Net book value 30 June 2008	1,635,978	5,984	72,175	1,714,137	
Net book value as of 30 June 2008 represented by:					
Gross book value	1,880,740	19,329	72,175	1,972,244	
Accumulated depreciation	(244,762)	(13,345)	-	(258,107)	
	1,635,978	5,984	72,175	1,714,137	

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

TABLE A Reconciliation of the opening and closing balances of land and buildings, property, plant and equipment and heritage and cultural assets (2006-07)

Item	Land and Buildings \$'000	Property, Plant and Equipment \$'000	Heritage and Cultural Assets \$'000	Total \$'000
As at 1 July 2006				
Gross book value	1,763,271	55,874	58,624	1,877,769
Accumulated depreciation/amortisation	(122,089)	(27,715)	n/a	(149,804)
Net book value 1 July 2006	1,641,182	28,159	58,624	1,727,965
Additions:				
By donation	-	-	3	3
By purchase	3,808	208	282	4,298
By transfer from WIP	(87)	87	-	-
Revaluations through equity	29,431	-	-	29,431
Reclassification	21,349	(21,349)	-	-
Depreciation/amortisation expense	(47,525)	(11,737)	-	(49,262)
Disposals:				
By sale	-	(34)	-	(34)
Net book value 30 June 2007	1,648,158	5,334	58,909	1,712,401
Net book value as of 30 June 2007 represented by:				
Gross book value	1,875,246	15,972	58,909	1,950,087
Accumulated depreciation	(227,048)	(10,638)	-	(237,686)
	1,648,158	5,334	58,909	1,712,401

Notes to and forming part of the Financial Statements**Note 17 (Continued)****TABLE B Assets under construction (2007-08)**

Item	Land and Buildings \$'000	Property, Plant and Equipment \$'000	Heritage and Cultural Assets \$'000	Total \$'000
Carrying amount at 1 July 2007	7,470	-	690	8,160
Carrying amount at 30 June 2008	3,300	-	352	3,652

TABLE B Assets under construction (2006-07)

Carrying amount at 1 July 2006	10,370	-	432	10,802
Carrying amount at 30 June 2007	7,470	-	690	8,160

TABLE C Assets held in trust (2007-08)¹

Item	Land and Buildings \$'000	Property, Plant and Equipment \$'000	Heritage and Cultural Assets \$'000	Total \$'000
Gross value at 1 July 2007	-	-	4,001	4,001
Revaluation			800	800
Gross value at 30 June 2008	-	-	4,801	4,801
TABLE C Assets held in trust (2006-07)¹				
Gross value at 1 July 2006	-	-	4,001	4,001
Gross value at 30 June 2007	-	-	4,001	4,001

¹Heritage and cultural assets on permanent loan to enhance the Parliament House art collection.

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Notes to and forming part of the Financial Statements

	2008 \$'000	2007 \$'000
Note 18 Liabilities Administered on Behalf of Government		
Payables		
Suppliers—trade creditors	174	3
Total Liabilities Administered on behalf of Government	174	3

All payables are current liabilities.

Note 19 Administered Reconciliation Table

Opening administered assets less administered liabilities at 1 July	1,712,475	1,727,939
Plus: Administered revenues	1,180	11
Asset Revaluations	12,858	29,431
Less: Administered expenses	(18,341)	(49,296)
Administered transfers to/from Australian Government:		
Appropriation transfers from OPA:		
Administered assets and liability appropriation	5,845	4,397
Transfers to OPA:		
Administered Receipts	(9)	(8)
Other	(2)	1
Closing administered assets less administered liabilities as at 30 June	1,714,006	1,712,475

Note 20 Financial Instruments

Note 20A Categories of financial instruments

Financial assets		
Loans and receivables		
Trade receivables	-	-
Carrying amount of financial assets:		
	-	-
Financial Liabilities		
Other Liabilities		
Payables - suppliers	174	3
Carrying amount of financial liabilities		
	174	3

There are no potential differences between the carrying value and fair value.

Financial statements**Notes to and forming part of the Financial Statements****Note 20 Financial Instruments (cont)****Note 20B Liquidity risk**

The following table illustrates the maturities for administered financial liabilities.

	On demand 2008 \$'000	Within 1 year 2008 \$'000	1 to 5 years 2008 \$'000	> 5 years 2008 \$'000	Total \$'000
2008					
Liabilities					
Payables - suppliers	-	174	-	-	174
Total	-	174	-	-	174
	On demand 2007 \$'000	Within 1 year 2007 \$'000	1 to 5 years 2007 \$'000	> 5 years 2007 \$'000	Total \$'000
2007					
Liabilities					
Payables - suppliers	-	3	-	-	3
Total	-	3	-	-	3

Note 20C Market risk

DPS holds basic financial instruments that do not expose the department to certain market risks. DPS does not have interest-bearing liabilities and is not exposed to "currency risk" or "other price risk".

Financial statements

Notes to and forming part of the Financial Statements

Note 21 Appropriations

Note 21A Acquittal of Authority to Draw Cash from the Consolidated Revenue Fund (CRF) for Ordinary Annual Services Appropriations

Particulars	Departmental Outputs	
	Outcome 1	
	2008 \$'000	2007 \$'000
Balance carried from previous year	57,150	46,285
Adjustments	(127)	(333)
Adjusted opening balance	57,023	45,952
Appropriation Parliamentary Departments Act (No.1) 2007-2008	116,317	114,860
Appropriation Parliamentary Departments Act (No.1) 2008-2009-prior year appropriation	469	-
Departmental Adjustments by the Finance Minister (Appropriation Acts)	(537)	-
Comcover receipts (Appropriation Act s12)	2	103
FMA Act:		
Refunds credited (FMA s30)	1,352	1,682
Appropriations to take account of recoverable GST (FMA s30A)	4,746	4,385
Annotations to 'net appropriations' (FMA s31)	6,492	6,193
Total appropriations available for payments	185,864	173,175
Cash payments made during the year (GST inclusive)	(120,144)	(116,025)
Balance of Authority to Draw Cash from the CRF for Ordinary Annual Services Appropriations	65,720	57,150
Represented by:		
Cash at bank and on hand	1,007	1,457
Departmental appropriations receivable	64,713	55,693
Total	65,720	57,150

Financial statements**Notes to and forming part of the Financial Statements****Note 21 Appropriations (continued)**

Note 21B: Acquittal of Authority to Draw Cash from the Consolidated Revenue Fund (CRF) for Other than Ordinary Annual Services Appropriations

Particulars	Administered Equity		Departmental Equity		Total Equity	
	Outcome 1	2008	Outcome 1	2008	2008	Outcome 1
Balance carried from previous year		\$'000		\$'000	\$'000	\$'000
Adjustments						
Adjusted opening balance	10,316		2,097	-	10,316	2,097
Appropriation Act:						
Appropriation Parliamentary Departments Act (No.1) 2007-2008	11,168		13,885	-	11,168	13,885
Departmental Adjustments by the Finance Minister (Appropriation Acts)	-		-	(127)	-	(127)
Appropriation reduced by section 8 determinations (current year)			(1,273)	-		(1,273)
FMA Act:						
Refunds credited (FMA s30)	1		3	-	1	3
Appropriations to take account of recoverable GST (FMA s30A)	627		354	-	627	354
Total appropriations available for payments	22,112		15,066	-	22,112	15,066
Cash payments made during the year (GST inclusive)	(6,473)		(4,750)	-	(6,473)	(4,750)
Balance of Authority to Draw Cash from the CRF for Ordinary Annual Services Appropriations	15,639		10,316	-	15,639	10,316
Represented by:						
Undrawn, unexpired administered appropriations	15,639		10,316	-	15,639	10,316

Financial statements

Notes to and forming part of the Financial Statements

Note 22 Special Accounts

Services for Other Governments and Non-Agency Bodies Special Account

This account was established under section 20 of the *Financial Management and Accountability Act 1997* 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*. For the period ending 30 June 2008 this special account had a \$Nil balance and there were no transactions debited or credited for the purposes of the account.

However, this special account is considered to provide the legal basis for the monies advanced by Comcare and held by DPS and the payments made against accrued sick leave entitlements. Pending determination of an employee's claim, permission is obtained in writing from each individual to allow DPS to recover the payments from the monies in the account.

Comcare Account	2008	2007
	\$'000	\$'000
<i>Legal Authority: Safety, Rehabilitation and Compensation Act 1998</i>		
<i>Purpose:</i> for the purpose of distributing compensation payments in accordance with this Act.		
This account is non-interest bearing.		
Balance carried from previous period	51	58
Receipts	320	335
Available for payments	371	393
Total debits	(311)	(342)
Balance carried to next period and represented by:		
Cash – held by DPS	60	51
Total balance carried to the next period	60	51

Financial statements**Notes to and forming part of the Financial Statements****Note 23 Compensation and Debt Relief**

Administered	2008	2007
	\$	\$
No "Act of Grace Payments" were made during the reporting period, pursuant to subsection 33(1) of the <i>Financial Management and Accountability Act 1997</i> (2007: No payments).	Nil	Nil
No waivers of an amount owing to the Commonwealth were made pursuant to subsection 34(1) of the <i>Financial Management and Accountability Act 1997</i> (2007: No waivers).	Nil	Nil
No payments were made under the "Scheme for Compensation for Detriment caused by Defective Administration" during the reporting period (2007: No payments).	Nil	Nil
No ex-gratia payments were provided for during the reporting period. (2007: No payments)	Nil	Nil
No payments were made during the reporting period under section 66 of the <i>Parliamentary Service Act 1999</i> (2007: No payments).	Nil	Nil
Departmental		
No "Act of Grace Payments" were made during the reporting period, pursuant to subsection 33(1) of the <i>Financial Management and Accountability Act 1997</i> (2007: No payments).	Nil	Nil
No waivers of an amount owing to the Commonwealth were made pursuant to subsection 34(1) of the <i>Financial Management and Accountability Act 1997</i> (2007: No waivers).	Nil	Nil
No payments were made under the "Scheme for Compensation for Detriment caused by Defective Administration" during the reporting period (2007: No payments).	Nil	Nil
No ex-gratia payments were provided for during the reporting period. (2007: No payments)	Nil	Nil
One payment was made during the reporting period under section 66 of the <i>Parliamentary Service Act 1999</i> (2007: No payments).	28,679	Nil

Financial statements

Notes to and forming part of the Financial Statements

Note 24 Reporting of Outcomes

DPS uses activity-based costing principles to attribute its shared items. Personnel costs are allocated to output groups based on the number of staff, other corporate costs are allocated on an equal share. The model also attributes the costs of providing other internal services between output groups. These are computing services, telecommunication services and accommodation services. The total of the internal cost is determined and allocated to the output groups based on numbers of staff.

Note 24A Net cost of Outcome Delivery

	Outcome 1	
	2008 \$'000	2007 \$'000
Administered expenses	18,341	49,296
Departmental expenses	118,512	118,136
Total expenses	136,853	167,432
<i>Costs recovered from provision of goods and services to the non-government sector</i>		
Administered	1,180	11
Departmental	2,274	2,131
Total costs recovered	3,454	2,142
<i>Other external revenues</i>		
Departmental		
Other	1,218	1,298
Goods and services revenue from related entities	3,338	3,019
Total other external revenues	4,556	4,317
Net cost of outcome	128,843	160,973

The outcome is described in Note 1.1. Net costs shown include intra-government costs that are eliminated in calculating the actual Budget outcome. Refer to the Outcome Resourcing Table in the Departmental Overview of this Annual Report.

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

Note 24 Reporting of Outcomes (continued)

Note 24B Major Classes of Departmental Revenue and Expenses by Outputs

Outcome 1	Output 1-Library Services		Output 2-Building & Occupant Services		Facilities	
	Output Group 1.1		Output Group 2.1			
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000		
Departmental Expenses						
Employee benefits	9,687	9,154	6,030	5,922	13,857	
Suppliers	1,251	1,291	2,886	2,846	12,767	
Depreciation and amortisation	330	305	1,264	1,245	3,204	
Other expenses	4	14	66	14	47	
Total departmental expenses	11,272	10,764	10,246	10,027	29,875	
Funded by:						
Revenues from government	10,936	10,946	9,755	9,380	29,564	
Sale of goods and services	139	124	118	106	567	
Rental income	42	39	32	30	82	
Other revenue	-	13	2	46	1	
Other gains	22	42	25	42	23	
Total departmental income	11,139	11,164	9,932	9,604	30,237	

Financial statements

Notes to and forming part of the Financial Statements

Note 24 Reporting of Outcomes (continued)

Major Classes of Departmental Revenue and Expenses by Outputs (continued)

Outcome 1	Output 3—Infrastructure Services						Output 4—Parliamentary Records Services		
	Output Group 3.1 Building Infrastructure			Output Group 3.2 IT Infrastructure		Output Group 4.1 Broadcasting		Output Group 4.2 Hansard	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	
Departmental Expenses									
Employees	10,313	10,013	8,046	7,920	4,590	4,194	7,949	7,942	2007
Suppliers	9,779	9,349	6,286	5,956	946	1,067	1,910	2,309	\$'000
Depreciation and amortisation	1,081	971	5,376	6,861	511	488	330	612	
Other expenses	37	14	34	14	4	13	9	14	
Total departmental expenses	21,210	20,347	19,742	20,751	6,051	5,762	10,198	10,877	
Funded by:									
Revenues from government	22,117	21,716	20,754	21,628	5,740	4,780	10,072	10,800	
Sale of goods and services	441	391	1,963	1,638	476	318	127	120	
Rental income	61	59	47	44	19	18	37	38	
Other revenue	-	13	-	13	-	13	-	13	
Other gains	22	42	22	42	22	42	22	42	
Total departmental income	22,641	22,223	22,786	23,365	6,252	5,171	10,258	11,013	

Financial statements**Notes to and forming part of the Financial Statements****Note 24 Reporting of Outcomes (continued)****Note 24B Major Classes of Departmental Revenue and Expenses by Outputs (continued)**

Outcome 1	Total	
	2008 \$'000	2007 \$'000
Departmental Expenses		
Employees	64,960	62,288
Suppliers	41,009	40,756
Depreciation and amortisation	12,324	14,981
Other expenses	219	111
Total departmental expenses	118,512	118,136
Funded by:		
Revenues from government	116,249	114,860
Sale of goods and services	5,612	5,150
Rental income	1,210	1,160
Other revenue	8	138
Other gains	180	333
Total departmental income	123,259	121,641

Financial statements

Notes to and forming part of the Financial Statements

Note 24 Reporting of Outcomes (continued)

Note 24C Major Classes of Administered Revenue and Expenses by Outcome

	Outcome 1	
	2008	2007
	\$'000	\$'000
Administered Revenues		
Revenue from sale of assets	6	-
Other receipts	3	8
Heritage and cultural assets donated to the Parliament of Australia	23	3
Assets not previously recognised	1,148	-
Total Administered Revenues	1,180	11
Administered expenses		
Depreciation and amortisation	18,328	49,262
Write down of assets	7	34
Value of assets sold	6	-
Total Administered Expenses	18,341	49,296

DPS's Outcome is described in Note 1.1.

Net costs shown include intra-government costs that are eliminated in calculating the Budget outcome.